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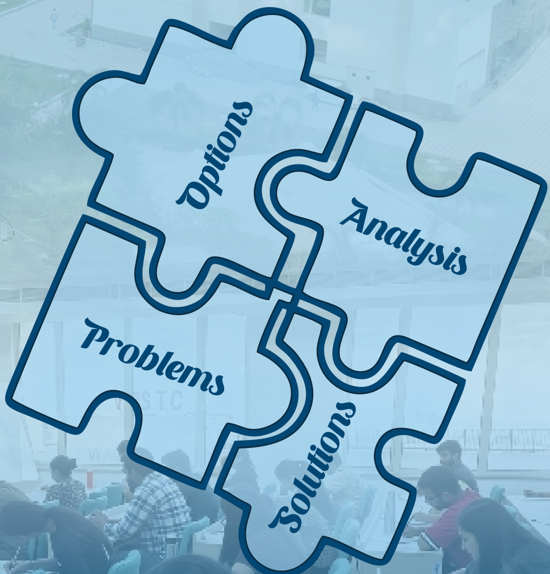
DELHI SCHOOL OF BUSINESS

By Vivekananda Institute of Professional Studies-TC

MANAGEMENT CASE STUDIES



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Management Case Studies

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Preface

Delhi School of Business (DSB), an integral part of Vivekananda Institute of Professional Studies (VIPS-TC) has been striving to achieve the motto of its parent institution 'In pursuit of perfection', under the guidance of Dr. S. C. Vats, Chairman, VIPS. He is an eminent educationist and philanthropist par excellence and has been instrumental in creating an environment of instilling the qualities of achieving perfection among various stakeholders. The maiden effort of publishing the book 'Management Case Studies' internally, written by DSB faculty is one of the many endeavours of DSB to impart quality education relevant for industry, a small step towards achieving our institutional motto.

Under the mentorship of Prof.(Dr.) Sourindra Bhattacharjee, Director – Delhi School of Business, faculty are encouraged to constantly innovate their teaching pedagogies to foster an effective learning outcome for the students.

The book has been an effort towards compilation of the cases that has been written by faculty to be used in various courses. The cases fall under the realm of both teaching and problem solving cases. Cases pertaining to most of the functional areas of management has been incorporated, ranging from managing human resources in an organization to understanding the dynamics of regional cooperation among countries. The cases, which are conceptually in depth demonstrate the industry experience of the faculty and a reflection of their continuous effort for academic excellence.

At DSB, faculty use actual or simulated cases as part of the active, discussion-centered teaching to help students hone their critical thinking, communication, and managerial decision-making abilities. By encouraging students to work with challenging issues, case-based approach promotes a deeper comprehension of the theoretical concepts and helps them to gain knowledge in critical business analysis, communication, and teamwork, which improves their academic and professional preparedness. Faculty use cases to support learning through active involvement, lead discussions, and pose questions to help students find solution to a complex business problem. The cases compiled in this Case Study Manual Series will certainly fulfil the objective and help in dissemination of knowledge.

Organization of the book

The cases are a reflection of pseudo business environment wherein any user, be it an academician, practitioner and students, learn to apply their conceptual knowledge, decipher the problem, identify the key constraints and bottlenecks plaguing the problem, using lessons from the knowledge and experience to similar business situations and arrive at solutions. The entire process of case method discussion, therefore sharpens the logical and analytical acumen of any user.

We would like to thank Dr. S. C. Vats, Chairman, VIPS and entire Management of VIPS who have encouraged and given opportunity to faculty members to come up with the Case Study Manual on various domains of management.

I would take this opportunity to thank Prof. Rashmi Sharma, who has helped in compilation of the cases and giving it a final shape. The quality services rendered by Mr. Aditya Sharma in designing the book supported by Ms. Lalita Bisht. The encouragement and support by faculty and staff also deserve a special mention.

Prof.(Dr.) Sourindra Bhattacharjee
Director-Delhi School of Business

List of Cases

THE PLACHIMADA STRUGGLE FOR WATER

*This case was written by **Dr. Sourindra Bhattacharjee**, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

Plachimada is a small village situated in Chittur block's Perumatty Panchayat in Palakkad district of Kerala. The Hindustan Coca-Cola Beverages Private Limited (HCCBPL) chose Plachimada to set up a bottling plant in an area of 34 acres. In 2000, the Panchayat gave license to the Coca Cola company to manufacture Coca-Cola (Coke)and other products viz. Fanta, Limca , Thums Up, Sprite, Kinley, etc. The village came under limelight when allegations of pollution, contamination and over extraction of groundwater were made against the company by the local population of Plachimada. However, the struggle against the company gained strength when the voices of agony of the local population were taken up by NGOs, various organizations and media.

Corporate giant vs Common man Palakkad district is known as the “rice bowl of Kerala”. The whole region requires large quantities of water for irrigation purposes. The requirement of water in the district are met majorly by groundwater and canal irrigation as Palakkad is a drought prone area due to its location in the rain shadow region of Western Ghats. Almost 80% of the local population depends on agriculture for their livelihood. In view of the above, ground water is one of the prime sources of water for the locality to meet their domestic and irrigational needs. The continuous heavy withdrawal of ground water in the plant site adversely affected the water table. Water availability in the open wells and shallow bore wells over an extensive area fell considerably. It has been reported that a small piece of land, which in 2000 would yield 50 sacks of rice and 1500 coconuts gave only 5 sacks of rice and 200 coconuts in 2003. People reported that they could earlier pump water for irrigation continuously for 24 hours, but after the Cola plant had started pumping, their wells went dry in 4 hours. Salinity and hardness of the ground water had also increased making it non potable. The precise chemicals from the plant waste water are vitiating the ground water. Routine agriculture adversely affected hundred acres of adjacent paddy lands due to the water scarcity. In addition to a variety of illness, local population complained about the burning sensation on the facial skin and a greasy sticky feel on the hair after using the water. Hence an industrial plant which uses large amounts of water and located in a socially and economically backward region which is majorly dependent on agriculture would certainly create adverse effects to life and ecological balance.

More troubles for Coca-Cola The problems of pollution due to Coca-Cola Company at Plachimada attracted the international limelight when British Broadcasting Corporation (BBC) reported the presence of toxic metals such as lead and cadmium, in amounts greater than the permissible limits in the sludge released. The report which was telecasted on July 25, 2003 accused the company of disposing the sludge into a nearby river-bed thereby polluting the groundwater. The company justified the allegations raised by claiming that the sludge acted as nutrients to the soil and thereby increased the productivity of the soil. Jananeethi, a Non-Governmental Organization in Kerala reported that then sludge disposed by the company was hazardous to health and did not add any value to the soil. Both the reports firmly held that the company's actions were solely responsible for the pollution caused at Plachimada. Kerala State Pollution Control Board released a study report on the presence of heavy metals in sludge generated in the factory of M/s Hindustan Coca Cola Beverages Pvt. Ltd., Palakkad. Another study carried out by the Central Pollution Control Board (CPCB) two months after the KPCB study revealed that the sludge generated from the effluent treatment plants to the farmers as manure contained hazardous metals in quantities larger than the permissible limits.

Consequently, the KPCB directed the Company to close the factory until it complies with the provisions of the Hazardous Waste (Management and Handling Rules), 1989 as amended in 2003. This led to the beginning of a long legal saga both at High Court and the Supreme Court between the people of Plachimada and Coca-Cola plant. Currently, the plant is shut down.

AGAINST THE TIDE : EXIT OF USA FROM TRANSPACIFIC PARTNERSHIP (TPP)

*This case was written by **Dr. Sourindra Bhattacharjee**, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

On a cloud-swept landscape dotted with grain elevators, a meat producer called Prestage Farms, is building a 700,000-square-foot pork processing plant. “I'm scared to death,” said Ron Prestage, whose North Carolina-based family pork and poultry business made its huge investment in the plant near Eagle Grove in part to reap expected gains from the TPP. “I don't guess I've gone beyond the point of no return on the new plant, but we did already start digging our wells and started moving dirt.” He and other agricultural businesspeople and workers have reason for concern.

The gleaming new factory was both a great hope for Wright County, which voted by a 2-1 margin for Donald Trump, and the victim of one of Trump's first policy moves, his decision to pull out of the Trans-Pacific Partnership (TPP-11, it now consist of Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. United States moved out of TPP from 23 January, 2017).

For much of industrial America, the TPP was a suspect deal, the successor to the North American Free Trade Agreement (NAFTA), which some argue led to a massive offshoring of U.S. jobs to Mexico. But for the already struggling agricultural sector, the sprawling 12-nation TPP, covering 40 percent of the world's economy, was a lifeline. It was a chance to erase punishing tariffs that restricted the United States—the onetime “breadbasket of the world”—from selling its meats, grains and dairy products to massive importers of foodstuffs such as Japan and Vietnam.

The decision to pull out of the trade deal has become a double hit on places like Eagle Grove. The promised bump of $10 billion in agricultural output over 15 years, based on the estimates by the U.S. International Trade Commission, won't materialize. But Trump's decision to withdraw from the pact also cleared the way for rival exporters such as Australia, New Zealand and the European Union (EU) to negotiate even lower tariffs with importing nations, creating potentially greater competitive advantages over U.S. exports.

Post Exit World Trade Scenario

Following the exit of US from TPP, several new trade negotiations are being or have been explored among the remaining TPP nations and those outside the partnership, giving new directions and order to the world trade scenario. Forecast about costs and benefits to member countries and those outside the TPP has been done and enumerated below.

TPP

Recent research analysis found that the 11 other TPP countries are now involved in a whopping 27 separate trade negotiations with each other, other major trading powers in the region like China and massive blocs like the EU. Those efforts range from exploratory conversations to deals already signed and awaiting ratification. These TPP-11 countries have already met two times, with a third meeting planned, to move ahead with the revival of the deal without the United States. The so-called TPP-11 trade deals would be in direct response to Trump's new trade policy.

Economic forecasts already show projected gains for countries involved. Canada, according to one estimate, could permanently gain an annual market share of $412 million in beef and $111 million in pork sales to Japan by 2035, because lower tariffs would enable it to eclipse America's position in the market.

EU

In July 2017, the EU, which already exports as much pork to Japan as the United States does, announced political agreement on a new deal that would give European pork farmers an advantage of up to $2 per pound over U.S. exporters under certain circumstances—a move which, if unchecked, is all but certain to create a widening gap between EU exports and those from the United States.

European wine producers, who sold more than $1 billion to Japan between 2014 and 2016, would also see a 15 percent tariff on exports to Japan disappear while U.S. exporters would continue to face that duty at the border. For other products, the deal essentially mirrors the rates negotiated under the TPP, which the United States has surrendered, giving the EU a clear advantage over U.S. farmers.

The EU's deal is all the more noteworthy because American farmers were relying on the TPP—to which the EU was not a member—to give them an advantage over European competitors. But in a further rebuke to the United States, Tokyo decided within a matter of weeks to offer the European nations virtually the same agricultural access to its market that United States trade officials had spent two excruciating years extracting through near-monthly meetings with their Japanese counterparts on the sidelines of the broader TPP negotiations; the United States is now left out.

Other Nations

On its own, Australia, which in 2015 cut a deal to undersell the United States in beef exports to Japan, announced another round of scheduled tariff cuts with Japan. Given the current TPP scenario, Australian ranchers eventually will enjoy a 19 percent tariff advantage over U.S. competitors.

Fallout of Exit of USA from TPP

Already there are signs that competitors are gaining market share over U.S. producers in the post-TPP landscape, as Pacific nations take a closer look at alternatives to U.S. exporters. Trump administration is in the process of finalizing bilateral deals with individual countries post TPP. Seven of the most significant deals for U.S. farmers were either launched or concluded in the five months since the United States withdrew from the TPP.

Lighthizer, the trade attorney in Trump administration still hopes to strike bilateral trade deals—that is, separate agreements with individual countries. He conceded that "some of the TPP countries don't want to do bilaterals." The value of the TPP for many countries was that they could justify giving up protective tariffs in exchange for their own access to the markets of a wide pool of countries. Many are unwilling to make such concessions for the smaller gains of a bilateral deal. Lighthizer also acknowledged that even Japan, at least for the time being, may not be interested in one-on-one negotiations with the U.S.

Nonetheless, over the first five months of 2017, U.S. exports to Japan of chilled pork, which is preferable to frozen meat, are up 2 percent over the previous year. But exports of chilled pork from Canada, a prime competitor, are up 19 percent. Likewise, in frozen pork, U.S. exports are up 28 percent. But exports from the EU, the leading competitor, are up 44 percent. The value of additional tariff that US beef imports could face from Japan by March 2018, after Toyoko increased the tariff on imports from US will be to the tune of 55 million dollars, which would not have happened if TPP was in force. The average additional charge Japanese consumers will pay on a bottle of US wine is S3 as compared to wine from EU, making US wine uncompetitive.

Wright County Predicaments

Prestage Farms went ahead with the investment depending largely on export opportunities. More than 26 percent of the pork produced in the U.S. in 2016 was exported to foreign markets. And more than $1.5 billion of the nearly $6 billion in U.S. pork exports in 2016 headed for Japan. Most in the industry expected a boom coming from exports as a result of TPP, with continued strong sales made possible by NAFTA. Vietnam, another growing market where U.S. producers were set to expand sales of organ meat and other items not easily sold domestically, was prepared to eliminate its tariffs altogether under TPP. Now, the tariffs remain and Prestage—and all of Eagle Grove—are holding their breath. Prestage said his company's plant should be operational by the fall of 2018, but any move to add a second shift or expand production will largely depend on new trade opportunities.

DAINIK JAGARAN:
CASE OF LOSING MARKET SHARE

*This case was written by **Dr. Sourindra Bhattacharjee**, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

Dainik Jagran (DJ) is a leading local Hindi newspaper in Bihar and Jharkhand. The price of the newspaper was at par with other local Hindi newspaper in the region. Like other newspaper, it gave a thrust on local news, a page or two on national news and sports news, including local sports coverage in these two states.

In Bharat Times of Times Group (BT) entered the market aggressively with similar pricing about a year back. BT had higher coverage of local, national, international, business and sports news. Also, there were supplementary papers on different themes for four days in a week.

DJ was slowly losing its market share and its revenue dwindled, especially in the last six months. The management of DJ realized that it would be difficult to cater to ardent readers of DJ in case downfall in market share continues along with the down trend in the advertisement revenue.

The marketing team of DJ approached an Economics professor in one of the leading business school in Jharkhand to help them out to arrest the phenomena . He conducted a survey covering 3 cities each in Bihar and Jharkhand using his students. The analysis revealed these key findings:

- The coverage of local city news in Bharat Times was not as good as Dainik Jagaran.
- There has been a loss of readership for most of the local dailies.
- Bharat Times have increased the price by 5 percent in the past one month .
- The price elasticity of DJ and BT is 1.35 and 1.67
- The cross-price elasticity PDJBT and PBTDJ is 1.85 and 0.57

The professor discussed the case in demand estimation session and gave the summary of findings. The students were asked to give a recommendation and strategy for improving the market share.

HOMEMART : THE WAY FORWARD

This case was written by ***Dr. Divya Bajpai****, Assistant Professor, Delhi School of Business &* ***Dr. Sourindra Bhattacharjee****, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

Homemart Retail Private (HRP) Ltd. is a hypermarket retail and grocery chain in Delhi. It started as a small mom and pop grocery store in 1989. It was launched in 2002 and rapidly expanded from two to six stores between 2014-2020. It used a combination of profits and capital earned from sale of real estate properties in India for the expansion. It started as a family owned business managed by two brothers, engaged one more partner around 2014 and made joint investment with a former employee to start one of the new stores in 2016. Each of the stores are operated by one store manager and employees who have generally studied up to high school. As the number of stores expanded, the promoters increased the range of brands, products and range of services.

It faces the following challenges. (1) Should it continue to expand, and what should be its product diversification strategy? (2) Does it need to professionalize its management systems and processes? (3) What can the promoters do about succession planning as the business grows? This is a common challenge for most family-owned businesses as the next generation pursues its own interests and passions. (4) How can it manage customer relationship both offline, in-store and online and their expectations or complaints? (5) As it expands, and competes with national players in the retail space, should it focus on developing an institutional culture and practices across its chain of stores?

The Marketplace

India liberalized its economy since 1991 and over the next decade carried out various economic reforms. It became a part of World Trade Organization (WTO) in 1995. There was a boom in domestic and international private investment but industrial efficiency and profits were restricted due to the government regulatory regime. The retail industry underwent a big sea change during the latter part of 1990s. India became a seller's market from a buyer's market where government used to issue licenses to produce and controlled production. Customer's demand started shaping the market as well as demand and need creation strategies were adopted by companies, both national and international. Multinational corporations entered the market in India with both durable and non-durable goods. Gradually they established a good network of distributors and dealers. The range of products offered multiplied.

Advertising was done in English and regional language newspapers and television which was launched in early 1990s. Small, local producers and manufacturers had limitations of resources that could be spent on building customer base.

The retail industry in FMCG in India

According to a report by The Associated Chambers of Commerce of India (ASSOCHAM) and an independent market research agency in November, 2017, the retail market in India was expected to reach $1 Trillion by 2020 from $627 billion. It is estimated that grocery comprises 60% of the retail market and 97% of it falls in the unorganized sector. Moving forward to current times, a survey of the field showed that domestic companies and unorganized sector manufacturers that supply unbranded and unpackaged goods still dominate the market. Unlike western, developed countries, where large, wholesale packets of retail products sell faster, even multinational corporations (MNCs) make most of their profit from the smallest packets of their products in India. Another distinctive feature of the Indian consumer is that MNCs in India did not become immediately successful with the direct launch of products developed for the western consumers. They had to adapt to the regional tastes in India. Local suppliers continue to satisfy the local tastes especially in the food and beverages segment.

