

Leadership for India INC: Practical Concepts and Constructs
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Week – 01
Introduction to Leadership
Lecture – 05
Management Thought -3

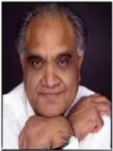
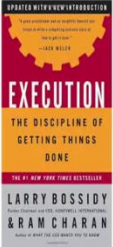
Hi Friends, welcome to the course on Leadership for India Inc. offered through NPTEL platform. We are in week 1 – Introduction to Leadership. This particular lecture, lecture number 5 in week 1 covers Management Thought in part-3.

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Management Thought Leaders: Ram Charan

Ram Charan (born 1939) is an Indian-American business consultant, speaker, and writer who is best known for his works on multiple topics of leadership, growth, profitability, boards, and execution.

A Focus on Execution as Embedded Culture

According to Ram Charan, the ability to follow plans and get things accomplished is a discipline that can be learned, just like any other. Leaders need to lead for execution, not delegate execution, and get it engrained in the corporate culture.

We have so far considered several thought leaders who propounded many thoughts relating to general management, corporate strategy, business strategy, organizational behavior, individual psychology and such similar topics. We also looked at scientific management as propounded by Gilbreth as well as Frederick Taylor. We also looked at project management other techniques which were brought in by Gantt.

Now, we will look at more contemporary management thought leaders, of course, I have interspersed them with some of the foundational management thought leaders as well. We hear and read a lot about strategy. There is so much written about general management and general

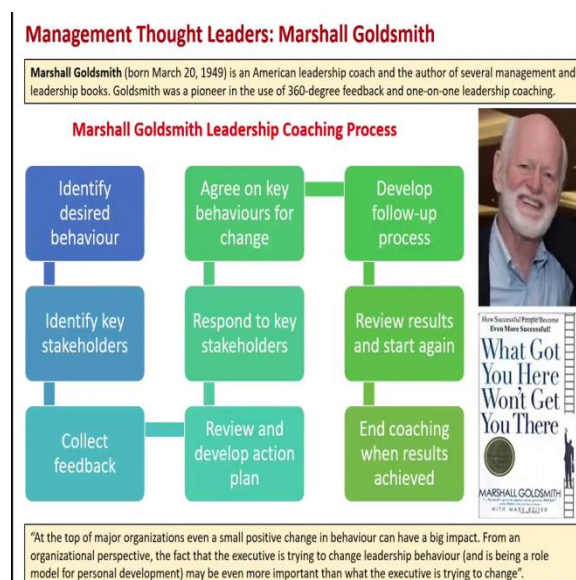
leadership; however, not much is written about execution, probably it is because execution is considered everybody's job and every day's job

We have here Ram Charan, who has done some work on execution in a path breaking manner. He teamed up with the Larry Bossidy who was the senior leader of General Electric and authored a book called Execution – the discipline of getting things done.

He is one of the chief consultants for top honchos in corporations. And he focuses on goal driven execution. His culture of execution has got seven components: people and business, realism, goals and priorities, follow through of plans, rewarding execution, expanding competencies, and finally knowing oneself.

According to Ram Charan, the ability to follow plans and get things accomplished is discipline. Execution is a discipline according to him that can be learned just like any other. Leaders need to lead for execution and they should not delegate execution he averse. And he feels that execution should be engraved in corporate culture that is Ram Charan for us.

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We also have one of the famous leadership coaches, as you know coaching is extremely important because it develops very visible positive role models. He is a pioneer in the use of 360-degree feedback and one-on-one leadership coaching. He has written a book which is very thought provoking. He says what got you here won't get you there, which is a truism in corporate and business world.

So, he says at the top of major organizations, even a small positive change in behavior can have a very big impact. From an organizational perspective, the fact that the executive is trying to change leadership behavior and is serving as a role model for personal development, maybe even more important than what the executive is trying to change. His leadership coaching process has nine steps.

It starts with identifying the desired behavior, identifying key stakeholders, collecting the feedback, reviewing and developing the action plan, not only with the person who is being coached, but also with his superiors and also along with the key stakeholders, agree on key behaviors for change, develop follow up process, review results and start again, and end coaching when results are achieved.

I have personally seen coaching work. And coaching is extremely important when senior leaders transit from one industry to another or from one national culture to another national culture. As a head of a subsidiary of a global multinational corporation, I had the opportunity to coach several leaders, who were finding it rather difficult to adjust to the new culture that India represented.

So, coaching is an extremely important aspect, and we have Marshall Goldsmith coming out with several frameworks which are useful for mentoring and coaching.

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Management Thought Leaders: Subir Chowdhry

Subir Chowdhury (born 12 January 1967) is the author of 15 books and noted for his work in quality and management. He authored several books on quality that made complex subjects such as six-sigma feel simple and engaging for all.

