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Effectiveness of Cross-functional Teams in ISO and Non-ISO Certified Companies: A Study of Indian Manufacturing Organizations

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The importance and therefore use of Cross-Functional Teams (CFTs) have increased multifold in almost all types of organizations in the last decade. New management philosophies like TQM and SCM have increased the use of CFTs in more management areas because of the integrative nature of decision requirements. The Center for Advanced Purchasing Studies (CAPS) has indicated that 80 per cent of the firms surveyed in a study to evaluate the use of cross-functional teams, used cross functional team in more decision areas and more frequently than five years back. Although the effectiveness of Cross Functional teams has been brought out by a number of research studies in this area but the level of effectiveness of CFT's in different decision areas has not been researched in depth. Current paper is an attempt in this direction. Also the individual decisions areas are grouped based on synergy using factor analysis to identify management areas in which CFTs are more effective.

ISO certifications being process oriented require organizations to have not only the right processes in place but also comprehensive documentation of the processes. Thus, the communication systems are likely to be more comprehensive in ISO certified organizations than the ones not having any such certification, and therefore, right information is available to the decision makers. Therefore, cross-functional teams have more chances to be effective in ISO certified organizations than in non – ISO certified organizations. This hypothesis needs to be tested. The present paper also aims at evaluating the differences in effectiveness of cross-functional teams in ISO and non – ISO certified organizations.

Role Stress and Ageing in the Organization- An Empirical Study Across Functions

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Role stress depends on how the role occupant feels about situations, constraints, opportunities or threats encountered during role performance. Stress and impact of

ageing thereupon are influenced by individual perception, which in turn is dependent on one's learning from the past. Since different functions in the organization offer different kinds of learning, it is hypothesized that role stress and impact of ageing thereupon would be experienced differently across the functions within the same organization.

Ten types of role stress were measured across functional groups in a public sector organization, using ORS Scale, involving 453 randomly selected executives. Statistical analysis has revealed significant differences in role stress experience and impact of ageing thereupon across the functional groups in the organization, even though *Role Erosion* is the most predominant stress across all functions. One of the important findings of the study is that role stress increases with age in R&D while it reduces with age in quality, production and miscellaneous functions.

How Start-up Success varies with Indian Culture?

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The formation and growth of new businesses is one of the areas of entrepreneurship that has not been considered seriously by researchers in entrepreneurship development. The researcher draws upon his experiences as a marketer, industry worker, promoter and start-up entrepreneur to present the directions of the secret of success of start-up entrepreneurs in the Indian environment. The article makes extensive comparison of the findings of two phenomenal publications of celebrated authors on entrepreneurship from U.S.A. –Amar V. Bhidé, an eminent professor from Columbia University, and Mark H. McCormack, a super successful businessman. It brings out the contrasting picture, and examines the relevance of these findings to the Indian situation. The article highlights that start-up entrepreneurs need not focus only on two formulae for start-up success, viz., SSI and ST (Street Smarts-Sales Skills-Industry Knowledge, and Sales Skills –Tolerance for Ambiguity). They should make self-assessment of the strengths and weaknesses of their personality and work relationship with others, and seek the guidance of consultants. If necessary, start-up entrepreneurs should form new businesses by forming teams with complementary skills and attributes.

FDI in India's Retail Sector: More Bad than Good?

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The study sidesteps the orchestrated media hype being generated by wal-mart & its PR agency to force entry of behemoth giant retailers into the Indian Retail Industry.

It examines the size, growth trends, share of employment, in the retail industry during the past decade. It extrapolates the employment trend in the capital intensive retailers of the West & points out that if only 20% of the retail trade were to be taken over by them; it would mean a turnover of INR 800 bn. This would mean an employment of some 45,000 persons displacing nearly eight million persons employed in the unorganized retail sector, given their average global performance figures.