Competition

In India, FMCG sector includes items of personal care, household care, branded and packaged food and beverages, spirits and tobacco. With the entry of large corporations into food and grocery retail space in 21st century, different formats of retailers came up such as supermarkets, hypermarkets, department stores warehouse stores and finally e-tailers. They gave tough competition to mom-and-pop, local grocery stores. In the region of Delhi National Capital Region (NCR), the large competitors are branded retail chains like More, Easyday, Reliance Fresh, Spencers and Big Bazaar that operate in Supermarket format. There are other local supermarket chains such as DMart, Nilgiris, Hypercity, Star Bazaar and Spar among others that are popular in other states of India. But they do not have a presence in Delhi NCR. Some were acquired by a bigger player, like Future Group (parent company of Big Bazaar), and for now, their business strategies for expansion are not known. HRP Pvt. Ltd. faces competition from other small departmental stores and supermarkets such as More and Big Bazaar, and hypermarkets such as Easyday and Reliance Fresh in Delhi.

The Origin of the Entrepreneurship Model

The Agrawal brothers, Rajesh and Ramesh had started a small, family-owned, independent business of grocery store in north west Delhi in 1989 after moving from Rajasthan. They registered it as a private limited company in 2005. By 2009, the partnership included Manhar Jain, Vijay Lohia and his son Ajay Lohia. Between the years 2012-2020, the partners expanded the stores to six locations in Delhi.

Initial phase- Starting a small grocery store

The Agrawal brothers come from humble beginnings in Rajasthan where their family had owned a clothing retail store. They belonged to a joint family system. This meant that many members of a family had to manage from a limited amount of resources. After completing secondary education, they moved to Delhi in 1989 in search of better opportunities. Delhi in the 80s was a mid-sized city. With a small amount of capital, they started their first fast moving consumer goods (FMCG) retail business in Paschim Vihar in 1989. It was a popular residential area for the middle and lower class in West Delhi and so seemed appropriate for the business. In a traditional FMCG business model (in India), a customer would show up at the store and ask for the items they would like to purchase. Typically, the items would include items of personal care, household care, branded and packaged food and beverages, spirits and tobacco. The item would be brought to the front-desk cashier and the transaction would be complete after paying cash. In order to add value to their services, they started offering slightly lower prices for most of the items of the same quality when compared to the other retail shops in the area. Along with offering loose food grains such as wheat, rice, barley which had been packed and cleaned properly. This was a novel practice in those times. In 1992, they started to offer packages of different quantities of loose products such as cooking oil, pulses and spices, leading to quicker service to customers.

Scaling up

Two circumstances led to the adoption of hypermarket business model by 2010. The location of the original, first store in a residential society was a problem. The second problem was the challenge of creating satisfaction in customers while profiting and competing with large corporations in the FMCG retail business.

The heavy influx of customers raised a problem in the late nineties. The store had to follow residential society rules and procedures as they were located in a residential neighbourhood. The housing society had one entry and one exit gate. The Resident Welfare Association (RWA) expressed concerns about the security and parking problems due to the continuous flow of unknown faces and vehicles in their area

Only those personal vehicles were allowed that had been given a valid gate pass by the RWA. So, the customers had to walk with their shopping bags to their cars parked on the public roads outside, passing other residential houses and societies as well. They would sometimes close their gates to stop what felt like intrusion. To resolve these multiple issues, a decision was made in 2000 to establish a 100 square meters shop near the old establishment, across the main road in a central marketplace in Paschim Vihar, itself.

By 2005, the brothers decided that the next step would be to grow their business model by creating a need within their customers to have more choice and buy more. They observed that as customer awareness about various brands grew, they asked sometimes for products of a certain brand. In some cases, they would ask for a product that the store did not have. As a result, the owners would try to include the demanded product in their inventory or the company representatives would end up stocking their inventory with different products that were not commonly purchased. Hence, in order to address this issue and scale the business, the brothers remodeled their existing 100 square meters establishment and bought another 400 square meters of space where the hypermarket was opened. This facilitated a new shopping experience where the customers could go around the store and explore the products themselves. The sales staff were trained to focus on the new generation of shoppers that were more open to this new experience of shopping. Besides their regular activities like cleaning, packaging of loose items and organizing products, the staff were also taught value addition activities like greeting customers, showing them around the store, making store and shelf display attractive and interesting, describing the products to customers. They kept trying to give the highest discounts and a good shopping experience to their customers.

Expansion- Hypermarket model

As they kept improvising on their business model, they actively engaged with the customers, and sales improved in north, west and north-west Delhi. They closed the smaller store to focus on the larger hypermarket store. The designing of the Hypermarket business model took place between 2002-2007 when the big store was opened in Paschim Vihar. There was a four-fold increase in size of store space that required more investment in human resources and capital. A long term lease for the premises was taken for the maiden hyper market in 2002 in Paschim Vihar. The increase in scale required careful planning of investment in shop floor design, decision on display of items for a particular period, understanding and estimating the footfall and its variation in a day, month and across seasons for providing an enriched buying experience to customers. In addition, it required negotiations on terms and conditions with the suppliers and companies to thwart existing competition from similar hyper-markets.

They decided that they had made enough profits to start expansion to other areas of Delhi. Over the years, they had also invested part of the profits into real estate and this was beginning to give them good returns over the last ten years. So, they used a combination of store profits, loans and sales proceeds from real estate properties to fund the expansion. In 2006, a second store was established in a two storied building of about 600 square meters in Dwarka, a sub-city in the South-West Delhi district. HRP Ltd. continued to operate the two stores in Paschim Vihar and Dwarka for a period of ten years until 2012. They opened seven more stores. Four of the stores are in north west Delhi, one in Rohini by 2013, a store each in Ashok Vihar in 2017, in Pitampura in 2018 and Prashant Vihar in 2019. They opened two more stores in South West Delhi in Dwarka and Bengali market in 2018 and 2019, respectively. The seventh store was opened in the South Delhi district of Malviya Nagar.

The smaller store in Rohini was expanded into a big hypermarket store in one of the popular malls in an expensive market place in 2017. They partnered with the Lohiyas- Vijay and his son Ajay Lohiya for this endeavor. Lohiyas were wheat flour suppliers for the Homemart store and eventually this turned into a successful partnership as the Lohiyas also offered to make a part of the investment at the Rohini store. The Rohini Hypermarket store made good profits. All the stores kept stocks of various products according to seasonal and festival demands as well. They continued to offer the best discounts compared to other retailers and increased the variety of products.

Present Operational Strategy

Procurement and inventory management

The decisions about inventory management were shaped by two scenarios. One was to keep down the cost of storage and warehouses. The other factor was the taste and preferences of the local residents of the areas where the stores were located. The key determinants of the inventory of products were customer demand, lucrative offers by companies, and demands of customers and promotions offered by FMCG companies to retailers during festive seasons. The owners chose not to establish their own supply chain and distribution system for their stores which would have required them to establish a central warehouse and extensive negotiations with the companies. Instead, they chose a combination of strategies, one was to negotiate with company executives at individual stores, and for common products at a broad level overall for all the stores. Second strategy was to develop their capacity to work with the existing local distribution systems for supply of goods. It further necessitated that each store management develop their capacity to plan for the required inventory of goods for meeting the customer demand. It also envisaged a detailed plan for coordination with the local distribution system for replenishment of the products on a weekly or monthly basis based on the agreement. The demand was generally placed over telephone and stocks were replenished.

A decentralized procurement system for each store enabled savings on both investment costs of warehouse and running costs of distribution across the stores. Unlike corporate supermarkets whose strategy was to leverage the economies of scale of their supply chain to gain competitive advantage, HRP Ltd. relied on negotiations with local distributors for supply of goods to outwit competition. This was possible due to higher turnover of products by HRP Ltd. in comparison to other competitors, which could be hardly overlooked by both local distributors and companies. The main decision point for the store management was the discount offered for supplying the products in forecasting and planning of inventory of multiple goods to generate sales.

Pricing

HRP Ltd. had a decentralized pricing strategy where hard bargaining was done by respective store managers with various local stockists, wholesalers or company representatives. The key input to the bargaining process was informal data gathered from customer reactions and direct comments during the purchase process about the availability of the specific brands as well as lower prices of goods in other stores or hypermarkets. The store managers were also aware about the specific deals obtained for various products across stores. The price of items, therefore, was not consistent across stores because each store manager had the freedom to negotiate prices with company representatives. The weekly discounts on various products offered by HRP Ltd. also varied (as shown in Exhibit 2) along with indicative prices of specific products of their competitors.

Only in cases where there was a complete disagreement with regard to the offer given by company representatives and local stockists, and especially if this was at high variance compared to other stockists, retailers, supermarkets or hypermarkets; the owners stepped in. In rare and extreme cases, they had stopped procurement of specific products or brands, if the negotiations did not culminate in an expected deal, or companies were trying to impose any conditions of price and/or minimum quantity purchase. The overarching goal was to provide to customers the maximum value for their time and money spent at HRP Ltd. stores, even if it required selling of products lower than the prescribed margin. They tried to do business on their own terms, be it with the wholesaler, distributors or even the company for procurement of goods and running the stores.

Promotion and advertising

Due to resource constraints, the owners adopted a promotion and advertising strategy that was different from large supermarkets and hypermarkets. Big supermarkets use three media extensively, such as print, television (TV) and digital. They gave full page advertisements in national English newspaper dailies on a weekly or bi-weekly basis. Large supermarkets scheduled their weekly market, big discount days known as Sasta Bazaar (cheap market) on Wednesdays even if their full-page advertisements were given on weekends in the supplementary section on entertainment in English newspapers. The local hyper markets also distributed leaflets through newspapers, which were far and few, mainly during festive seasons (Exhibit 4). Some of the local hypermarkets also promoted discount sales directly through short messaging service (SMS). These were sent through various cell phone carriers once a purchase had been made by a customer at their store and customer details noted in their management information system (MIS) billing system. Smartphones had become affordable and widely accessible in India, particularly in Delhi. So, SMS could reach a large customer base. In the initial years, the owners would write the prices of various products on a black board outside their shop. The advertisement was done to attract customers wherein price discounts and new arrivals were displayed. It was followed by starting a home delivery service of food and household items, above a specific quantity and amount resulting in shopping convenience for customers. These initiatives helped in word-of-mouth dissemination of services offered by HRP Ltd. resulting in higher sales and concomitant brand building. They changed their promotional strategy after venturing into hypermarkets.

Promotion was done by distribution of leaflets along with newspaper subscription. The leaflets contain the images and a list of products available for the week, along with details about maximum retail price (MRP), discount given, offers combined and the date till which the offers are available. These leaflets were generally on an A2 size paper (15x21 inches to 16x23 inches) with approximately 120 insertions on each side of the leaflet, advertised products that offered discounts either on price or quantity (Exhibit 3). These ads were organized or grouped together at times on the basis of a product category. Customers would go to the stores with the leaflets in hand and locate the deals they wanted. The frequency of distribution of leaflets was increased to two or three times a week during festive seasons. The promotional leaflets for advertising were different across all seven outlets of HRP Ltd. This has brough cost savings and customer loyalty, especially from the large middle class in Delhi.

Store management

The display of the shelves and products varied across the stores. The store manager and his staff had the discretion to choose it. One of the reasons for this choice was that the stores had different amounts of space, physical structure and design of the physical location. Storage space was different across stores. The store display arrangement sometimes would be done while customers were going around shopping.

HR Practices

There is a high turnover of employees in the retail sector, especially in the grocery store business. Once employees get trained, they like to get better opportunities. The staff at HRP Ltd. wore a simple, plain jacket with the company name written on it. They were given relevant training by the manager and experienced staff. Display was explained to them and how to handle customer queries and to keep calling out to customers the variety of discounts available on certain brands.

The Agrawal brothers had employed people on the basis of loyalty and control. The founder of HRP Ltd. had tasked one of his trusted employees to run the store at Dwarka. This manager had operational experience from the store in Paschim Vihar, and had studied till the 10th grade before being employed for about twenty years there. His experience, loyalty and trustworthiness had got him the role of the manager. His responsibility was to manage the employees who were handling customer care, billing, stocking and all other functions of the store. However, he lacked applicable experience in using modern billing software and other business applications commonly used and needed to keep a real-time track of business operations.

Those who had been employed the longest were given an opportunity to become store manager also if one displayed the basic ability to handle customers and store staff. Thus, one could say that the owners of HRP Ltd. did not look for professional education and qualification while hiring. One could say that they were open minded and flexible about choosing their employees. They looked for efficiency and effectiveness in accomplishing the tasks related to the job and had a practical approach towards management. With rise in popularity, expectations of both customers and their employees have risen. This means that HRP must evolve and adapt their employee recruitment, training and evaluation systems to succeed in the rapidly changing marketplace.

Customer Loyalty and Retention

The demographic characteristics and regional roots of any business's customers affect what products a business chooses to offer. One distinguishing characteristic of the consumer in India is that their regional roots affect their consumption choices, especially among edible food categories. The residents of the areas where HRP Ltd. operates belong mainly to the business community where people have small to mid-sized businesses and are self-employed. The residential societies consist mostly of bungalows or villas or three storeyed buildings due to regulations of real estate during the 1980s to 2000s. The residents come predominantly from the states of Punjab, Haryana and Rajasthan. They know local brands or suppliers of unbranded goods from these states and are willing to purchase these if available. The needs of residents of Dwarka were slightly different. Dwarka started emerging as a residential area for more than a decade where several multi-storied apartments were built. The residents of Dwarka mostly had households whose members were employed in the service, private or public sector in Delhi NCR. Many of them live in rented apartments in Dwarka. They come from different parts of India and have a cosmopolitan taste. They prefer to experiment more, are open to new tastes and cuisines and especially food products from different parts of India.

HRP Ltd. is struggling to deal with its popularity as it raises expectations of customers and also makes it vulnerable to criticism from dissatisfied customers. Today's customers have multiple opportunities to provide shopping experience feedback in real time through different online and social media platforms. Feedback, either positive or negative can spread fast, leaving HRP Ltd., poorly positioned to capitalize on positive feedback received, or respond to negative commentary posted on online platforms. This must change in order to better position HRP for success in today's marketplace.

HRP Ltd. was highly dependent on competitive discounts offered on a wide array of products throughout the year and thereby has built customer loyalty over the years. The weekly announcement of discounts was a successful initiative which influenced the customers to choose HRP Ltd. in comparison to other retailers for bulk purchase of their household goods. In 2018, it has also initiated a cashback incentive through an app called 'ring-ring' for countering the cash offered by supermarkets and departmental stores in collaboration with private leading banks such as HDFC and ICICI. Supermarkets had instituted a point-based loyalty program common in the retail industry. They also instituted a reward program with certain banks where customers would get a 5 to 10% cash back if purchase was done by the debit or credit card of that bank. The share of percentage contribution between the bank and the retail chain was negotiated and these offers would keep changing. Homemart did not have any such deal with banks. They passed on the discount to the customers directly and tried to achieve volume of sales to get new customers, retain the old ones and get repeat purchases. Challenges related to customer loyalty, satisfaction and retention remain.

Current Challenges and Opportunities

The promoters have been managing the business from its initiation without induction of professionals in their enterprise. The entire operations were built on trust on dedicated employees, who have learnt the art of managing the hypermarkets. The key to further expansion was building trustworthy human capital such as the manager in Dwarka store. This is constrained due to high turnover of present staff and opportunities in the retail industry. The other individual constraint highlighted is the dependency on vendor and staff on the newly implemented information technology (IT) based accounts and management information system (MIS) and a lack of knowledge of computer hardware and software.

The owners are also trying to leverage their store space to earn revenue by renting out space to local brands for sale of their merchandise. HRP Ltd. also has lately been getting into contract with specific cosmetic (beauty) brands who are deploying their sales personnel to explain and sell their own products leading to dual benefits for the specific brand and itself. It is also diversifying into apparel and selling of perishable goods like vegetables, albeit at a much lower scale than supermarkets and departmental stores. This diversified stock of non-perishable, durable consumer goods is mostly common during the festive season. So, along with the challenge of adapting to new technology, competition from big players in the grocery retail space where smaller players have eventually been bought out, building an employee base that has the competence and tenacity to keep standing on their feet while urging customers to buy more, HRP Ltd. has to face the challenge of succession planning as well and decide how much and where to expand.

Future Plans

HRP Ltd. has been expanding its operation across Delhi in the last two years and has a vision to open further stores in other regions in Delhi only. The Agrawals are confident that their current model of self-financing, vendor and store management will help them to achieve their vision.

