

Seniority Mindset Limits Growth

By Benedict Paramanand

Prof. Jagdish Sheth knows how much Indians love their desserts. So every chapter of his autobiography 'The Accidental Scholar' ends with life lessons for readers, a juicy take-away to be relished and cherished. The book, published by Sage, illuminates the life journey of an Indian origin American professor – one that is inspiring and entertaining. More than that, it shows why he was such a star not just in the field of Marketing, which was his core, but how he deftly tried to embellish the subject with insights from other fields like psychology. Being an intellectual nomad and a suave academic entrepreneur have their own rewards.

Because of people like him, the study of business and management has been enriched with rhythms and tunes from various streams of learning. For those keen on following the threads of how different disciplines of

Management evolved over the last fifty years, and how each fought for prominence over the other, this book covers a fair bit of ground.

I have been interacting with Prof. Sheth in the last few years and every time I met him I took away powerful insights. The best one was his take on why TCS was able to race well ahead of the other four Indian IT companies in the last few years – because TCS served its clients just like how Taj Hotels served their customers – serving IT clients just like hotel customers. And of course, TCS' early bet on China gave the edge when everyone else didn't look anywhere other than the American market.

Prof. Sheth's inputs on his contemporary, late Prof. C K Prahalad, helped me with setting the direction for my book 'C K Prahalad – The Mind of the Futurist,' published by Westland in August 2014. Excerpts of my chat with Prof. Sheth:

The stories of first generation successful Indians moving to the US is more or less similar – sacrifice of parents/relatives – very hard working – family support – passion to make a difference and gratitude to all. How important are some of these values for the current generation?

These values are eternally important for every generation. The specifics may vary but the underlying themes (sacrifice by parents/relatives to invest in education, family support and passion to make the difference) remain the same.

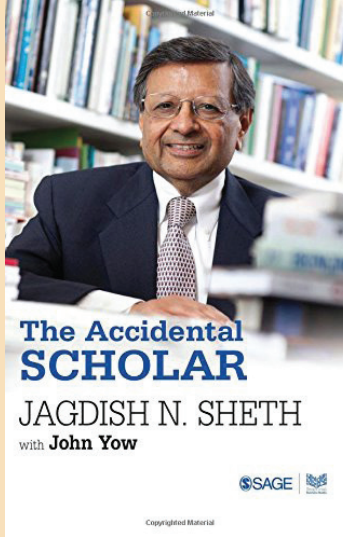
In most first generation families in the US, the children appreciate the hard work and sacrifice by the parents so that they can go to Harvard, Stanford or MIT. At the same time, I do believe that values of hard work and personal sacrifice are not as universal as previous generations.

You are one of the very few who has used your marketing domain expertise to influence the whole organization – not many are able to do that – what insights would you like to share so that they become better influencers?

I think the best way to influence at a broader level is to become what I call a **“deep generalist.”** In other words, you have depth of expertise (marketing, finance or operations) and the breadth of all the functional disciplines.

It also means that you must become a trusted advisor to the clients. In the days of monarchy, kings always had trusted advisors. Today, we have trusted advisors to presidents and prime ministers as well as to corporate leaders.

There's a feeling that Marketing has progressed a lot in the last two decades and made a deep impact, yet, there seems to be a gnawing feeling among business leaders that it is painfully slow in keeping pace with the demands of new businesses...



Marketing just like any other function has a set of beliefs. They are segmentation, positioning and targeting (SPT) and about branding and distribution. These competencies are becoming legacy as technology and especially the mobile phones and the internet impact the organization. Marketing is becoming slower because technology, globalization and competition are changing faster. This is why typical brick and mortar retailers are unable to keep up with e-commerce retailers. For example, no one imagined the spectacular growth of Flipkart, Snapdeal and now Amazon India.

Finally, it is most difficult to reengineer the distribution function especially for FMCG companies. And it slows down marketing.

The secret of your success seems to be that you decided to play a larger role – as an educator, as an academic entrepreneur, as an author, coach-mentor. How do you manage to do so much?

Passion to learn energizes me. And family support for your passion allows you to do more. At the end, I feel blessed that I have been able to do several things. In the past when I have been asked the same question, **I have jokingly said that I have produced two clones and a dummy!**

What's your advice to Indian faculty so that they too start making a bigger impact on businesses and society?

My primary advice to the faculty is to create their own personal brand globally through thought leadership and publishing internationally. We need more faculty who are the next CK Prahalad or the next Ram Charan out of India.