Rise of Service Sector and Outward Foreign Direct Investment from Indian Economy: Trends, Patterns, and Determinants

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The rise of service sector outward FDI (O-FDI) activities has emerged as one of the most important aspects of Indian economy during nineties. The present paper reviews the recent trends and patterns and tries to identify determinants of such investment. As compared to the eighties, the character of service sector O-FDI flows has gone through several transformations. In the seventies it is largely a phenomenon led by firms from hotels & restaurants, finance and marketing segments and is being directed at developing regions in overwhelming cases and is mostly minority owned. In contrast, during nineties it is predominantly led by the software segment of the service sector, locationally developed country oriented and is largely majority-owned ventures. The

rising trends in the service sector Investment Development Path (IDP) of Indian economy has been found to be related to the stylized aspect of economic growth expressed in terms of structural shift in economic activities. At the firm level the O-FDI behavior of service sector firms is observed to be non-linearly related to the firm age and size, both relationships following inverted U-shape curves. Firm's innovation, export orientation and profitability are also found to be important explanators in the rise of O-FDI at the firm level. The import of capital goods however appears to have a negative impact on trans-border expansion of service sector firms.

Key Words: Service Sector; FDI

JEL Classifications: L8; F21

Emerging Issues of Globalization and Changing Role of Trade Unions

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Globalization of business has resulted in a significant impact on industrial relations practices to be followed by multinational corporations. The most direct impact of the changed scene is the increased vulnerability of the workers' interest in the labour-management power dynamics. Trade unions have to operate in the changed environment and carve out a new role for themselves instead of controlling and regulating the management for protecting the interest of workers. Trade unions have now to play an important role of cooperating with the management as the survival of the business itself in the competitive environment would be at stake. Service conditions of employment would be determined by the market forces hereafter rather than trade unions.

Emerging issues of globalization analyzed in the article are generation of surplus manpower, change in labour laws, wage adjustment and job flexibility, losing power due to membership loss, and union-management relations. Trade unions have to explore a new developmental role of partnership with the management by developing leadership qualities appropriate in the new context.

Enterprise Management By Social Dialogue

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The changing scenario due to globalization and Economic Liberalization have caused significant inroads in the relationship between the State, Labour and Capital in India. The social dimension of this changed circumstances has serious implications on the industrial relations. This change and unpredictability can create Industrial conflicts

and destabilizes the harmonious relations between labour and management. Social dialogue can reduce the likelihood of conflict and bring sound industrial relations at both Enterprise and Industry level. Social dialogue covers all types of negotiations, Conciliation and free flow of information between representatives of government, employers and workers. The ILO message is that better outcomes are achieved where social partners are involved in the process of social dialogue for raising competitiveness and accomplishment of social objectives. The author selected three Enterprises for case study in Visakhapatnam to examine whether social dialogue is really taking place at the enterprise level and what are the different forms, how common consensus is playing a vital role in building up a transparent and effective system to minimize the conflicts between the Management and Workers in these Enterprises.

Managerial Training and Development

(A Study of Selected Public and Private Sector undertakings of Visakhapatnam)

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‘Training’ which is a vehicle for human resource development is concerned with improving the skills of the employees and enhancing their capacity to cope with the ever-changing demands of the work situation. The movement for management training has received in recent years, rapid impetus. In India, the business undertakings both in public and private sector have a large number of management personnel who work in different conditions with different work assignments, sometimes with different designations, but responsible for results in a particular operating department. Today, many big organisations both in public and private sector are spending significant amounts on training to develop the skills of their personnel to hold managerial positions with competence and efficiency. As against this background, an attempt is made in this paper to focus on the training practices and arrangements made in selected public and private sector undertakings and also to know the perceptions of managers about the usefulness of training and training techniques used in their training programmes.

India’s Business Forte in Global Business Ambience Beyond 2005

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The present research paper delves into the facts and the facets of India’s economic forte and suggests a needful strategy to carve niche in the international trade under WTO regime beyond 2005. in case of India, the clarion call is to come up with a set

of strategies to fully exploit her economic sinews to the possible optimum level. The quota free regime of WTO has opened up wider spheres of vistas and opportunities for India to be at equal- footing in highest echelon of trade and commerce. Nevertheless, there are some grey areas that urgently need careful sifting. In order to leverage on the WTO multifarious trading and investment agreements, containment of fiscal deficit, continuity of low interest rate regime, and thrust on infrastructure are the keys for enhancing India's competitiveness. India's business forte lies in the realm of services, textiles, and agriculture to become cynosure in global business arena. Thus the call of the hour is to put break on window dressing strategies and make a holistic and synergetic approach to delve into plagued areas at micro level entailing detoxification and filling the gaps of system, process and infrastructure. These steps will add muscles to India's economic forte and would be instrumental in making India a flag bearer on a global trade and commerce.