Exhibit 1: Snapshot of competition of homemart in various locations

Residential Area	Supermarkets/ Departmental stores	Local Hypermarkets	Grocery stores
Paschim Vihar	More, Reliance Fresh, Easy Day	41	16
Pitampura	More, Reliance Fresh, Easy Day	76	52
Rohini	More, Reliance Fresh, Easy Day	151	67
Dwarka	More, Reliance Fresh, Easy Day	160	57
Ashok Vihar	None	27	12
Malviya Nagar	More, Reliance Fresh, Easy Day	20	16

Exhibit 2: Selected Offers by Homemart and More Megastore during Festive Season

	Homemart						
Sr. No.	Product	Date	Festive season	Brand	MRP in INR	Discount Price in INR	Type of offer
	Food & Confectionery						
1	Assorted Biscuits	24-08-19	Janmashtami	Britannia	120		Buy 4 Get 1 free
2	Assorted Biscuits	24-08-19	Janmashtami	Munchy	500		Buy 1 Get 1 free
3	Eggless Pastry	24-08-19	Janmashtami	Local	55		Buy 1 Get 2 free
4	Panjeeri ladoo	24-08-19	Janmashtami	Haldiram	225		Buy 1 Get 1 free
5	Besan Ladoo	24-08-19	Janmashtami	Haldiram	225		Buy 1 Get 1 free

	Pulses		Janmashtami				
1	All variants of Pulses	24-08-19	Janmashtami	Rajdhani		20%	
	Cooking Oil	24-08-19	Janmashtami				
1	Saffola Gold- 5 ltr ml	24-08-19	Janmashtami	Marico	825	720	1 litre free
2	Fortune Vivo 5 ltr	24-08-19	Janmashtami	ITC	800		2 litres free
3	Pomace 5 ltr	24-08-19	Janmashtami	Oleev	3999	1299	
	Spices and Condiments		Janmashtami				
1	Sugar 5 Kg	24-08-19	Janmashtami	Uttam	300	199	
2	All variants of Spices	24-08-19	Janmashtami	MDH		20%	Buy 1 Get 1 free
3	Turmeric, Chilli, Coriander 200gms	24-08-19	Janmashtami	Local			Buy 1 Get 1 free
	Juice and Drinks		Janmashtami				
1	Litchee Fruit Juice	24-08-19	Janmashtami	Paper Boat	110		Buy 1 Get 1 free
2	Pomegrenate Juice	24-08-19	Janmashtami	Real	108		Buy 1 Get 1 free
3	Guava juice	24-08-19	Janmashtami	Real	99		Buy 1 Get 1 free
4	Mango Juice	24-08-19	Janmashtami	Real	70		Buy 1 Get 1 free
5	Apple, Mango, Litchee Juice	24-08-19	Janmashtami	Krazzy	15		Buy 1 Get 1 free
6	Apple/Jeera	24-08-19	Janmashtami	Fresca	10		Buy 1 Get 1 free
7	Juice 40 pcs, 160ml	24-08-19	Janmashtami	Frooti	400	320	
8	Coke 2 litres	24-08-19	Janmashtami	Coke	85	68	
9	Pepsi 750 ml	24-08-19	Janmashtami	Pepsi	40		Buy 3 Get 1 free
10	Soda	24-08-19	Janmashtami	Zatka-Local	20		Buy 1 Get 1 free

	Milk and Milk Products						
1	Ghee 1 lts	24-08-19	Janmashtami	Mother Dairy	485	415	
2	Panner Malaiwala	24-08-19	Janmashtami	Local			Buy 1 Get 1 free
3	Butter 500 gms	24-08-19	Janmashtami	Nutralite	72	50	
4	Curd	24-08-19	Janmashtami	Gowardhan			Buy 1 Get 1 free
	Soap and Toiletries		Janmashtami				
1	bathing Soap (125 gm, 3 pc)	24-08-19	Janmashtami	Camay	110		Buy 1 Get 1 free
2	Khadi Soap	24-08-19	Janmashtami	Local	75		Buy 1 Get 1 free
3	Shampoo 650 ml	24-08-19	Janmashtami	sunsilk			Buy 1 Get 1 free
4	Shampoo	24-08-19	Janmashtami	Dove	450		Buy 1 Get 1 free
5	Shampoo 700 ml	24-08-19	Janmashtami	Himalaya	425		Buy 1 Get 1 free
6	**Combo Offer**		Janmashtami				
	Besan -	24-08-19	Janmashtami	Rajdhani	119	59	
	Chana Dal	24-08-19	Janmashtami	Local	99	49	
	White Chana	24-08-19	Janmashtami	Local	99	49	
	Soap	24-08-19	Janmashtami	Nivea	244		Buy 1 Get 1 free
			Janmashtami				
	Phenyle	24-08-19	Janmashtami	Local	222		Buy 1 Get 1 free
	Snacks	24-08-19	Janmashtami	Bikano			Free
			Janmashtami				
	Dalda Soyabean oil	24-08-19	Janmashtami	Dalda	110		Buy 3
	Homefoil 21 metres	24-08-19	Janmashtami		156		Free
	Total offers advertised by Homemart on Janmashtami festival was 231 items						

	MORE MEGASTORE						
	Food & Confectionery		On Janmashtami				
1	Sweets- Soan papdi 400 gm	24-08-19	Janmashtami	Haldiram			Buy 1 Get 1 free
2	Sweets- Besan Ladooo400 gm	24-08-19	Janmashtami	Haldiram			Buy 1 Get 1 free
3	Choco pie	24-08-19	Janmashtami	Lotto			Buy 2 Get 1 free
4	Snacks - Above Rs. 20	24-08-19	Janmashtami	Brands		20%	Buy 2
5	Fresh Cake 500 gm	24-08-19	Janmashtami		199		
	Pulses		Janmashtami				
1	Peanut Loose I kg	24-08-19	Janmashtami		127		
2	Chickpea Loose 1 Kg	24-08-19	Janmashtami		59.5		
3	Pigeon pea Loose 1 kg	24-08-19	Janmashtami		87		
4	Kidney Beans 1kg	24-08-19	Janmashtami		90		
	Cooking Oil	24-08-19					
1	Rice Bran	24-08-19	Janmashtami	Fortune	725	625	
2	Soyabean oil	24-08-19	Janmashtami	Fortune	155	109	
	Rice and Flour						
1	Basmati rice 5 kg	24-08-19	Janmashtami	Kohinoor	820	410	
2	Aashirvaad Flour 10 kg	24-08-19	Janmashtami	ITC	360	321	
	Milk and Milk Products						
1	Butter 500 gms	24-08-19		Amul	225	210	
2	UHT milk	24-08-19		Nestle	75	65	
3	Artisanal Curd 400 gms	24-08-19		Epigamia		50%	
4	Sweet Curd 85 gm	24-08-19				50%	

	Fruit & Vegetables						
1	Potato 1 Kg	24-08-19			13		
2	Onion 1 kg	24-08-19			30		
3	Tomato 1 Kg	24-08-19			39		
4	Apple-Himachal 1 Kg	24-08-19			59		
5	Pomegranate 1 Kg	24-08-19			99		
	Home needs						
1	Luggage Trolleys 58 cms	24-08-19		Aristocrat	4998	1999	
2	Folding Mattress	24-08-19		Satcap	1700	799	
3	Curtain	24-08-19				50%	
	Electronics						
1	LED Smart TV	24-08-19		Kodak	50999	29999	
2	Branded Water Purifier	24-08-19					Suryaflame mixer grinder
3	Mixer grinder	24-08-19		Havell	4495	1796	
	Total offers advertised by More Megastore on Janmasthami festival was 63 items						

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ACE FOODS CO.:
ON THE ROAD TO SUCCESS

This case was written by ***Dr. Rashmi Sharma****, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

Ace Foods Co. was started by Jay Patel in 1995 in Ahmedabad, Gujarat. Ace Foods Co. was known for its Gujarati snacks like 'Khakra', ' Bhakarwadi' 'roasted Seengdana'. The company had more than 2500 employees across cities like Baroda, Surat, Rajkot by the year 2000. The company had an organisational structure where decisions were made by the top managerial positions and flew down to the bottom managerial position. Ace Foods Co. had a bureaucratic and rigid structure. Jay Patel, who was an MBA from a top B-school in India, had established HR department the moment company had more than 100 employees. The HR department was responsible for hiring, training, compensating and taking care of welfare of all employees. Dhwani Joshi, who was the HR Manager, suggested core practices to the other department's managers.

After gaining popularity in Gujarat, in 2002 the management of Ace Foods Co. decided to expand its market and sell the packaged food items in Maharashtra & Madhya Pradesh too. They decided to segment the market as per population and wanted to target only metro and cosmopolitan cities of Maharashtra and Madhya Pradesh. The marketing, manufacturing, HR department identified ways to maximise the productivity of resources. They also changed the company's vision, mission, goals and objectives. In the new market they decided to create a line structure and hire young MBA professionals from the campus only.

Q1. As per your understanding, elaborate the structure and decision-making process of Ace Foods Co.

Q2. What is the authority of the HR Manager in HR department and other departments? Give reasons for your answer.

Q3. What are the various channels of communication that prevail in Ace Foods Co.? Mention in detail.

Q4. Identify the corporate and functional strategy of Ace Foods Co. Give reasons for your answers.

Q5. Elaborate the components of strategic management keeping in mind how Ace Foods Co. changed their Vision, mission and created a line structure organisation.

BEST PLACES TO WORK: THE STORY OF AS CREATIONS PVT. LTD.

*This case was written by **Dr. Rashmi Sharma**, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

AS Creations was a leading MNC, with its headquarters in Delhi. The company founded in 2010 by Atulit Sharma, was a creative ad company. In just a span of 6 years, AS Creations expanded its business across the globe with leading companies as their clients. The company was not just famous for its product and services but also for its HR initiatives; the company believed in valuing people and from day one since its inception, AS Creations strived to grow the company by ensuring that people were happy working with them.

AS Creations business units where some HR people served as generalist to employees and partners. A separate corporate division was created that took care od handling all administrative tasks. Some of the HR initiatives included building HR capital and developing leadership. The company thought of managing strategic performances and focused on shareholders, customers and value creation.

AS Creations was also known for its FWAs (Flexible Work Arrangements). The company believed in their employees and wanted them to be in a learning mode. The employees were given an option of taking leave to pursue higher education. Whenever any employee worked overtime, he/she received case or day off in lieu of that. The employees were allowed to start and end their day as per his/her need; they had to complete total working hours in a day. While 70% of the employees in AS Creations work full-time and cannot be replaced owing to their competencies, remaining 30% were part-time workers. All employees, be it full-time or part-time, were given several cafeteria benefits and AS Creations was known for high talent retention. In the year 2024, AS Creations was listed amongst the best places to work, and the company thinks they have only begun.

Q1. Apply Dave Ulrich's model to elaborate the role of HR professionals in AS Creations. Also mention which component of the model has been adopted by the corporate division unit.

Q2. If AS Creations must focus on customer value creation, which of the components of HR Scorecard is it focusing upon? Briefly explain the components of HR Scorecard.

Q3. Analyse the types of flexibility prevailing in AS Creations. Give examples of each.

Q4. What are the types of employees that AS Creations has? What are the advantages of each type?

Q5. State what makes AS Creations best place to work; throw some light on their flexible work arrangements too.

ATHOS PHARMA INDIA LIMITED

*This case was written by **Prof. Ashok Bhattacharya**, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

Dr Alok Roy has had a very successful career with Athos Pharma India Ltd, the Indian subsidiary of the world's largest pharmaceutical conglomerate Athos Inc. In his twenty five years career with the company which Roy joined in the US after completing his PhD in Chemistry, Organic Synthesis area, as a Research Scientist he has not looked back. After working for 10years in the US, Roy relocated to India and was positioned in the Medical Research Division of the Indian subsidiary as a Senior Research Manager, reporting to the Director Medical Research, Dr V Gaitonde.

Athos did not undertake any basic research for discovery of molecules (medicines) in India, The Medical Research team in India was largely responsible for Clinical Testing/trials of molecules (drugs) as per laid down company and country procedure and law on human beings and animals as the case may be before the drug was approved for commercial production and included in the list of prescribed generic drugs /formulations.

At the time of Alok's relocation to India, Athos was headquartered in Mumbai with its corporate headquarters on the top three floors of a famous multi-storeyed building in Nariman Point. The corporate headquarters housed the Managing Director's office and the offices of the functional heads in Finance, Marketing, Production, Human Resources, Public Relations and Liaison and Medical Research. All these functions were headed by Directors who were part of the India Company Board and reported administratively to the Managing Director and functionally to the head of the respective function for the Asia Pacific Region.

Apart from the Corporate Office there were two manufacturing plants one for making bulk drugs in Mohali, Punjab and another in Thane making bulk and formulations. The plants were headed by a Plant Manager. All manufacturing plants were under the Production Division and consequently all functional heads in the plant even outside the manufacturing and engineering function reported to the Plant Manager. Hence Performance Reviews of all plant employees were completed at the plant level and reviewed by the Production Director who did so in consultation with the HR Director and the concerned functional Director. Similarly Athos had Regional Offices in Metro Cities headed by a Regional Manager who reported to the All India Sales Manager. Each

Regional Managers had a set of Area Managers reporting to them who were staffed Professional Sales Officers under them as the front line of the Sales team. The reviews of the sales team was done by their respective Area /Region Manager and then reviewed by the All India Sales Manager and Marketing Director in consultation with the HR Director. The Corporate Office essentially formulated policies and programmes and decided on expansion new product introduction in consultation and approval of the US Principal. Hence organizationally to the operational people they were part of a division and saw the organization that way. However while the organization was primarily structured divisionally the unionised employees however were under a single union affiliated to leftist Central Trade Union AITUC and hence while management staff had practically no communication between the plants and sales offices, the unionized workmen had much more information of what was happening where. Because of this information asymmetry management viewed the Union with mistrust and the Union tended not to believe the management. Since the salary structures in the pharmaceutical sector were high the earnings of the management as well as those of the non-management people were high and since the Union was strong the wage rises through collective bargaining and consequent wage settlements were also high. Since the trust levels were low any work modification that the management suggested were resisted by the Union.

Children and adults of most tropical and African countries suffer from an ailment of worms in the stomach which impact their health and development index. It is in this time that Alok who was part of the team in Athos R&D that researched and discovered two molecules which were to be brought out as medicines for treatment of stomach worms one for human beings and the other for animals. The clinical trials of these molecules (drugs) were to be done in the tropical countries of Asia, Asia Pacific and Africa including India. Alok who was excited about the discovery wanted to be part of the Clinical Trial team in India. He went round the country doing clinical trials for a period of nearly two years and the molecule had a success rate of 95% among all clinical samples. The results from all the geographies were also similar. Hence, Athos decided to put up the molecules for approval with the US Federal Drug Agency. It took around two years and finally approved. Based on the US approval, since Athos wanted to launch the product in India simultaneously with other countries, Athos India also applied for approval by the Indian Drug Approval authorities. Dr Alok Roy was entrusted with this responsibility. After a lot of deliberations over a year and a half period the Indian Drug Authorities gave approval for launch of the product in India. Based on the approval Alok went around the country addressing the Medical Council and Medical Conferences informing them about this drug and free prescription of it to safeguard the health and well-being of the children of India .For Alok this was not a job but a passion. Having grown up in a low middle-class area in suburban Kolkata he had seen this ailment all around him manifest itself in skinny children with rickety hands and legs but with swollen stomachs constantly suffering from cold, cough and excruciating stomach ache for whom the entire nutrient value of their food intake was taken away by the worms in their stomach who used it to multiply and compound the problem further.

It is in this backdrop that Athos India decided to import the drug in bulk from Mexico and convert the bulk into formulation doses in tablet/capsule, syrup and injectable form in its formulation plant in Thane. The formulations did very well and the off-take volume was high but the margins were not significant as the Government Policy was to build India as a low cost pharmaceutical producer and hence there was a significant duty imposition. Import price of the bulk could not be controlled as Athos India did not have any transfer pricing policy with Athos Mexico. Similarly Athos in India did not want to follow a cost plus mark-up pricing as the drug was largely for the poor and low middleclass and further mark-up pricing could bring the price under drug price control regime. Athos also did not mind as the consumption increase in terms of volume was to some extent neutralising the low margin.

It is in this scenario that an item to set up a Bulk Drug Plant for manufacturing the compounds was taken up at the Board level for discussion. The Finance Director Mr Chaman Parikh and the Marketing Director Mr E Kurian were against the proposal and reflected the conservative culture of the company. Parikh was of the view that an investment into a green field project would stretch the depleting reserves of the company and may put its ongoing business and profitability at risk. Mr Kurian was of the view that in an atmosphere in the organization where the Union – Management relations were not good setting up another manufacturing plant would only increase the bargaining capacity of the Union and the advantage sought to be achieved would be wiped away by higher wage demands. The Production Director Mr S Rangachari and the HR Director Mr S Mitra who did not get along too well with Mr Parikh and Mr Kurian were of the view that a manufacturing facility should be put up. Dr Alok Roy who for long had nursed the ambition of setting up such a plant in India and that too in his home state of West Bengal convinced his boss the Medical Director Mr Gaitonde to support the proposal. Consequent to a majority in the Board the decision to set up a manufacturing plant was approved .The question that however remained was the location of the plant. It was felt that collocating the plant at Thane would only strengthen the influence of the Union and Mohali besides the same problem did not have the requisite space. It was felt locating the plant where the influence of the leftist trade unions could be neutralised would be the best location. The Congress

Government headed by Mr S.S Ray had been for a long time wanting to bring the pharmaceutical industry to West Bengal after the decline of Dr PC Ray promoted Bengal Chemicals and Pharmaceuticals and other similar companies. The Government of West Bengal invited Athos. Consequently Mr Mitra and Dr Roy who had post the Board decision been transferred from the Medical Research Division to the Production Division as Project Head met the Chief Minister and came back convinced to set up the plant in West Bengal. Their views were presented to the Board who approved the decision of setting up the plant in West Bengal in a 20 acre plot provided by the Government in Sujapur around 55 kilometres from Kolkata.

As the management was suspicious of the leftist union in Athos, The Athos Employees Union, it wanted to insulate it from them. No information on the plant or its progress was shared. This made the rest of the organization develop a certain level of animosity to the construction of the plant in Sujapur. At the least they were sceptical. As if acceptance of the plant construction was not possible for them. Dr Roy the Project Manager became more and more isolationist to the extent of questioning the policy framework and mind set of the rest of the employees in other locations of Athos and wanted them not to interact with the team. He went to the extent of advocating a different set of rules and service conditions for the Sujapur employees of Athos. Dr Rangachari did not quite subscribe to this but went along because of the tremendous respect and faith he had in Mr Mitra who supported the idea. In the meanwhile in a general election in West Bengal the leftists much against expectation came to power defeating Congress. The leftist government promised support which made the local non-left trade unions antagonistic to the project. The isolationist approach of Dr Roy increased day by day during the construction phase of the plant. He resisted operational level managers from visiting the project and also prevented Sujapur unit managers to visit the Corporate Office or other plants of Athos. Consequently he created a situation where Sujapur unit managers were completely unaware of or in know of the organization processes and people in the rest of the organization. Project Review meetings with the Production Director was attended by him along with an old time friend of his who was brought in from Sales as Project Coordination Manager along with the Site Manager from the Construction company. Hence there was an information asymmetry between the Project Management and the Corporate Office.