Second, working with younger generation and especially doctoral students and **learning from them is key.** It is reverse inter-generation influence. Senior faculty can learn from junior colleagues and research students. Again, this is more prevalent in science, engineering and medicine. **The seniority mindset often limits our own development and growth.**

Finally, the Indian faculty must proactively ask for a “faculty in business” sabbatical. In other words, they become “faculty interns” and learn the real world of how products are developed in corporate R & D, how the supply chain is organized and how their products and services are marketed

Today, corporations lead the academic world in generating significant

knowledge. Personally, I enjoyed learning from the R & D centers at places like Bell Labs and the Tech Center at General Motors and from Motorola, AT & T, Pillsbury and Whirlpool.

There's a new trend of excessive marketing efforts at the cost of service quality, innovation etc, since the life-cycle of products/brands is shrinking. What's your view?

Marketing in India is growing because we are becoming a consumer economy and because branded packages products are displacing the unorganized sectors. Also, we have shifted the economy from the public sector enterprises to private enterprises which give them more latitude in spending in advertising and promotion. This is further compounded by the explosion of media through hundreds of cable channels and now the mobile internet.

I don't foresee any reduction in marketing in the near future. In the advanced countries, marketing is becoming a necessity to retain customers through loyalty programs and personalization.

However, with increased marketing spending, companies need to invest in more innovation and customer service just to keep up with the rising expectations generated by marketing.

Learn from Junior Faculty

What radical measures can you suggest to make Indian business schools produce thought leaders who can also influence business outcomes? They seem to be very far away from this. Do Indian business schools need to be reimagined and how?

There are four things Indian business schools can do to produce thought leaders. First, **they must invest in research-oriented doctoral programs** and recruit students who have strong undergraduate degrees in other disciplines such as economics, sociology, psychology, mathematics, physics, chemistry and engineering (Science, Technology, Engineering and Mathematics.) And we have a very large pool of potential student candidates.

Second, **establish post-doc Research Fellows** as is done in other disciplines. This will give an opportunity for the young PhDs to focus on research for the first two years and publish scientific papers. In order to bring managerial relevance, it will be important that the post-doc programs are linked to industry. For example, social media and big data analytics.

Third, it is very important for the deans and directors of management institutes to **think of faculty not just as teachers, but also as scholars.** Unfortunately, with critical shortage of faculty, many business schools depend so much on student fees and ancillary revenues that they consider faculty simply as teachers. In fact, I have seen very senior academic leaders call their faculty teachers. **This mindset change by the academic leaders is key. It will change the type of faculty one recruits and retains.**

Finally, **establish separate research-oriented programs and through funding from donors and develop faculty sabbatical programs** which shields faculty from teaching and administrative duties. For example, during the summer holidays or any one of three terms in the academic year, a faculty member is encouraged to be away at another research-oriented institution as a visiting scholar. Similarly,

just as ISB has world class visiting teaching faculty, a business school can have world class visiting scholars.

Today, interest in emerging markets is universal and there is no better laboratory than India to conduct research. These suggestions are not really that new. In sciences and engineering and to a large extent in humanities, this is done regularly in India.

Indian businesses have come a long way in the last two decades, what are the areas they still need to work hard on to become truly globally competitive and loved in their countries?

I fully agree that Indian businesses have come a long way in the past two decades. There are **three things they must do to be globally competitive.**

First, **scale up in the domestic market** either through consolidation or through Greenfield investments. Indian companies, except in a few cases such as mobile phone operators, do not have the scale despite the large size of the domestic market.

The unorganized sector is still the largest economy in India. We have too many banks, too many IT services companies and too many family-owned textile and garment makers. This is in part due to the old License Raj but mostly due to family-owned businesses. The exceptions are, of course, state-owned enterprises such as SBI, LIC, GAIL and Power Grid Corporation.

You need to be a **dominant domestic player to be globally competitive.** This is a key advantage for most American, European and Japanese multinationals and it is also the case with China's state enterprises.

Second, **Indian businesses need global mindset.** This means benchmarking with global standards, becoming less ethnocentric and encouraging global talent to work for them. It is the reverse of what multinationals such as Unilever and Coca Cola of the world have done with the Indian talent from the sixties. The brightest minds wanted to work for them and not their Indian counterparts, partly due to the "promoter" culture of Indian businesses but mostly due to proactive global career path for the Indian talent.

Third, Indian businesses must learn to compete in most advanced competitive markets, whether it is through acquisitions such as what Mahindra and Tata Group have done or through global expansion. This will enable them to understand how to defend their domestic market when those multinationals enter India.