Performance Appraisal System

(A Case Study of Hindustan Ship Yard Limited, Visakhapatnam)

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The Success of any organisation depends on the quality of its human resources. Every organisation has to measure the potentialities of its human resources periodically. Performance Appraisal helps in understanding the strengths and weaknesses of Human Resources. As against this background, an attempt is made in this paper to evaluate the Performance Appraisal system of Hindustan Shipyard Ltd., one of the biggest public sector undertakings in Visakhapatnam. The Performance Appraisal in Hindustan Shipyard Limited is carried out during appointment, probation and annually to review the performance of its employees. An opinion study through campaigning a questionnaire among 60 officers (Appraisers) and 60 staff members (Appraisees) randomly selected was conducted to know their perception on several issues relating to Performance Appraisal system. The observations are presented in this paper.

Customer Delight in Indian Banking Services Agenda For Research

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The concept of customer delight has emerged as a critical concept in marketing and consumer research. Attention of the researchers in this direction, particularly with reference to Indian banking industry so far, is considered inadequate. The article reviews research literature under the headings, customer expectations, customer satisfaction and customer delight, identify the research gap. Based on the findings of a number of studies reviewed, research gap on customer delight is identified with reference to banking industry. Customer delight needs to be restricted in the context of banking services in the present competitive environment and banking sector reforms.

Changing Role of HRM: A Strategic Reply

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In the last decade, organizations of every type from the largest transnational corporations to local neighbourhood non-profits have spent billions of dollars attempting to improve productivity and efficiency. But 85 per cent of these changes were not successful. Sadly, despite this enormous waste, the vast majority of companies remain wedded to archaic management methods and practices that bury creativity under a mind-numbing avalanche of pointless bureaucratic systems and procedures that deny their employees' need for satisfying work. New mantra that we are suggesting for change is composed of four critical steps: Empowering the Workforce, Engaging Systems, Reforming Structures, and Remaking Strategy.

‘Vinpic Pricing Blues’

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VINPIC Products Ltd, a FMCG company having products ranging from toilet soaps to detergent cakes, was caught unawares when their competitors enforced price cuts in the detergent market. As their sales team made a hue and cry over their inability to convince their channel partners, the company began mulling over price changes for

their popular brand, 'Alkleen'. The company saw little scope in cost cutting or a new low-priced variant of detergent powder in the already squeezed thin margins. They were wondering if they should go for new product, feature or brand introductions. They were weighing the other options like a direct marketing arm too. The branch manager of southern region, Vasant was left wondering after a meeting with top officials at head quarters, whether the company could introduce similar price cut and subsequently sustain it in the long-run. The apprehension for the company was how to keep the long-term prospects of their products bright. Though they were to decide on the overall long-term strategy for their FMCG products, their immediate concern was on detergent pricing. The company officials decided to continue their discussion on the second day of their meeting and finalise their action plan.

Analysing Corporate Strategies Using Phase Plane Diagrams

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Organizations are nonlinear systems and they can be analyzed using the tools provided by 'chaos theory'. Chaos theory demonstrates how a fractal presentation of limit cycles on phase plane diagrams can reveal hidden patterns in the underlying chaotic behavior of organizations, by using corporate performance data. In short, it professes to find 'order in chaos'. Phase plane diagrams describe the change in the structural relationship between any two variables taken for the study.

Unique models have been constructed for related pair of variables (typically taken from common ratios) appearing in a phase plane. The models characteristically explain the significance of limit cycle's movement as it enters/ stays in different quadrants.

The last section of this project sees the construction of Phase Plane diagrams of HLL using their financial data of the last one decade. It uses the knowledge from the constructed models to recognize patterns in the phase plane diagrams of these companies for identifying and analyzing corporate strategies adopted by them during the last one decade. This also purports that the phase plane diagrams could be used as a diagnostic tool for identifying the present position and strategies of the company and could suggest appropriate strategies for healthy growth of the company.