The trade union of Athos because of their animosity instigated the non-leftist trade union bodies who were agitating outside the project side, obstructing smooth completion of the project work. Consequently there was a severe time and cost over run in the project. This impacted the share price and performance. Dr Roy justified it as failure on the part of the Construction Company, Consultant and slow release of funds by the Corporate Office. There was intermittent demonstrations outside the project gate. The demonstration predominantly was over the external union's pressure to recruit unskilled and janitorial staff from among the men involved in the construction project as nominated by which was the prevalent practice. This resulted in violence at the project gate when one of the Project Engineers of Athos was severely assaulted. Thereafter, since the assault was engineered by INTUC – Congress affiliated Union- the left front government stepped in and provided police protection. Accordingly a police escort was provided to the staff of Athos for entry and exit to the project premises.

Any way with great difficulty, violence the plant was ready. The day the plant was to start there was a sabotage in one of the reactor vessels as a result of which the entire output had to be rejected. Dr Roy and his team decided to take disciplinary action and after following due procedure terminated 5 workmen of the Sujapur Plant. The workmen of Sujapur plant who were till then non-unionised affiliated themselves to the Athos Employees Union and went on an indefinite strike. The Thane Plant workmen who were till then making the formulations from the stock of imported bulk, for which they had an inventory of three months, refused to do so till the Sujapur workers were reinstated. Consequently the anti-worm drug was unavailable and Athos sales started falling. The strike became more and more fierce and continued even after 70 days. The Directors who were opposed to the decision now openly started criticizing the decision of Mr Rangachari and Mr Mitra. Dr Roy whose dreams were shattered was a wreck. Morale and motivation of the management staff was low and falling every day. Athos was staring down a deep downward decline. The corporate leaders in US headquarters were writing stinkers to Mr S Rao the Managing Director who till now had been non-interfering and gone along with the decisions of the functional directors to do something.

Mr Rao thought over the developments and felt more was wrong with Athos India than just the execution and consequent result of the Sujapur project and something more widespread and consequential needed to be done and decided to bring in an OD Consultant.

ANGUS PHARMA : MR DUTTA'S DILEMMA

*This case was written by **Prof. Ashok Bhattacharya**, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

On a cold winter day in 1985, it's 10:30 in the morning Mr Mukul Dutta the India HR Director of Angus Pharm one of the leading pharma multinational was entering his office in Nariman Point, Mumbai. As he was about to enter the room his Secretary Mrs Prabhu rushes in and tells him that Mr Arpan Roy the Project Manager of Angus's new project at Nayagarh in West Bengal had called to say that there was violence at the project gate and Mr Venkatachalam a Project Engineer had been severely assaulted and was admitted in a Kolkata hospital in a critical condition.

Angus is a multinational pharmaceutical company manufacturing bulk drugs and formulations and has been a company very strong on ethical values. It has managed its subsidiaries outside its home country with a very high degree of conservatism. Its Indian operations have two manufacturing plants, one in Mumbai which is a formulation plant and another in Chandigarh which is a bulk drug plant. These plants have been in existence for twenty plus years. The company has discovered two new molecules which have after due clinical and other steps been granted licence for commercial production in bulk as well as formulations of tablets, syrups and injections. The molecules are "anthelmintic" or deworming medicines and hence have a greater market in tropical, poor and developing countries. With this social consideration in mind the company has decided to set up the plant in India and in the state of West Bengal.

West Bengal is a state with a high level of unionization and it has been customary for the company's setting up plants there to recruit as workmen on a representative basis from candidates recommended by the two major Unions belonging to CITU and INTUC provided they meet the qualification and other criteria for the position. This process ensures the setting up of at least two Unions right from the inception. In order to avoid this, multiplicity of Unions, the company decides to adopt a "NO UNION" policy in the plant. The GLOBAL HR Director, Production Director for India, HR Director for India along with the Plant Head and Plant HR Head are in a brain-storming session to decide what their Recruitment Strategy should be to meet this objective.

The plant has a manpower requirement of 300. Of which 50 are Engineers, Executives and Managers, or in other words NON BARGAINING STAFF – outside the purview of Unionization, the rest 200 are BARGAINABLE STAFF who can form Unions.

Finally the decision is taken to recruit fresher's and train them through a rigorous process. The local practice has been to recruit at the unskilled level from the candidates nominated by the local CITU and INTUC Unions. The management of Angus rejected the process.

Consequently there has been demonstrations at the gate on a regular basis resulting in the incident.

The HR Manager had recommended a compromise to be worked out apprehending something like this, but was overruled by the Project Manager, Arpan Roy on the advice of a friend of his who had no previous experience in Industrial Relations but meddled in everything.
Mr Dutta faced with this situation had now to decide course of action.

AVANTI TOURS AND TRAVELS

*This case was written by **Prof. Ashok Bhattacharya**, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

Ramesh Roy the newly appointed HR Consultant with Avanti Travels was at a dilemma. Ramesh Roy who had 30 years of experience in the HR function was facing such a situation for the first time. Having taken up a consulting assignment with Avanti Tours and Travels to design the organization structure and along with it set up and operationalize its HR processes and systems, the first intervention he had made had entered rough weather. His perception of this being a case to build a sharing atmosphere among employees in Avanti faced a road block from Homi Khambata, the founder for whom it was of employees using it as a means to justify "wanting top-class money for C class performance". Ramesh wondered did Homi "really want anything to be done and what was he to do".

Homi Khambata the Entrepreneur

Avanti was started through the entrepreneurial drive and passion for the travel and tourism business of Mr Homi Khambata. Homi had worked in Paul Cook a large travel company for 20 years straight after college. According to Homi he had done every conceivable role in the industry and had built an expertise which he believed was unparalled. He knew "the India" and what it had to offer – not run of the mill – its exclusivity, uniqueness of culture and diversity which for the leisure traveller to India in his words was "mind- blowing". He could design tour itenaries and accommodations which were out of the ordinary making the traveller go through an experience that was unforgettable.

In April 2001 Homi was walking into the office of his boss Mr Hank Clarke the Operation Head for his review. Homi was looking forward to this. As he believed he had done very well. He had exceeded the revenue target assigned to him by 25%. All his clients had given him an excellent feedback. During the last quarter of the year he had filled in for the Regional Business Manager for Bombay where he was posted. Homi was expecting a significant salary increase of 40% and also a promotion to the position of Regional Business Manager for Bombay. Brimming with confidence he knocked on the door of Mr Clarke's office and heard him in his baritone voice "Come In". Homi walked in into the office pretty sure what to expect.

Paul Cook which had five regional offices in India and employed 500 employees ; had a very elaborate Performance Appraisal Process. Each Region had a Regional

Business Manager reporting to whom were Group Account Managers. Each Group Account Manager had 3-5 Account Managers who were responsible for the business, client satisfaction and profitability in the account. Homi was a Group Account Manager. The Appraisal parameters for Paul Cook for Group Account Managers depended on the revenue target, growth, client satisfaction and profitability. Besides these factors performance levels of team members also had a bearing on the performance of the Group Account Managers. Apart from these factors feedback from peers on team-work and cooperation also had a significant bearing on performance. Peer feedback was not known to Homi when he went in to meet Clarke.

After sharing pleasantries Clarke congratulated Homi for his excellent performance. He then pointed out that two members in his team had not met the targets. Homi was of the view that they were useless and that there was no point wasting time on them. One of them Oscar had joined Paul Cook a year and half ago from Travel Giants a competitor of Paul Cook with an excellent track record and had his own way of doing things which were not necessarily in agreement with Homi all the time. Homi stopped guiding or leading him. Since others knew of it Oscar also did not receive the cooperation of other team members. He felt isolated and pretty much left on his own. Clarke after telling him all this also told him since he was so passionate about his work his peers experienced him as proud , abrasive at times and definitely uncooperative. In his need to always offer something unique and special to his clients, Clarke pointed out, Homi incurred additional costs as a result of which the profitability in the accounts managed by him were not the best. Hence Clarke was of the view that Homi needed to continue in his present role for some more time to build the leadership qualities he felt were necessary for Homi to be suitable for the position of Regional Business Manager. Since Homi was going to continue in his current position, Clarke could at best offer him a 20% increase in his salary only.

Homi walked out of the room a disappointed man. His belief in Human Resources Management processes, significantly Performance Appraisal process and organization hierarchy was completely shattered.

Homi decided to quit Paul Cook and start something on his own. He also was clear that bureaucratic HR processes and organization hierarchy was something he would not have in his organization.

Avanti Background and Operations

Homi's pride severely hurt at being told he did not know leadership and understand people marked the start of Avanti Tours and Travels in August 2001. He decided to get deep into study of Psychology and Group Processes and thereafter Psycho Analysis and then over the next couple of years became a self- styled Psycho Analyst Avanti Tours and Travels is an inbound travel and tour operating company for FIT (Foreign Individual Traveller) of high net worth. It also offers group travel but only for about 25% of its business volume. Avanti Travel was set up in 2001 and its business in the financial year 2007- 2008 was $48.6 mill. Avanti has year on year achieved a CAGR of 30%.

Avanti started operations in August 2001 by running charters from UK into Goa. The initial staffing of Avanti was four people who were known to Homi. Those who joined Homi felt that they had joined him as friends. Homi though was not quite sure about that. Avanti therefore had no structure, no designations. Roles and functions to be carried by each member of the Avanti team were not clear. Each one pitched in with what they believed they could do best. Consequently Homi contributed in Sales, Public Relations and lining up hotels and properties that could be used by clients. Julian who was based out of Goa, being a resident of Goa took care of reception and site seeing. The other two members of the team who were based in Delhi and Bombay took care of the guests who came via these cities and managed their logistics related to travel in India and for other travel related arrangements when they wanted to visit other locations in India.

Avanti over the years grew in business. In 2003 Homi through his contacts was able to enter into a contract with Max Travels of UK to act as their DMC (Destination Management Company) in India. This offered Avanti an opportunity to service high end individual travellers and garner higher margins. The charter market was a low-end low margin business and Avanti took a decision to grow the FIT business as DMC's for other FTO's (Foreign Tour Operators). By 2004 Avanti exited the charter business and began functioning in only a DMC role for FTO's. Subsequently in 2006, because of Avanti's quality services customers from abroad started approaching it directly to organise tours and travel for them in India. Avanti responded to it and started operating in a small way as tour operators for its direct clients. Since there was a potential conflict in the two offerings, Avanti decided to keep it low key and till date direct business accounts for only 15% of its overall revenue.

As a DMC, Avanti had to undertake a lot of activities. A list of those activities is given in Exhibit 1. As the business volume and travellers grew, its staffing also increased, Avanti hence set up five offices in India located at Delhi, Bombay, Cochin, Goa and Chennai. It also placed a representative based in London for Marketing and seeking direct customer business. Since a lot of the relationship building, marketing, and customer base were out of Europe, mainly the UK, Homi decided to relocate himself to London and took an NRI status. He started spending most of his time there and was in India four to five times a year on a ten to fifteen day visit each time.

Organization and Processes

Homi's lack of belief in a formal organisation structure and HR systems largely based out of his experiences in Paul Cook made him resist building any organisational hierarchy, formal reporting relationships, HR processes including a formalised compensation structure and an Appraisal System. He however through his new found interest in Psychology and Group Processes had developed an intrinsic interest in people. Along with a friend of his Sameer Pathak conducted open group sessions to find how people in the organisation were relating to one another at an interpersonal level as well as what were the intrapersonal issues with employees. Based on their diagnosis, Homi and Sameer made necessary interventions. It also helped him to diagnose the HR issues confronting the organisation and make the necessary changes.

Some of the employees found this process of open confrontation very disturbing and demeaning. Especially employees with experience and managing key tasks and responsibilities sometimes experienced it as insulting. They started a campaign within the system “We have come here to work and not to discuss intimate details about ourselves”. Hence they took a concerted decision not to speak in these meetings and tutored others not to do so either. Suddenly the meetings became completely unproductive for Homi and he was no longer getting any insights into the people processes of the organisation. Homi perceived this as sabotage. But he was helpless and decided to discontinue the process and told the experienced members of the team that he was now no longer interested in knowing what was happening but left it to them to deliver the business results, customer satisfaction and the projected profitability while managing costs. This decision was communicated to the experienced members of the team in November 2007 by Homi at his beach resort residence in” Bombay”.

Homi however continued to feel that because of his loosened controls Avanti consequently had become a “free for all run by the individual whims and fancies of people heading each location”. “The level of cooperation between locations was abysmal. Each location believed it was Avanti and it was right. Blame games had begun between locations and within locations. Discipline levels had plummeted and consequently operations excellence suffered”. Clients and FTO's started raising complaints to Homi. The key team members however failed to understand Homi's angst against them. Though there existed a bit of dysfunctional business competitiveness amongst them they just failed to understand why as claimed by Homi, "Avanti was going down the drain" They were at their wits end to understand what Homi's expectation from Avanti was. Homi was at his wits end and experienced a sense of alienation from the business that he had created. He contemplated selling off Avanti or closing it down.

New Venture – Adventure

The lack of space for Homi in his own venture Avanti as it was run by location heads, "Chiefs" as Homi called them, and his consequent "detachment " made him think of setting up something different to prove once again that he always held the ace by thinking of something new and distinct.

During 2007 Homi set up another company, Adventure, which was going to offer Village experience in pristine areas of India. This business needed capital as it involved setting up of "rustic looking accommodation with top of line modern facilities matching European standards" at remote and non-motor able locations. The first such venture was set up in the high mountain areas of Uttarakhand. Adventure was headed by an expatriate from UK, Mike Snow who had worked for over 10 years with large FTO's abroad with experience in Srilanka, Malaysia and Indonesia. He was accustomed to work in organisations with sound processes, data management systems and robust HR processes.

HR Processes and Challenges Ahead

Mike convinced Homi to hire a HR Consultant who could set up HR processes and systems to bring Avanti back on track. Julian was given the brief to search one. Julian contacted Ramesh Roy who had been an Industry professional and was now into independent consulting for the role. In a brief meeting between Homi, Julian, Mike and Ramesh it was agreed to offer the assignment to Ramesh.

Mike who had done most of the discussions and briefings with Ramesh felt the key issues besides setting up structures, systems and processes in HR was also to build a bridge between Avanti and Adventure and make Homi believe the need to involve himself in Avanti and not set up Adventure as an escape from Avanti.

Ramesh started work in April 2008, and studied the organisation. Ramesh through a process of informal discussions with a major portion of the 75 employee Avanti had got a feel of the issues they were faced with which ranged from lack of role clarity to compensation levels and disparities in it. Ramesh in his wisdom felt that an open candid discussion and open sharing of it would help. He therefore decided to hold a two day residential conference of the managerial staff of Avanti to assess the feelings of the employees and to involve them in what needs to get done. The first day the managers shared their ideas. Among other things they had expressed concern over employee compensation. Ramesh had studied the market for the industry. There was some merit in this view but Homi took exception and started confronting all the views and ideas expressed and said "You people are wanting top class money for C class performance". This made the participants shut up and consequently the conference was a fiasco .

Homi went back from the meeting disappointed and feeling that Human Resources as a function had disappointed him once again. Ramesh Roy came back from the meeting thinking what had he got into and what now needed to be done. "Chiefs" as Homi called them, and his consequent "detachment " made him think of setting up something different to prove once again that he always held the ace by thinking of something new and distinct.

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Exhibit 1

ACTIVITIES IN A DMC (AVANTI)

1. Meeting (Foreign Tour Operators) FTO's to demonstrate capabilities.

2 Establish a relationship as a Destination Management Company (DMC) for the FTO.

3. Attend International Travel and Tourism Fairs for contact establishment with FTO's, those in the travel business; understand Indian competitor offerings and customer wants.

4. Design Product literature and other collaterals for Avanti as a company.

5. Design literature on India and its offerings as a destination.

6. Prepare literature on Avanti itenaries.

7. Scout chain, boutique and heritage hotels in India to identify which hotels would fit which segment of the Avanti clientele.

8. Scout Service Providers of other activities that Avanti clients may expect like chartered aircrafts, luxury cars and trains, adventure sports, history experts, wild life experts, archaeology and museum experts, art historians and critiques, craft experts, local history , culture and anthropology experts , local guides, shopping guides, literature experts , writers, painters, musicians and a host of other such services.

9. Enter into contractual and event/occasion based relationship with them so that Avanti could draw upon their services when needed. Even attempt an exclusive relationship with them so that Avanti could provide to its clients which no other agency could in India.
10. Establish relationships with travel writers, journalists, programming experts on travel on television, television channels covering travel and tourism chefs and culinary experts to explore the Avanti experience and write about it in the domestic as well as international media so that more and more FTO's as well as direct customers would contact Avanti for organising their travel business/plans in India.
11. Receive queries from FTO's and direct customers for a travel to India. Sometimes the queries would only suggest duration, sometimes suggest places, monuments and areas of interest, sometimes both.
12. Design a tour itenary with suggested hotels modes of transport and other activities. Cost the tour and send it to the FTO or client as the case may be as a proposal.
13. Access the costing methodology and data from the Software package available. Enter the proposal in the system.
14. Await FTO/ Client confirmation / queries on proposal. Address queries. Enter in system.
15. Upon confirmation enter firm plan in system. Make necessary arrangements for booking of hotels, travel and other facilities. Enter in system.
16. Communicate confirmation of arrangements to FTO/ Client and raise an invoice preferably for the whole amount of tour and definitely not less than 30% of billing as agreed in the proposal.
17. Receive payment and enter into system.
18. On 30 days prior to the clients arrival into India raises the balance invoice.
19. Seven days prior to client arrival prepare all hotel vouchers (these are documents which allow the client to settle hotel payments in line with the expenses approved in the tour itenary)
20. Reconfirm guides and other arrangements like local transport, ticketing for travel within India – flight/rail/surface.
21. Arrange transport for airport pick up on date and time of arrival.
22. Receive the client at airport with signage board. Facilitate check out through emigration and customs if required.
23. Greet the client on arrival, offer to carry baggage and hand baggage. Brief client about the tour; give some guidelines for stay in India for a first time visitor.
24. Arrange transfer to hotel
25. Facilitate hotel check in and interface with hotel front desk to ensure that the client has the type, category and location of room as desired.

26. Meet client next morning to give a detailed briefing on the tour along with a written itenary detailing every aspect.
27. Meet and greet client during the tour to seek feedback and check needs and comfort level.
28 Execute the tour for the client according to itenary and coordinate with all service providers in other locations.
29. Arrange transfers and check ins for all domestic air travel.
29. Meet client at hotel on departure out of India.
31. Take client feedback in a pre-designed format.
30 Facilitate hotel check out.
31. Accompany client to airport, facilitate check in and greet on departure.
32 Undertake familiarisation trips to locations in India and get a first-hand understanding of offerings and explore new possibilities.
33. Maintain Attendance Records of employees
34. Handling employee separations- exit interviews, full and final settlements
35. Office Housekeeping
36. Managing Pantry and Cafeteria Services
37 Manage Reception, Telephone, Courier and Photo Copying Services.
38 Arrange for all purchases
39 Maintain Books of Accounts
40 Prepare Budgets and monitor the expenses.
41 Prepare payroll and credit employee salaries
42 Deposit taxes and prepare tax returns
43. Prepare MIS Reports
44. Maintain Computer Hard Ware, Software and other IT Systems
45 Drive clients and employees as per program and instructions
46 Ensure all vehicles used are in proper condition, clean and with the requisite supplies like water etc.
47. Run errands to banks, post offices, hotels and other places as required.

GIZER LIMITED'S RECRUITMENT DILEMMA

*This case was written by **Prof. Ashok Bhattacharya**, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

GIZER is a multinational pharmaceutical company manufacturing bulk drugs and formulations and has been a company very strong on ethical values. It has managed its subsidiaries outside its home country with a very high degree of conservatism. Its Indian operations have two manufacturing plants, one in Mumbai which is a formulation plant and another in Chandigarh which is a bulk drug plant. These plants have been in existence for twenty plus years. The company has discovered two new molecules which have after due clinical and other steps been granted licence for commercial production in bulk as well as formulations of tablets, syrups and injections. The molecules are “anthelmintic” or deworming medicines and hence have a greater market in tropical, poor and developing countries. With this social consideration in mind the company has decided to set up the plant in India and in the state of West Bengal.

West Bengal is a state with a high level of unionization and it has been customary for the company's setting up plants there to recruit as workmen on a representative basis from candidates recommended by the two major Unions belonging to CITU and INTUC provided they meet the qualification and other criteria for the position. This process ensures the setting up of at least two Unions right from the inception. In order to avoid this, multiplicity of Unions, the company decides to adopt a “NO UNION” policy in the plant. The GLOBAL HR Director, Production Director for India, HR Director for India along with the Plant Head and Plant HR Head are in a brain-storming session to decide what their Recruitment Strategy should be to meet this objective.

The plant has a manpower requirement of 300. Of which 50 are Engineers, Executives and Managers, or in other words NON BARGAINING STAFF – outside the purview of Unionization, the rest 200 are BARGAINABLE STAFF who can form Unions.

REPOSITIONING GOLMAL CHEMICALS

*This case was written by **Prof. Ashok Bhattacharya**, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

Golmal Chemicals is a joint venture company between a State Government and Sohanmal Industries. Sohanmal Industries is in the heavy chemicals industry making a product that is used primarily by the detergent industry. Its clients therefore range from multinational detergent manufacturers like HUL and P&G to small scale industries in the detergent market. Its competitors mainly two belong to the two largest business houses in India having diverse business interests. Golmal Chemicals ability to survive in this highly competitive industry where its competitors ability to squeeze price and also that of its large institutional buyers to seek price discount and favourable credit terms necessitated it to cut costs, compromise on plant safety adopt over invoicing and under-pricing to shore income(for entrepreneur's) . This compromise in safety, hygiene and plant and facilities maintenance resulted in a high accident rate. The joint venture partner was non-interfering and hence did not bother. Consequently there was a major accident in the boiler plant resulting in the death of three workmen which resulted in large scale violence in the plant. As a result the State Government which was a part of the JV intervened and brought in a new Managing Director who was a thorough professional with experience of significant business leadership in a large Indian business house as well as multinational organization with very strong ethics and process orientation and appreciation of the human resources function and its role in organization development.

SCL'S INTEGRATION

*This case was written by **Prof. Ashok Bhattacharya**, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

SRL Ltd. Is an office automation company manufacturing Reprography products (Photocopiers) in collaboration with a large Japanese company? The other companies in the group which is present in the Office Automation Industry are in the areas of tele-communication equipment, industrial instruments. The flagship company in this group is SCL Ltd which is the business of manufacturing desk-top computers. SCL Ltd is the market leader among Indian companies in the computer hardware business. The performance standards of its employees is very high especially of its sales and marketing team members who are very aggressive and manage to achieve high sales targets to stay ahead in the industry. Consequently they consider themselves to be superior and look down upon employees of the other group companies. The organization also seems to agree with this outlook as their compensation, reward structure and career growth is significantly superior to the other companies in the group.

The company is now planning to merge all the companies into a single company by divisionalising all the group companies. In other words the company will become a full scale Office Automation company with each of its erstwhile companies becoming divisions. However the new company would be named SCL Ltd. The employees in SRL and other companies except for SCL feel that they would be losing their identity whereas those in SCL have a chip on their shoulders as they feel others will have to fall in line.

You are the HR Manager entrusted with the responsibility of the HR integration happening. Identify the HR issues involved and recommend a Training/Learning Strategy and Action Plan for the employees of the new SCL Ltd?

THE ENTRPRENEURAL JOURNEY OF SHAHID JAMAL AND VIJAY MUNSHI

*This case was written by **Prof. Ashok Bhattacharya**, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

PART A

Shahid and Vijay were great friends in school. Both of them joined Saraswati Vidya Mandir in Kolkata in the Kindergarten Section and grew up together to complete school being together in the same class all through their schooling years. Both of them were good students but very different in nature. Shahid was the very thoughtful person preferred to be left alone but extremely thoughtful and caring about others. Vijay on the other hand was the outgoing, boisterous person very outgoing and made friends with practically everybody in school but demonstrated a concern for Shahid which was special. Fellow students wondered how the two of them could be so friendly while being so starkly different. Some old timers in school narrate an incident when Shahid was in second standard and some school bullies of fourth standard were bullying Shahid to the extent of physically hitting him. Vijay on seeing this jumped in fought with the bullies and rescued him and became his protector. Since then they were always together in school.

Shahid came from a very poor family. He was the youngest of his siblings. His two elder sisters helped their mother in the piece work of embroidery her mother used to get from the garment contractors in Pilkhana. Pilkhana is a large Muslim settlement in Howrah – outskirts of Kolkata – where poor Muslims belonging to the labouring class who worked as workmen in the jute mills, foundries and small and medium sized engineering factories lived. Apart from this Pilkhana was also a manufacturing hub for garments, where garment traders used the services of the numerous tailors settled there to tailor men's and women's dresses on a piece rate basis. Shahid's father was one such tailor. Shahid therefore felt a bit reticent to talk about himself in a school like Saraswati Vidya Mandir, which was a reputed school with largely students from the upper middle class. Shahid however never felt the need to conceal his identity and quite comfortably expressed it when required.

Vijay came from an affluent background. His father was the General Manager of Braithwaite and Company a very large British Multinational and lived in Loudon Street a posh residential locality in Kolkata. Till Vijay was in Standard Seven the company car and driver used to drop and pick up Vijay to School. Class Eight onwards Vijay started using public transport for attending school.

Both of them had a strong desire to pursue engineering and get into the IIT's. They worked very hard and were successful in cracking the IIT Entrance Examination. Vijay decided to choose Electrical Engineering in IIT Powai, Shahid who by that time had become quite self-confident and sure of himself and though possible did not join IIT Powai to the disappointment of Vijay. Instead he decided to take up Mechanical Engineering in IIT Kharagpur as it was closer to home and hence could visit his parents at weekends.

Vijay was on his way to Mumbai to join IIT Powai and Shahid to Kharagpur to join IIT Kharagpur. Before leaving they met and promised one another that one day they would do great things together. A year after Vijay's joining IIT Powai, his father quit the job at Braithwaite and took up a position of Director Operations at Larsen and Toubro at their Powai Headquarters. Vijay therefore stopped coming to Kolkata for his vacations and hence the possibility of their meeting became minimal. Consequently they did not meet during their IIT years. These were not times of E mails and mobile phones and each one of them got lost in their new world of IIT and lost touch with one another.

Their world of work post their IIT years was also very different. Shahid found a job as a Mechanical Engineer in the GKW factory in Howrah virtually at home. In the world that Shahid came from working in GKW the British Engineering multinational was a dream and that too as “Engineer Sahib” made his father walk the lanes of Pilkhana head held up in pride after having lived all his life in ignominy with his head down listening to the crackling noise of his sewing machine. Shahid on the other hand while basking the glory of his new found identity kept asking himself of what good was his achievement or was he of any value to the society he came from.

Vijay after his engineering joined A F Fergusen, as a Consultant. AFF as it was known then in premier Engineering and Business schools was the most sought after company in campus. It was the premier audit and accounting firm also entrenched in financial, management consulting besides being the premier recruiting firm where most of the large Indian and multinational companies went for their senior level recruitments. Vijay joined them in their Industrial Consulting business and virtually lived out of a suitcase on account of the extensive travel he was engaged in doing Industrial Engineering projects of Time and Motion Studies, Work Studies, setting process efficiency parameters, plant layouts in the new industrial projects coming up in the Mumbai, Pune, Varoda, Gujrat, Tamilnadu and Karnataka besides visiting the middle-east where AFF was prospecting client development. The initial years were exciting, the glamour of working in AFF along with the life style of working out of top city hotels and with virtually no living expenses meant he practically saved his entire salary. Alongside AFF was the market leader in compensation their salaries on an average being 30% higher than the market maximum. Vijay had now started feeling a bit jaded as the work had lost it novelty and living out of a suitcase constantly in a hotel became a drudgery and made him feel lonely and a lack of belongingness.

In terms of time-lines we are in the early 1980's about 4 years after Shahid and Vijay had completed their engineering.

Shahid's marriage was fixed and he felt very strongly the need for Vijay's presence for such an important event in his life. He did not feel it proper to invite him by just speaking with him or sending him an invitation. Instead he thought it proper to travel to Mumbai and invite him personally. Around a month before his marriage Shahid contacted him and said he was coming to Mumbai and wanted to discuss something very important with him. Vijay was very excited at the prospect of meeting his old school friend after so many years and wondered if Shahid was thinking of their plan to do something together and insisted he stay with him while in Mumbai.

Shahid travelled on a Saturday morning to Mumbai with the plan of spending the weekend with Vijay who was there at the airport to receive him. While on their way home Shahid broke the news of his marriage. Vijay was so excited on hearing the news and instead of driving home drove straight to the Palm grove hotel in Juhu beach saying this calls for a celebration. Vijay promised to be present for the marriage and looked forward to going to Kolkata a city he always felt he belonged to.

Once they reached home discussion started on catching up with events of the seven years that had passed by. One thing however both felt of the sagging energy when they talked about their jobs. The message Shahid got from Vijay was "The job is good, I am making money but is now boring the hell out of me. I desperately need to find variety, go through a grind and create something that is large and call my own. Life all along has been too comfortable for me and I get a sense of having been a parasite all my life. Do you know the days I miss most – the days I jostled and struggled to find space in the public bus to and from school. Every day I got a sense that I had created something for myself. I look forward to that struggle". Vijay also listened intently to Shahid and what he heard him say was "I have a great job which makes people in my locality site me as an example. The economic miseries of my parents are largely over. But when I think of the impact I have made to the society I have lived in I find myself way short of those garment contractors who have sustained numerous people like my father over the years and in a way have created me. What have I given back to them? There is so much of technical skill and talent naturally there with the people here. Just that the employment market hasn't given them the opportunity. I wish I could create may be a small place for them to use their skills and over time set up a huge enterprise for these people to make a life for themselves. That is when I would feel I have contributed something".

Suddenly there was brightness in their faces and both virtually said in unison "Remember what we had told each other when we joined IIT, that one day we would do something great together. The time for it is now".

This was the early eighties when the power situation in West Bengal and practically all the eastern states was grim with load-shedding on an average of six to eight hours a day. The demand for inverters was sky rocketing. Shahid and Vijay felt they could enter the business by setting up a manufacturing unit for inverters. Since Shahid after his marriage was planning to shift out of Pilkhana into an apartment outside with his parents their house there could be used as the manufacturing unit. Inverter making was essentially an assembly process where the components which were mechanical and electrical needed to be fitted with precision. Pilkhana traditionally had a lot of skilled fitters who worked on a contract basis with the engineering units in Howrah. Vijay also felt he could relocate to Kolkata a place he always liked.

On that day "Friendship Enterprises" was born with a seed capital of Rs 5 lakhs of which Vijay contributed 4 lakhs and Shahid 1 lakh. Since Shahid had made available his house for the plant they executed an equal partnership agreement. Shahid took up the manufacturing responsibility where Vijay held charge for Finance and Marketing. Since they did not have the resources to set up a marketing network of their own Vijay said that he would hit the streets of Kolkata, Durgapur, Asansol and Siliguri to reach the large dealers of invertors to collect orders pitching their product as "Companion Inverters "made by IIT engineers. Shahid on the other hand would put together a team of 25 fitters who could assemble up to 50 inverters a day totalling to 1500 inverters a month. At a retail price of Rs 15000 per inverter they projected a monthly revenue of RS 2.25 crores a month and hence an annual revenue of Rs 27 crores with a net margin of 10% post all expenses giving them an annual earnings of Rs 2.7 crores.

Vijay quit his job and relocated to Kolkata two months after Shahid's marriage. Shahid joined a month later and used the month to prospect business with the dealers. He was able to collect orders for 1500 inverters with a delivery lead time of one month and receipt of dealer payment within a period of 15 days of delivery. Vijay was with his family collaterals able to manage a working capital loan of Rs 3 crores which was approximately their material and other costs for approximately 45 days product inventory. From the third month of their business they experienced a 10% increase in monthly demand. A year passed this way and Friendship Enterprises were now having a monthly average demand of 3000 with an annual revenue of Rs 54 crores. The space was now becoming inadequate and it was becoming difficult for Vijay to prospect the market or support the expansion individually. Both of them sat together and while they were happy with what they had achieved both felt they needed to restrategise their business.

PART B

Friendship enterprises decide to expand their business by shifting out of their current location by setting up a unit in Howrah for assembling 1000 units a day and another unit in Dhanbad with a similar capacity. The Howrah unit would cater to the demand in West Bengal and Orrisa and the Dhanbad unit would cater to Bihar and UP. The manufacturing organization proposed was as follows. Shahid remains the Manufacturing Director with each plant headed by a Vice President Manufacturing having two managers one for electrical assembly and another for mechanical assembly. Each plant runs on three shifts with a Shift Manager. Each section of the plant has a shift engineer and each fitter in electrical and mechanical assembly assembling 20 units per day. The marketing organization was headed by Vijay as Marketing Director. Of the annual assembling capacity of 365000 the sales & manufacturing target was fixed at 75%. The West Bengal and Orissa region would be responsible for selling the output of the Howrah Unit with West Bengal responsible for 60% and Orissa for 40%. Similarly for the Dhanbad factory the market would be Bihar and UP with equal sales targets. Each of the regions, West Bengal and Orissa would be headquartered in Kolkata, Bihar and UP in Patna. Both regions would be headed by a Regional Manager having two area offices each, Kolkata and Bhubaneshwar for the West Bengal Orissa region and Pana and Lucknow for the Bihar UP region. Each Area Office is headed by an Area Manager having 50 Marketing Executives reporting to them.

The targets and growth rates fixed are very steep in comparison to the market. Vijay and more so Shahid realised that and projected an incentive earning of Rs 750 per invertor sales in the region. The incentive earning is to be divided as follows

1. 5% of Region Sales to Regional Head
2. 7.5 of Area Sales to Area Head
3. Balance of Area to Marketing Executives

THE STORY OF RAMESH

*This case was written by **Prof. Ashok Bhattacharya**, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

I grew up as a simple village boy near Annapati in Guntur district of Andhra Pradesh which is a huge hub for tobacco farmers. Have you heard of Annapati? May be not. You must have heard of ITC Ltd. All of you are urban bred you see. That is why you will know of ITC but not Annapati. Well Annapati is the place where the largest tobacco auctioning in India happens. My father was a tobacco farmer. We had about 10 acres of land in which the produce was good enough for him to sell his tobacco produce to the auctioneers at Annapati and etch out a comfortable living for our family of seven. Our family house was a brick and mortar structure with a tinned roof. It had a large courtyard and three rooms with a kitchen, veranda and three bed rooms. One for my grandparents another for my parents and the third room for us where we two brothers I being the youngest and our sister who was the eldest lived. I was ten years younger to my sister and three years younger to my elder brother.

My early childhood I remember was great fun. I vividly remember us two brothers running to the village school where we played a lot of pranks. A thought that struck me then was the absence of our sister with us in school. She did not go to school and spent time helping my mother in her daily back-breaking work in the kitchen. My mother had come to our house from a relatively affluent family where her loving parents had not trained her for much household work. My grand- mother who loved us so much strangely constantly mocked my mother for all her shortcomings. My father had furious temper and vent out his temper at my mother sometimes for nothing. I remember him throwing away the thali on a flimsy reason of there being a bit too much of salt in the sambar. For me and my brother my mother was the symbol of love and care with whom we would like to cling all the time. For me my father was this unapproachable person from whom we did not know what to expect at any time. So we never conversed with him on anything or share anything with him. My mother was the person to whom we placed all our demands. She always met them even at the cost of meeting my father's wrath. One such incident that I cannot forget and it haunts me till today. There was a circus show at the ILTD Colony of ITC and my brother and I wanted to go and see it. We convinced our mother to give us the money to go for the circus show. I was seven years old and my brother ten. Suddenly in the midst of the show we heard our father's voice searching for us. He found us and dragged us home by our ears. It was a humiliation that has stayed with me till today. I can still feel the pain in my ears and the choking in my voice. My father did not stop there and gave a tight slap to my mother telling her that she had no business to give us any kind of permission. I grew up with this choking seeing and helplessly watching my mother's pain. For my sister who was seventeen it was life in a prison where the light of life in the outside world was not to touch her.

Our room was the escape for her when through our eyes she saw the outside world. She insisted on our telling us the narrative of the day and wished it was for the whole night so that she could live the moments in her as we lived them. My sister was married two years later in Guntur to a tobacco trader. My brother in law is the person to whom I owe what I am today. Since I was a relatively good student, he suggested to my father to take me along with him to Guntur and put me in a school there. I built a world of my own where my brother in law was my father and my sister my mother. I never wanted to go back to my father's house but my heart ached for my mother. Seven years of my life I spent without visiting home but the image of my mother I carried along with me in my heart. I had finished school and had got admission in NIT Warangal in Computer Engineering. My elder brother had started helping my father in his tobacco farm. I wanted to see my mother experience her touch and replenish myself for the arduous journey of Engineering.

My mother was perhaps just holding on to her breath to get a glimpse of me. Thirty years of neglect, loneliness and defaced existence was enough and she suddenly six months into my Engineering silently passed away in her sleep as silently as she had lived her life. For me this was virtually the separation from my roots. I now belonged to nobody and to nowhere.

Three years into my college I fell in love with Shewta who was two years my junior belonged to Uttar Pradesh and was the only child of her parents who lived in Hyderabad. They say college relations last till you are in college and they evaporate thereafter. Did not happen in my case. I completed my engineering and found a super job in Hyderabad with Microsoft and as luck would have it, two years later she also found a job in the same facility. Its four years now that I have been working and its five years that we have been in a relationship. It's time for us to get married, but can a rootless person like me who belongs nowhere who has not been in touch with his father for nine years who has only extracted help and care from others without giving anything back belong anywhere.

Reading the case narrative of Ramesh as presented in the case, positioning yourself as a facilitator

1. Present an interpretation of what you feel he is going through.
2. Construct your initial process intervention and thereafter construct a dialogue between you the facilitator and Ramesh using the principles as defined in Process Work.

SOLARPACK: A CROSSROADS IN SOUTHEAST ASIA

This case was written by ***Prof. Bishnu Prasad Dash****, Assistant Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

Maria Jensen leaned back in her chair as the Jakarta skyline came into view from the airplane window. The lights glittered beneath the late-evening haze. She'd spent the past week meeting with local energy regulators, potential partners, and industrial park developers – all part of SolarPack's accelerated push to identify its next growth market.

SolarPack, headquartered in Spain, had built a reputation for modular, affordable solar panel systems designed for commercial and industrial use. Its technology wasn't the cheapest, but it offered faster installation and higher reliability than most mid-market competitors.

Europe, however, was no longer enough. Margins had eroded in the past three years, and Maria's board had been pressing for bold moves. At the last quarterly meeting, they had agreed on one thing: Southeast Asia offered growth that Europe could no longer match.

The problem was that the region was as unpredictable as it was promising.

Company Background

Founded in 2008 in Bilbao, Spain, SolarPack Energia Internacional S.A. began as a small engineering start-up focusing on rooftop solar panel installations for residential customers. Over the next decade, it evolved into one of Spain's fastest-growing mid-sized renewable energy companies, with operations across six states and a growing portfolio in Europe.

SolarPack positioned itself as a full-service clean energy provider, offering everything from project design and engineering to installation, maintenance, and performance monitoring. By 2023, the company had completed over 1,200 solar projects, ranging from 3-kilowatt rooftop units to multi-megawatt solar farms for commercial clients. Its client list included schools, hospitals, manufacturing units, and government agencies.

The company's competitive edge lay in customized project configurations tailored to the client's energy profile, a proprietary performance monitoring app, and a flexible financing model that allowed customers to pay in installments or opt for a Build-Own-Operate arrangement. By 2025, SolarPack had revenues exceeding $450 million, a workforce of 450 employees, and a strong reputation for reliability. However, as the renewable energy market became more crowded and policy incentives fluctuated, the management team faced increasing pressure to make precise, data-driven investment and market entry decisions—especially in evaluating complex trade-offs involving project scale, geographic expansion, and partnership models specifically involving the Southeast Asian nations.

Three Doors to the Future

The strategy team had narrowed the initial shortlist to three countries: Vietnam, Indonesia, and the Philippines. Each one offered strong demand drivers:

· Vietnam had been aggressively building renewable capacity, and the Ministry of Industry and Trade had hinted at new subsidies. But whispers in policy circles suggested potential local-content mandates.

· Indonesia was vast, with industrial hubs in need of reliable energy. Yet, Maria had heard the same refrain from every investor she met there: "Nothing happens fast here."

· The Philippines had English-speaking talent and a fast-growing middle class. Its regulatory track record, however, was unpredictable – a recent feed-in tariff program had been reversed within eighteen months.

Maria's challenge was not just choosing the country. It was determining how to enter, and how to compete once she got there.

A Fork in Every Path

SolarPack's options varied in scale and control. A partnership with a local firm would mean lower investment and quicker market access but would split profits and limit operational control. A direct subsidiary would require far more capital and patience but promised full control over operations and branding.

Then came the question of positioning. Should SolarPack target premium commercial clients that include large real estate developers and office parks those are willing to pay for quality and reliability? Or should it go after industrial clusters with lower-margin, high-volume installations?

"Each path," said Henrik Larsen, the CFO, during their last strategy meeting, "is a gamble on two fronts — policy and competition."

The Moving Targets

SolarPack's risk team had modelled potential government policy outcomes in each market. They projected probabilities for each policy stance based on historical trends, regulatory conversations, and political signals (Table 1):

Table 1: Probability of policy stance for Vietnam, Indonesia and Philippines

Country	**Supportive**	**Neutral**	**Restrictive**
Vietnam	0.5	0.3	0.2
Indonesia	0.4	0.4	0.2
Philippines	0.3	0.5	0.2

Competition was the second wildcard. Established Chinese and Japanese solar manufacturers already had relationships with local distributors and project developers. The competitive response could range from aggressive price cuts to mild strategic adjustment or outright disinterest. Maria's analysts estimated the likelihood of each (Table 2):

Table 2: The competitive responses along with the probabilities

Competition Response	**Probability**
Aggressive	0.4
Mild	0.4
Ignore	0.2

The Financial Picture

Henrik's team had built financial models for each country, estimating net present value (NPV, in millions USD) for every combination of entry mode, market positioning, policy scenario, and competitive response (Appendix A, B and C). Indonesia's industrial projects had higher potential payoffs under supportive policy but suffered more under delays. The Philippines offered strong upside for premium clients in supportive conditions, but margins collapsed quickly under aggressive competition.

The Board's Patience and Pressure

The board wanted Maria's final recommendation within a week. They were expecting a clear choice, backed by a rigorous analysis of potential outcomes, and a plan for adapting if market conditions shifted.

At the same time, Maria could not ignore the qualitative factors: the strength of local partners, brand-building potential, the alignment with SolarPack's ESG commitments.

As the car pulled up to her hotel in Jakarta, Maria glanced at her phone. A message from Henrik popped up:

Henrik: “We've run the numbers five different ways. The answer depends entirely on how you frame the risk.”

Maria knew he was right. This wasn't just about picking the highest single payoff. It was about choosing a path that balanced risk, control, and opportunity in a volatile region.

Tomorrow, she would fly back to Spain to face the board.

Which market should SolarPack choose? How should it enter? And how should it position itself once it got there?

Appendix A – Vietnam Financial Model

Entry Mode	Marketing Approach	Policy	Competition	NPV (USD millions)
Partnership	Premium Commercial	Supportive	Ignore	28
Partnership	Premium Commercial	Supportive	Mild	24
Partnership	Premium Commercial	Supportive	Aggressive	16
Partnership	Premium Commercial	Neutral	Ignore	20
Partnership	Premium Commercial	Neutral	Mild	15

Partnership	Premium Commercial	Neutral	Aggressive	10
Partnership	Premium Commercial	Restrictive	Ignore	8
Partnership	Premium Commercial	Restrictive	Mild	5
Partnership	Premium Commercial	Restrictive	Aggressive	-2
Partnership	Mass Industrial	Supportive	Ignore	22
Partnership	Mass Industrial	Supportive	Mild	18
Partnership	Mass Industrial	Supportive	Aggressive	14
Partnership	Mass Industrial	Neutral	Ignore	14
Partnership	Mass Industrial	Neutral	Mild	10
Partnership	Mass Industrial	Neutral	Aggressive	6
Partnership	Mass Industrial	Restrictive	Ignore	2
Partnership	Mass Industrial	Restrictive	Mild	-1
Partnership	Mass Industrial	Restrictive	Aggressive	-5
Subsidiary	Premium Commercial	Supportive	Ignore	40
Subsidiary	Premium Commercial	Supportive	Mild	35
Subsidiary	Premium Commercial	Supportive	Aggressive	25
Subsidiary	Premium Commercial	Neutral	Ignore	28
Subsidiary	Premium Commercial	Neutral	Mild	22

Subsidiary	Premium Commercial	Neutral	Aggressive	15
Subsidiary	Premium Commercial	Restrictive	Ignore	12
Subsidiary	Premium Commercial	Restrictive	Mild	5
Subsidiary	Premium Commercial	Restrictive	Aggressive	-3
Subsidiary	Mass Industrial	Supportive	Ignore	32
Subsidiary	Mass Industrial	Supportive	Mild	26
Subsidiary	Mass Industrial	Supportive	Aggressive	20
Subsidiary	Mass Industrial	Neutral	Ignore	22
Subsidiary	Mass Industrial	Neutral	Mild	16
Subsidiary	Mass Industrial	Neutral	Aggressive	9
Subsidiary	Mass Industrial	Restrictive	Ignore	5
Subsidiary	Mass Industrial	Restrictive	Mild	0
Subsidiary	Mass Industrial	Restrictive	Aggressive	-7

Appendix B – Indonesia Financial Model

Entry Mode	Marketing Approach	Policy	Competition	NPV (USD millions)
Partnership	Premium Commercial	Supportive	Ignore	26
Partnership	Premium Commercial	Supportive	Mild	21
Partnership	Premium Commercial	Supportive	Aggressive	14

Partnership	Premium Commercial	Neutral	Ignore	18
Partnership	Premium Commercial	Neutral	Mild	14
Partnership	Premium Commercial	Neutral	Aggressive	8
Partnership	Premium Commercial	Restrictive	Ignore	6
Partnership	Premium Commercial	Restrictive	Mild	3
Partnership	Premium Commercial	Restrictive	Aggressive	-4
Partnership	Mass Industrial	Supportive	Ignore	30
Partnership	Mass Industrial	Supportive	Mild	24
Partnership	Mass Industrial	Supportive	Aggressive	18
Partnership	Mass Industrial	Neutral	Ignore	16
Partnership	Mass Industrial	Neutral	Mild	12
Partnership	Mass Industrial	Neutral	Aggressive	6
Partnership	Mass Industrial	Restrictive	Ignore	3
Partnership	Mass Industrial	Restrictive	Mild	-2
Partnership	Mass Industrial	Restrictive	Aggressive	-6
Subsidiary	Premium Commercial	Supportive	Ignore	38
Subsidiary	Premium Commercial	Supportive	Mild	32

Subsidiary	Premium Commercial	Supportive	Aggressive	23
Subsidiary	Premium Commercial	Neutral	Ignore	25
Subsidiary	Premium Commercial	Neutral	Mild	19
Subsidiary	Premium Commercial	Neutral	Aggressive	12
Subsidiary	Premium Commercial	Restrictive	Ignore	9
Subsidiary	Premium Commercial	Restrictive	Mild	3
Subsidiary	Premium Commercial	Restrictive	Aggressive	-5
Subsidiary	Mass Industrial	Supportive	Ignore	36
Subsidiary	Mass Industrial	Supportive	Mild	29
Subsidiary	Mass Industrial	Supportive	Aggressive	21
Subsidiary	Mass Industrial	Neutral	Ignore	20
Subsidiary	Mass Industrial	Neutral	Mild	14
Subsidiary	Mass Industrial	Neutral	Aggressive	7
Subsidiary	Mass Industrial	Restrictive	Ignore	4
Subsidiary	Mass Industrial	Restrictive	Mild	-1
Subsidiary	Mass Industrial	Restrictive	Aggressive	-8

Appendix C – Philippines Financial Model

Entry Mode	Marketing Approach	Policy	Competition	NPV (USD millions)
Partnership	Premium Commercial	Supportive	Ignore	24
Partnership	Premium Commercial	Supportive	Mild	20
Partnership	Premium Commercial	Supportive	Aggressive	12
Partnership	Premium Commercial	Neutral	Ignore	16
Partnership	Premium Commercial	Neutral	Mild	11
Partnership	Premium Commercial	Neutral	Aggressive	6
Partnership	Premium Commercial	Restrictive	Ignore	4
Partnership	Premium Commercial	Restrictive	Mild	1
Partnership	Premium Commercial	Restrictive	Aggressive	-5
Partnership	Mass Industrial	Supportive	Ignore	20
Partnership	Mass Industrial	Supportive	Mild	15
Partnership	Mass Industrial	Supportive	Aggressive	10
Partnership	Mass Industrial	Neutral	Ignore	12
Partnership	Mass Industrial	Neutral	Mild	8
Partnership	Mass Industrial	Neutral	Aggressive	4

Partnership	Mass Industrial	Restrictive	Ignore	0
Partnership	Mass Industrial	Restrictive	Mild	-3
Partnership	Mass Industrial	Restrictive	Aggressive	-7
Subsidiary	Premium Commercial	Supportive	Ignore	34
Subsidiary	Premium Commercial	Supportive	Mild	28
Subsidiary	Premium Commercial	Supportive	Aggressive	19
Subsidiary	Premium Commercial	Neutral	Ignore	22
Subsidiary	Premium Commercial	Neutral	Mild	16
Subsidiary	Premium Commercial	Neutral	Aggressive	10
Subsidiary	Premium Commercial	Restrictive	Ignore	6
Subsidiary	Premium Commercial	Restrictive	Mild	1
Subsidiary	Premium Commercial	Restrictive	Aggressive	-6
Subsidiary	Mass Industrial	Supportive	Ignore	28
Subsidiary	Mass Industrial	Supportive	Mild	22
Subsidiary	Mass Industrial	Supportive	Aggressive	15
Subsidiary	Mass Industrial	Neutral	Ignore	18
Subsidiary	Mass Industrial	Neutral	Mild	12
Subsidiary	Mass Industrial	Neutral	Aggressive	6
Subsidiary	Mass Industrial	Restrictive	Ignore	3
Subsidiary	Mass Industrial	Restrictive	Mild	-2
Subsidiary	Mass Industrial	Restrictive	Aggressive	-9

GO AIR VS. PRATT & WHITNEY

*This case was written by **Dr. Chandan Thakur**, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

Go Airways, now known as Go First, was an Indian budget airline owned by the Wadia Group. Established in 2005, it positioned itself as a low-cost carrier targeting price-sensitive travelers, particularly from tier-2 and tier-3 cities in India. However, the airline faced severe financial distress and filed for voluntary insolvency to protect itself from creditors. In May 2024, the Directorate General of Civil Aviation (DGCA) deregistered its fleet. Despite initial attempts to secure interim funding and attract investors, Go First remained grounded. Investors such as Ajay Singh of SpiceJet and Nishant Pitti of EaseMyTrip expressed interest in reviving the airline, but progress was slow.

Pratt & Whitney, a leading aerospace manufacturer founded by Frederick B. Rentschler, is known for designing powerful, agile, and reliable engines. The company has more than 85,000 engines in service and approximately 17,000 customers worldwide. Go First was one of its significant customers.

Go First reported substantial losses amounting to ₹10,800 crore. It attributed the loss to faulty engines supplied by Pratt & Whitney (P&W). The airline's reliance on P&W engines for its A320neo fleet proved to be a major setback. Persistent technical issues led to the grounding of 28 out of its 54 aircraft, severely limiting capacity and revenue generation. This operational disruption created a liquidity crisis, making it difficult for the airline to sustain operations.

Delays in resolving the engine supply issue, coupled with operational inefficiencies, exacerbated the crisis. The airline's dependence on a single engine supplier and inadequate strategic planning further intensified its difficulties. Additionally, legal battles with lessors seeking to repossess aircraft due to non-payment added to the turmoil. The highly competitive Indian aviation sector, characterized by rising operational costs and newer entrants with more efficient fleets, made it even harder for Go First to remain viable.

The Indian airline industry is one of the fastest-growing aviation markets globally, with immense potential due to a large population, a rising middle class, and increasing demand for air travel. However, the sector faces significant challenges, including high operational costs, infrastructure limitations, intense competition, and regulatory constraints.

IndiGo dominates the market with over 55% of the domestic share, supported by an extensive domestic and international network, a strong financial position, and a fleet of over 300 aircraft. SpiceJet holds a 7-9% market share, while AirAsia India, backed by the Tata Group, has approximately 5% market share and benefits from financial stability and superior customer service. Other major competitors include Air India and Akasa Air.

Frequent schedule changes and weak brand visibility eroded customer trust. Intense price competition led to shrinking profit margins.

In response to Go First's allegations that P&W's faulty engines led to its financial crisis and subsequent bankruptcy filing, P&W firmly denied those claims. The company stated that Go First had a "lengthy history of missing its financial obligations" to the engine manufacturer. However, Pratt & Whitney (P&W) also attempted to address the engine-related problems raised by Go First.

In March 2023, both companies attempted to resolve the issue through arbitration. The Singapore International Arbitration Centre directed P&W to supply Go First with 10 serviceable spare engines by April 27, 2023, and an additional 10 engines per month until December 2023 to restore the airline's full operations. P&W contested this order, arguing in a Delaware court that Go First's bankruptcy filing increased the risks associated with supplying the engines. Additionally, P&W claimed that Go First no longer had rights to the engines due to lease terminations.

Many experts believe that Go First's downfall was driven by poor strategic decisions regarding brand positioning, pricing, customer relationship management, and crisis handling. Some also argue that faulty engines supplied by P&W contributed to the airline's decline. Other airlines, including IndiGo, also blamed P&W for supplying defective engines, which led to frequent aircraft groundings and substantial financial losses.

Discussion Question: If you were the CEO of Go Airways, how would you have resolved the crisis and positioned the airline as a leading brand in the Indian aviation industry?

THE CAR PICKUP [1]

*This case was written by **Dr. Shoma Mukherji**, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

Molina Jain, General Manager-HR of Mediatronics Corporation, was in a black mood. All the hard work she had put in over the past two weeks had come to nought. She liked giving some operational freedom to her subordinates and did not usually monitor their actions very closely. One careless mistake of Milind Sondhi had put her in such a tight spot.

Mediatronics Corporation, an IT services firm, had won a prestigious contract from On Dot Logistics, a fortnight ago. In order to first build and then install and execute the software required by On Dot, skill upgradation was necessary for the Special Projects team at Mediatronics. Training was always organised by the HR department. Thus, Molina had been asked by the CEO to ensure that the thirty-member Special Projects team was imparted the training without any delay, as they had only four months to come up with the first version of the software.

Molina called in Milind Sondhi, the Assistant Manager who had been inducted into her group about a month back. Milind was bright and enthusiastic. She had noticed, however, that he had a bit of an attitudinal problem. Having graduated from one of the best business schools in the country, Milind seemed to have his head up in the air and believed that he knew everything. Molina asked Milind to do some research and find out the best person for imparting the training required by the team at Mediatronics. About two hours later, Milind gave her a list of four names. 'All these companies impart the kind of training we are looking for. However, Skillpoint, a company based in Bangalore, is your best bet. They have a person named Rahul Sikri who is regarded in the industry as being the very best', informed Milind. 'So why don't you contact them and fix up a session for our team', commented Molina.

Two days later, Molina called in Milind once again. He had not given her any information about further developments with Skillpoint. 'I had spoken with Skillpoint, replied Milind. 'Unfortunately, Rahul Sikri is fully booked for the next two months and will not be able to conduct any training for our people. Besides, I did not like their arrogant attitude. Rahul Sikri may be the best in the field. We are giving them the business, and they should not have such a superior air. I have been talking with the other companies in the field to find a suitable alternative'.

[1] Jain, N, Mukherji, S (2020), *Effective Business communication* MC Graw Hill : NOIDA (U.P.) : 2e

'Why don't you understand Milind?' said Molina, somewhat impatiently. 'We cannot afford to waste any time. This is an important contract, and unless we bring this team up to speed, they will not be able to complete the project in time. We have to find a way to get Rahul Sikri here within the next few days. You have to get over your ego hassles about being treated like an important customer and somehow convince Skillpoint. We are not doing them any favour by giving them the training opportunity. It is our need and we must have them on board'.

Molina decided to give Milind one more day to resolve things with Skillpoint. When nothing seemed to be working out, she realised that she had to jump into the fray herself. She spent a full day, digging up contacts and talking to all her friends in the HR network. She had left Bangalore twenty years ago and was now living in Delhi. Many of those she had known at that time had changed jobs, moved cities, and the ties were not as strong. Hence, she felt a little helpless and had to use all her ingenuity to finally achieve a breakthrough. She fortunately was able to establish contact with Rajen Nanda who had been her colleague about ten years ago. Rajen now headed a company known as Simtex who gave a lot of business to Skillpoint. He said that he would be happy to be of help. He would speak with the CEO of Skillpoint and see if anything could be done about getting Rahul Sikri to run a programme for Molina's company.

Molina breathed a sigh of relief when Rajen called her the following day and said he had some positive news for her. 'Rahul Sikri will be conducting a two-day training in Jaipur next week. He has agreed to run the training programme over the weekend at Mediatronics. Why don't you speak with him yourself and decide on the final arrangements? I am sending you his mobile number', said Rajen. Molina was all smiles and thanked her old colleague profusely.

When she finally contacted Rahul Sikri, he sounded quite a bit worked up. 'I normally don't work on Saturdays and Sundays, Molina', said Rahul on the phone. 'It is difficult to say no to Rajen, and, hence, I had to agree to do this for your team. I will reach Delhi on Saturday morning. Please arrange a pickup for me'. Molina thanked him and said her company would get in touch and finalise the transportation arrangements.

A flurry of activities followed once the training dates had been finalised. All thirty members of the Special Projects team had to be present in Delhi that particular weekend. Only ten lived in Delhi permanently. Air tickets, pickup from the airport and accommodation had to be organised for the remaining twenty of the team members. The office conference room would not hold 35 people. Therefore, a

[1] Jain, N, Mukherji, S (2020), *Effective Business communication* MC Graw Hill : NOIDA (U.P.) : 2e

training venue had to be booked. Arrangements had to be made for the lunch and dinner. There were quite a few administrative issues that needed attention. Molina wished she still had Anita, the Assistant Manager who had been in her team earlier. She had been really meticulous in her planning and communication. She fervently hoped Milind would be as careful and not make any major mistakes in the execution of the training programme.

'Make sure you speak with each member of the project team. Do not depend on emails only. If the mail is not seen by someone and the person does not arrive for the training, it will be disastrous. I have had to pull strings to get Mr Sikri to come to us for the training, and it will not be possible to get dates from him in the near future'.

When Molina asked for a status report on Friday morning, Milind told her that he had received arrival confirmations from twenty members of the Special Projects team. 'Did you copy each mail to the Project Leader of the team? After all it is his responsibility also to ensure that there is 100% attendance. We need our backs covered and do not want to hear that they were not informed', said Molina. Milind had a sheepish expression and said he had not thought of that.

'Not getting arrival confirmations from ten team members is definitely a problematic situation, Milind. The Project Leader needs to be kept in the loop and do follow up with his team members. I have told you umpteen times that we will not be able to organise this training in a hurry again. The team must understand that a lot of pain has been taken to ensure they complete the project successfully'.

By Friday evening, it was clear that three members of the Special Projects team would not be able to reach Delhi by Saturday morning. Two of them were away attending a customer call in the remote corner of Assam and would not be able to reach Delhi in time. The third member had gone to Cochin on leave and could not get a confirmed ticket to be back in office. Milind complained to Molina that the engineers in the Special Projects team had been pretty annoyed with him as they had been asked to drop everything and make their way to Delhi. 'You should have explained to them that their Project Leader wanted this training and we hardly had any time to make arrangements as the faculty was not available', replied Molina. 'Well, just make sure, everyone is at the venue by 10:30 a.m. Double check about the car for Mr Sikri. He will be ready to leave Jaipur at 6 a.m'.

At 7 a.m. on Saturday, Molina's mobile was ringing. 'Good morning, Mr Sikri, I hope you are having a pleasant drive'.

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‘I am sitting in the hotel lobby at Jaipur, Molina. When Milind, your Assistant Manager, called I had told him that the car should pick me up at 6 a.m. I thought I had explained to you that I planned to reach Delhi by road. There is no early morning flight out of Jaipur. When I called Milind a few minutes back, he assured me that the car was waiting at Delhi airport. Apparently, he had no idea that I had to be picked up from Jaipur'.

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COMMUNICATION: CHOOSING THE CHANNEL[1]

This case was written by ***Dr. Shoma Mukherji****, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

Aishwarya Saho made a WhatsApp group for her employees and interns as the number of people were limited. It was a new venture and she only had six people; WhatsApp group worked perfectly well. However, the enterprise kept growing and eventually established its branches in different cities as well. As the organisation kept growing, it kept getting more difficult for Aishwarya to communicate with everyone. The WhatsApp group she had created stopped being of use years ago, and she was still struggling to find an appropriate medium or channel.

The formal communication was done via email, but it was not satisfactory. The company did not have sufficient infrastructure to communicate to everyone, and by the time it reached everyone, the information was fabricated.

Aishwarya decided to sit and figure out the requirements to communicate more effectively. She decided to set a goal for the communication, and the important people the information is required to be communicated instead of trying to communicate to everyone. She realised that this will also save time of the employees spent in reading unnecessary information. When there will be a limited number of people, selecting the channel of communication will also be a lot easier. She thought if the number of people is below ten, she could use videoconferencing for longer discussions and group mails for just providing information.

Selecting the right channel and handling the organisational size were Aishwarya's biggest challenges, which she hoped to overcome with her new strategy.

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LEARNING TO LISTEN[1]

This case was written by ***Dr. Shoma Mukherji****, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

Srinivas lain. Sales Manager at Stores Bridge Corporation, seemed dumfounded. He looked down at the application handed in by Rohini Dutt, the Sales Executive who had joined his team just six months back. Srinivas had spent over thirty years with the company having joined as a Stores Clerk and risen to his current position through hardwork and dedication. He could not understand why Rohini wanted to attend a workshop on Listening.

Srinivas raised his eyebrows and gave Rohini an incredulous look. 'You have to learn how to listen?"

"Yes, Sir. Listening is important and can sometimes make or break a deal'.

'What exactly do you mean?'

'Well, suppose I am meeting a client. If I give the impression that I am not paying full attention, the person might get disinterested or angry. The conversation may be cut short. When a person feels that you are listening carefully, the person feels important and a rapport builds up. It is easy to carry out the business'.

Hmm! So if you already know this, why do you have to spend money and attend a workshop?"

Rohini swallowed and after a thoughtful pause replied, 'I heard this from one of my former classmates from Business School Sir. She attended this workshop conducted by two IIM professors'.

'So what are the other pearls of wisdom she shared with you?'

'Sir, she said that it is not enough to just hear what is being said. One has to understand and infer the underlying meaning of the words being spoken', commented Rohini.

Srinivas still had a puzzled look on his face. 'So why do you have to attend a class to learn how to listen to someone?'

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Srinivas now had a stern expression on his face. 'So instead of concentrating on your departmental responsibilities you go gossiping with other people in the office?'

Rohini looked a little disconcerted. 'A group of us were having lunch in the canteen when he shared this story, she replied.

'Sir, please let me attend this workshop. It is only for two days. I am sure I will add more value to your team', said Rohini, fearing that she would not get the permission after all.

Srinivas was still skeptical. After all, he had not needed to learn how to listen and still had not done too badly for himself.

'Want to know more Sir?' Rohini gushed on 'I heard this from my cousin who is in HR at Bionics Ltd. Last week, he was interviewing for a sales position. There was a bright voungster who he thought would fit the job description. When asked by my cousin the usual 'why do you think you will be good in sales?' the interviewee suddenly commented that he was interested in marketing rather than sales and then went into a long-drawn explanation about his reasons. Had he been a good listener, he would have known when to stop. He would have landed a good job instead of being rejected. People are impatient to jump in and make their point. They don't like to listen to another viewpoint. So many problems could have been solved if only people were willing to listen'.

Now Srinivas had a hint of a smile on his face. 'I think I am getting your point', remarked Srinivas. 'I recall something my wife told me the other day. She went to talk to our neighbour about not parking right in front of the entry gate. Instead of hearing her out, the gentleman gave her a long list of his problems. My wife was quite put off and decided that she would not agree to any of his little requests in future'.

'When I was returning from Chicago last year after visiting my cousin, I had a girl sitting next to me'. Rohini continued to enlighten her superior on the importance of listening. 'She was a student at the University of Yale. Apparently, she along with some classmates did a small research project. In the United States, it is very normal for people to greet you with 'Hi! How are you doing? You usually say 'Pretty good' and carry on. These students decided to change the response and said things, such as 'My aunt passed away' or 'I broke my leg this morning' or 'My wallet got stolen'. Apparently 90% of the time, people just said 'Good' and walked away. They were really not listening to the response'.

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Srinivas now asked, 'So you really think this workshop will be of help? What else has your friend told you?'

Rohini now felt a little more confident. Her boss seemed to be veering towards accepting the proposal. She animatedly carried on with her listening class. 'Sir, my friend said that the workshop was interesting because it helped everyone analyse their mistakes. People are so short of time these days that they have forgotten to listen. With a little patience, a good listener can work wonders and solve so many problems'.

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TO WEAR OR NOT TO WEAR[1]

*This case was written by **Dr. Shoma Mukherji**, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

Ranjan Kumar was having a bad day at work. He was the Project Leader at a software backend implementation company, headquartered at Gurgaon. His excellent grasp of technical aspects coupled with a cheerful countenance made him popular with his clients. After graduating from a reputed engineering college, Ranjan had joined one of the premier management schools in the country. He had been recruited by a top-notch bank and placed at their Hong Kong office. He, however, did not enjoy being an investment banker and after about a year had decided to call it quits. He was content in his new job and felt he was now doing what he really enjoyed. He was using his engineering skills, had the opportunity to be creative and find solutions when the clients had problems and was also honing his marketing skills.

This particular morning, Ranjan had scheduled a presentation with a new client a leading auto-ancillary company. About two months back, his manager had given the team their quarterly targets. Robust Steering was the supplier to a number of reputed vehicle manufacturers in the country. Ranjan had been following leads for a while and had finally succeeded in making a breakthrough. This morning's final presentation was really important. Ranjan was confident that when he would meet his manager at the end of the day, he would be able to give him the good news of a positive result. Little did he know that one little oversight would turn out to be so costly.

Just about a month back, Ranjan's company had switched to casual dress code. However, there were companies he visited who still believed in formal attire and ties were a must. Ranjan usually did his homework by calling ahead so that he was not caught on the wrong foot. He usually kept a formal jacket and a tie in the car so that he could change if he needed to meet a client at short notice. Unfortunately, however, he had not been able to prepare for this morning's meeting. Representatives of an important overseas client had been visiting and Ranjan had been staying pretty late in the office attending to various queries.

When he entered the meeting room at the office of Robust Steering in the morning, Ranjan froze. The Managing Director and a number of other senior managers of the company seated around the conference table wore suits and ties. Most of the faces had a rather shocked expression as Ranjan entered clad in a light blue shirt, jeans and

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sneakers. He knew he was failing miserably in presenting a confident and cheerful countenance. His shoulders were stiff, his palms were clammy with sweat and his knees felt like rubber. He felt like a schoolboy who had been caught in some illegal activity. He could not help noticing the expressions of the people in the room as he went through his presentation. The Managing Director looked grim, the CFO kept shaking his head from time to time, some were smirking and some seemed to have given up in desperation. Try as he might, he was unable to get anybody's attention. At the end of the presentation, the Managing Director just gathered up his papers, gave a curt 'thank you' and left the room. Ranjan wanted to kick himself. How could he have been so careless about doing his homework about the company? One little error and the entire opportunity was gone in a flash.

His main contact at Robust Steering was Nitin Ahuja, who had been his senior at engineering college. Nitin too looked desolate. His expression seemed to say that he was sorry that he had set up this meeting for Ranjan. He was in no mood for pleasantries and just shock hands and went on his way. Ranjan left the office of Robust Steering with drooping shoulders and a knot in his stomach.

When he went back to his office, his colleagues were surprised to find the usually cheerful and confident Ranjan sitting at his desk in a pensive mood. His drooping shoulders reflected his dejection. Suhrita asked if he would like to talk about any problem that was bothering him. Ranjan just waved her away. Suhrita had complained to him a few days back, 'Wonder who put this bright idea of casual attire in our CEO's head. It is a struggle for me every morning as I have to think about the whole day's schedule to decide the appropriate clothes'.

Another colleague, Mini Mathur, reminded Ranjan that they were required in the conference room immediately for a meeting with Sudhir Ramamurthy, the Marketing Head. They had to work out the pricing strategy for the client in Faridabad. When Ranjan entered the conference room, his immediate supervisor and the Marketing Head were already seated. With an apologetic look on his face, he quickly took a seat and tried to focus on the discussions. His mind kept going back to the morning's incident, and he was unable to concentrate. Ramamurthy glanced in Ranjan's direction a couple of times. He had joined the organisation about a month back and did not know Ranjan very well. He had heard about his dynamism, but today he seemed to have no enthusiasm. Ramamurthy wondered why Ranjan was looking so disturbed and not paying any attention to the goings-on in the room. He was not participating in the discussions and was sitting like a mute spectator. Ranjan was either doodling on his notepad or looking around the room and not contributing to the meeting at all. He even found him looking at his watch. He seemed to be giving the message, 'I am late for another appointment. Please stop talking and let me go'.

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The third time Ramamurthy saw Ranjan looking at his watch, he was unable to ignore it anymore. 'Really Ranjan, it appears you have some important engagements. Let us meet when you can give us your full attention'. Ramamurthy collected his papers and stormed out of the room in a huff. Ranjan jumped out of his chair with a bewildered look and then sat down again with a thud and put his head on the table.

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NON VERBAL COMMUNICATION [1]

*This case was written by **Dr. Shoma Mukherji**, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

Yamini was an efficient and hard-working employee at BlackBerry. She had done her engineering from IIT-Delhi, and then got placed at one of the leading companies. However, after working with the company for three years, she started feeling stagnant and realised that this was not something she could do for the rest of her life. She decided to quit her job and take some time to figure out what she really wanted to do.

After years of being financially independent and living alone, Yamini moved in with her parents. She enjoyed the first few months of home stay, but eventually she started getting frustrated given the lack of independence both in terms of money as well as space. She started missing her international visits as she was fond of travelling and regretted leaving the job. However, she was still sure that she did not want to go back to the same field.

She decided to apply for government jobs and sit for UPSC and SSC. She prepared for two years but could not clear the exam, and her frustration kept increasing. She started preparing for CAT next and finally, after a gap of four years, got admission in a highly reputed Business School. She got placed in a good company, and was independent again. She was enjoying her job as well, but the four years of struggle had impacted her greatly. She lost patience very easily and found it difficult to control her facial expressions whenever she got restless.

Yamini's lack of control over her body language was one of her primary drawbacks. She was polite and pleasant with everyone in the office, but her colleagues disliked her because in spite of the amiable words, her personality was not welcoming as she never smiled at her colleagues even while exchanging pleasantries. She had learnt to control her words, but her expressions would often contradict her words. Her colleagues were waiting for her to have a conflict with the managers and wanted to see how they both addressed it.

Yamini participated in the international conference her manager had been preparing for months. The manager started speaking something she did not agree with. She did not utter a word but rolled her eyes. At another instance, she smirked and checked the time. Throughout the conference, she kept sitting with a blank face.

Her supervisor had observed all of it and summoned her to his office after the conference.

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THE WRITTEN WORD [1]

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Sushil Tyagi, Specialist-Road Solutions, Apex Products Inc., had this sinking feeling in his stomach once again. This was the fifth time that he had been asked to revise the message by his Manager. He sometimes wished that he could go back to his earlier job at HTL Ltd where everything was so structured. Writing a message was such a routine affair. There was no need to be so thoughtful about issues, such as tone, content and recipient. One had to just change some numbers and facts. Sushil could not understand why his boss Ronita Prabhu was so concerned about the choice of words, the flow of ideas and so on. 'You are not getting the point, Sushil! You are addressing the board members and not a bunch of junior salespeople', was Ronita's response when he went to her with his last attempt at a report on the recent road show for the launch of their latest product. "Think of your audience and think of the issues, which would affect the audience's response to your report'.

At HTL Ltd, Sushil had been valued as a good communicator. He had been described by his supervisors as a person who was articulate and good at putting across his ideas. He was always full of energy and willing to use his persuasive powers when difficult situations came up. He knew that he was good at convincing people. His manager at HTL Ltd had often relied on Sushil to face tough negotiators and win contracts. After joining Apex Products, Sushil's confidence level often hit rock bottom. He was fast coming to the conclusion that written communication was not as easy as it looked.

In the first month itself, Sushil had to write congratulatory notes to two mid-level sales executives who had brought in a large order of the new bituminous products launched by the company. Sushil's message had begun with the line, 'I am pleased to note that you have achieved a breakthrough and would like to congratulate you'. Sushil's manager rejected the note he wrote and advised him to focus on the achievement of those being congratulated instead of the feelings of the sender, but Sushil failed to understand until his supervisor actually composed one of the messages. He realised that he had never thought earlier that a simple message required a proper selection of words.

He still distinctly remembered the mail he wrote soon after joining Apex. The memo highlighted corrupt practice of some of the salespeople of submitting fake medical bills. Employees were reimbursed medical expenses against actual submission of

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bills. Some of the employees took this to be an entitlement and a way of saving taxes on the salary. Thus, they submitted bills obtained by irregular means. The practice had been going on for years. When Sushil sent off a mail to some of the employees whom he believed to be indulging in this unethical practice, there was resentment and strong protests. Instead of getting a pat on the back from his boss, Sushil was chided for selecting the wrong communication channel. 'You should have discussed this in a face-to-face meeting,' said Ronita.

His next crisis had come up while drafting a note to one of the distributors who had been consistently defaulting on payments for three months. Sushil had written a rather harsh note to the distributor, ABC Enterprises, telling them that unless the outstanding were cleared within the next ten days, the distributorship would be cancelled. Ronita had actually lost her cool when she read the proposed message. 'We need the relationship with ABC Enterprises and cannot really afford to lose them. She explained to him that the message had to be rephrased and a positive tone adopted rather than sounding so negative. 'You could suggest that they could participate in a new incentive programme if their dues were cleared within a given date. Rather than talking of taking away the distributorship. you could suggest additional benefits if the payment came in timely'.

Sushil Tyagi was 29 years old. He understood that he had to unlearn and learn afresh the things, which he had never thought were that essential. He thought about the written communication course during his days at business school. He had never paid much attention to this course as he had never accepted that he could not write good English, Class assignments had mostly been group projects. The background work, such as research and writing up the presentation, was done by classmates who had skills in those areas. He knew he was good at talking and convincing people. Thus, the responsibility of making the presentation had always been his. Grades had never been affected as team members in the group compensated each other's shortcomings. How he wished he had concentrated on those and attitude. They had discussed how it is always more difficult to convey thoughts and expressions little things, which the professors highlighted. They had talked about the importance of tone, voice through the written word.

Sushil realised that he had to somehow find a way out of this situation. Either he had to accept that he was not fit for this new job and look around for other alternatives. Else, he would have to do something to upgrade his written communication skills. Perhaps he needed to have a talk with one of his colleagues who would understand and give constructive advice. Perhaps if he invested in a couple of good books, he might find the answer.

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THE SUCCESSOR [1]

*This case was written by **Dr. Shoma Mukherji**, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

Paul Murphy, Chief Logistics Officer, Burberry Retail, heaved a sigh of relief. Just one more day and headquarters would be less stressful and allow him time with the family. His son and daughter were he would be off to his new assignment at Manila. He knew the work environment away from Sydney growing up and needed his presence more. In his current assignment, he had been travelling so often that he hardly had the opportunity to spend time with his children. He was lucky that his wife's job was not that demanding, and she could look after the children's needs. Paul knew that he needed to be there when the children needed advice or help with school work. Hopefully, in Manila, be would not be required to spend long hours at work. Just one responsibility remained the last talk with his successor Sanjay Rishi, the bright young Indian he had mentored for the last two years Paul had been stationed at Delhi when Burberry was opening a chain of retail outlets in four major Indian cities. Sanjay had graduated from one of the premium management institutes in India and joined Burberry as a Procurement Manager. Paul had seen the potential in Sanjay - an inherent ability to quickly master the technical aspects, keenness to tackle new challenges and constructing participation at team meetings. When it was time for Paul to return to headquarters, he had asked Sanjay whether he would be interested in taking up an assignment at Sydney. Paul had explained that Burberry believed in diversity and encouraged induction of foreign nationals into their global pool. Sanjay had not really jumped at the opportunity immediately. He was the youngest in the family, and his parents depended on him. However, after detailed discussions with Paul over nearly a fortnight, he was convinced that the posting in Sydney would give a boost to his career graph.

Paul had been able to convince his Director-International Operations that a bright young mind like Sanjay would be an asset for Burberry. Some years at headquarters would prepare him for higher responsibility back home. The company would gain by placing a local talent instead of an expensive expatriate.

When Sanjay moved to Sydney, Paul took him under his wing and did his utmost to make him comfortable in the alien environment. He invited him over for dinner at home, played tennis, taught him how to surf. Yet, an invisible barrier remained. Sanjay preferred the company of Indians in the evenings. He seemed to have a well-repressed sense of race consciousness and was touchy if his Australian colleagues

[1] Jain, N, Mukherji, S (2020), *Effective Business communication* MC Graw Hill : NOIDA (U.P.) : 2e

had differences of opinion on any issue. A senior team member Reynolds had in fact complained to Paul about Sanjay's rudeness. Godwin too had mentioned that Sanjay overlooked any mistakes made by subordinates if they happened to be non-Australian. Paul believed that a heart-to-heart talk would clear the air, and Sanjay would be able to mingle with his Australian colleagues easily.

'You are aware Sanjay, I'll be off in a few days' time, and thought it would be useful if we could have a final chat together. You will soon occupy this chair doing the job I am now doing. As I am 14 years older, perhaps you can accept the idea that I may be able to give you the benefit of my longer experience'.

Sanjay gave him a tentative smile and leaned forward slightly giving Paul his full attention. Paul continued, "The pluses far outweigh the minuses as far as your own work performance is concerned has impressed everyone here. Your comments and inputs at departmental meetings are valuable. The way you have adapted your theoretical knowledge to master the practical techniques of your job I am glad that you have lived up to the high expectations I had when I asked you to join the team here'

'That's very good indeed of you, Paul', replied Sanjay. He had a tentative smile on his face. When Paul looked into his eyes, it seemed there was a question lurking behind the smile.

There is only one problem, Sanjay. I have noticed that you are friendlier and get on better with your fellow Indians than you do with Australians. You need to remember that you have been brought here to be part of Burberry's global resource. If you are unable to rise above your cultural biases, international success will remain elusive'.

While Murphy was speaking on this theme, Sanjay had sat tensed in his chair. His eyes betrayed the turmoil within. He seemed to be looking for the right words. It was some seconds before he replied. 'I am really sorry to have created this impression of not being able to get on with Australians. I must make special efforts to correct it as quickly as possible. Believe me, I am very happy in my work here and hope to stay with the company for many years to come'.

Murphy was now feeling somewhat uneasy. He knew that he had not been able to break through to Sanjay and convince him. He decided to try another tack. 'Burberry is a commercial venture, very typical of the Western social and economic environment which has evolved over the past 200 or 300 years. This has been part

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and parcel of my being; I realise that you and your forebears have only had some 50 or 60 years' experience of this commercial environment. You have had to face the challenge of bridging the gap between 50 and 200 or 300 years. Again, Sanjay, let me congratulate you - and people like you on having so successfully overcome this particular hurdle'. There was a gamut of expressions on Sanjay's face though outwardly he sat quietly through Murphy's final words. He seemed to be struggling with his emotions. His nostrils were flared and there were two spots of red on his cheeks. When Murphy finished talking, Sanjay made no comment. At the end, he just gave a wry smile, thanked Murphy once again and walked out of the room.

The following morning when Murphy entered his office for the last time, he found a letter of resignation from Sanjay waiting on his desk.

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IMPACT OF CROSS CULTURAL COMMUNICATION[1]

*This case was written by **Dr. Shoma Mukherji**, Professor, Delhi School of Business and is intended to be used as a basis for class discussion, and not just restricted to illustrate either effective or ineffective handling of a management situation.*

The nature of Hindi cinema took a turn with the liberalisation of economy. Art forms as superstructure gets influenced by the economic force but also has a relative autonomy that in turn influences the base The nature of Hindi cinema took a turn with the liberalisation of economy. Art forms as superstructure economic structure.

As the market opened up post liberalisation to the Western countries, products that were earlier difficult to procure became easily accessible. Hollywood movies and Western TV shows like Baywatch and Santa Barbara were broadcast on Television. The state-authorised channel presented shows for rural India catering to the rural audience while other networks catered to the urban middle class audience.

The idea of leisure time in India for the urban middle class was primarily going out for shopping or eating; the proliferation of multiplexes brought all of this together. Multiplexes began to increase since 1997, and it provided filmmakers a space to move away from the masala of mass cinema with its overarching narrative that included elements of action, romance, drama, melodrama to issue-based and genre-based movies.

The rise of multiplexes made the production of low-budget issue-based and genre-based movies like Traffic Signal' and 'Honeymoon Travels' possible as the filmmakers now did not have to worry about filling up around 1,200 seats, and given the aggressive nature of multiplexes, they needed to be fed with more and more movies.

With liberalisation, Indian movies were also accessible to the Diaspora which led to the production of movies catering to them. Thus the films now made were completely different from the previous films of a rural setting narrating class conflict. Rural just became a tradition, and instead of a conflict between dasses, these movies presented conflict between modernity and tradition. The elaborate setting of Yash Raj, Karan Johar phenomenon of luxurious elite houses, Euro-American setting full of joint Indian family celebrating Indian festivals changed. Thus, these movies started representing the upper middle class aspirations on screen without moving away from the Indian 'culture' and 'traditions.'

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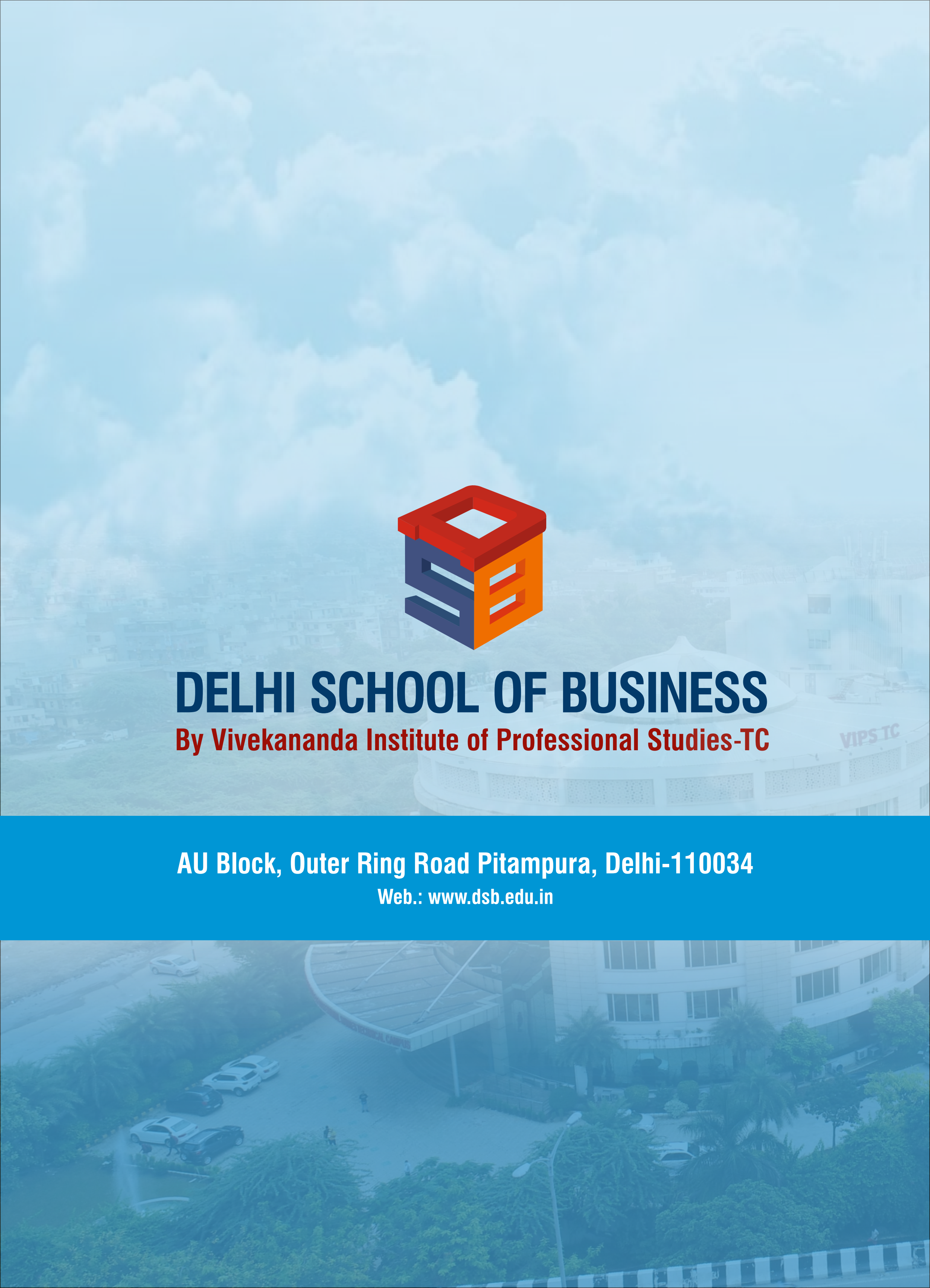
Apart from the aforementioned changes, the shift in the Hindi film industry happened vis-à-vis franca is English because of the multi-lingual diversity of Mumbai as well as the Hindi film industry. However, the film industry became quite stagnant due to the lack of any new perspective, and hence, movies like 'Luv Shuv Tey Chicken Khurana' and 'Gangs of Wasseypur' which moved away from the experiences of Mumbai achieved critical acclaim. Writers like Varun Grover and Vikramaditya Motwane and director like Anurag Kashyap brought a different kind of cinema forward.

Hindi cinema has witnessed a new wave of issue-based movies like 'Toilet' and 'Padman' which cater to the Indian audience and try to create as well as raise awareness vis-à-vis health. Online streaming platforms enjoy great viewership and have witnessed a gradual shift in the entertainment industry. Movies that could struggle with censor board also find it easier to get released online with less stringent censorship rules. Consumers find online streaming platforms more economical and prefer the plethora of options to choose from without leaving the comfort of their homes.



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