Subir's LEO Model of Continuous Quality Improvement

Only a few management thinkers focused on Quality as their principal plank of theoretical exposition and practical construction. Developments of the last decades established that Quality is core and central to corporate success.



Subir Chowdhry is a new age author who is focused on quality. He had earlier authored a book on Six Sigma. And it was his own experience that Six Sigma when applied as a very rigorous statistical methodology or an operational methodology, companies which implement Six Sigma or a few one's only. He came up with a follow up book called the Power of LEO – Listen, Enrich and Optimize to make it applicable in a much easier manner.

He advocated in his LEO model that leadership has the central responsibility for quality. It has the ability to utilize tools like six sigma, and it has the accountability to make quality an integral part of culture. He said that problems are bound to be there and they are supposed to occur at a current pace, but it is the responsibility of the leadership to imagine a future state, and then solve the problems utilizing the quality tools that are available.

As we know, out of several leaders whom we are concerned 60 plus only 3 to 5 were focused on quality. So, it is very important that we accord equal importance to people who are passionate about quality and who write about quality and follow the total quality management systems and other quality improvement methodologies that they suggest. Quality is core and central to corporate success.

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Management Thought Leaders: Stew Friedman

Stewart D. Friedman is a professor at the Wharton School of Business at the University of Pennsylvania and the founding director of the Wharton Leadership Program and Wharton's Work/Life Integration Project.

Total Leadership Approach

The diagram illustrates the Total Leadership Approach through three interconnected clusters:

- Work, Family, and Community:** A circular cluster with three segments representing the domains of professional, personal, and social life.
- Mind, Body, and Spirit:** A circular cluster representing the holistic well-being of the leader.
- Authenticity, Integrity, and Creativity:** A circular cluster representing the core personal values and leadership qualities.

The slide also includes a portrait of Stewart D. Friedman and the cover of his book, **TOTAL LEADERSHIP: Be a Better Leader. Have a Better Life.** by Stewart D. Friedman.

Friedman's framework views leadership in terms of the strength of a leader's personality focusing on connectivity with inner self and the external stakeholders with due compliance to personal values. This framework can serve as an essential component of leadership for ESG (Environment, Social and Governance), referred to earlier.

We have Stew Friedman, he has a Total Leadership Approach, he is from Wharton School of Business and he was responsible for writing a book called Total Leadership. What that framework says is that there are three clusters in which leadership can be looked at. Most of

these factors, these nine factors which are there in these three clusters deal with the leadership personality.

The first cluster looks at work, family and community, that is firm related. The second cluster looks at the self – the mind, body and this spirit. The third cluster looks at values – authenticity, integrity and creativity.

So, this framework looks at leadership personality from three aligned prisms. The strength of the leader’s personality in terms of these three important clusters with accountability to internal stakeholders as well as external stakeholders and also with accountability to one’s own values and to one’s own mind, body and spirit, is actually the foundation of the ESG leadership model which I talked about in the earlier lecture, because ESG is driven by a positive personality of a leader.

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Management Thought Leaders: Roger Martin

Roger Martin CM (born 4 August 1956) was the Dean of the Rotman School of Management at the University of Toronto, and an author of several business books. Martin has expounded on several important business concepts.

Design Thinking for Business by Roger Martin

Roger Martin proposes that balancing analytical thinking and intuitive thinking enables an organization to both exploit existing knowledge and create new knowledge. Roger Martin is considered a top influential thinker of modern business.



Another important thought leader is Roger Martin. He brought in the concept of the design thinking for business. He said that generally thinking can be classified in two ways. One analytical thinking which is based on hard facts and data and trying to develop relationships, trying to develop forecast based on analytical thinking. The other is intuitive thinking, that is ability to creatively think based on perception which comes from deep insight as to what could happen in future.

So, he says that analytical thinking and intuitive thinking need to be balanced by a leader, and that is accomplished through design thinking. When you use design thinking to identify a problem and solve for the problem, you start with the base of mystery, you do not know what you needed to solve. But based on your studies, you develop a heuristic which you then try to make into an algorithm of developing a product or a service, then you codify the entire product development system.

And you try to technology transfer it place it into the manufacturing board and ensure that the productivity of developing the product becomes helpful for the firm as well as the customer and the cost drop as a result.

So, the design thinking which starts with a mysterious starting point ends up in developing a product which provides a good experience and low cost to the customer. He is a top influential thinker of modern business.

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Management Thought Leaders: Rosabeth Moss Kanter

Rosabeth Moss Kanter (born March 15, 1943) is the Ernest L. Arbuckle professor of business at Harvard Business School. She is also director and chair of the Harvard University Advanced Leadership Initiative.

Kanter's Integrated Innovation Management

<p>Strategy Mistakes: Hurdles Too High, Scope Too Narrow</p> <p>Strategy remedy: Widen the search, broaden the scope.</p>	<p>Widening the search for new ideas</p> <p>Loosening overly tight controls and rigid structures</p> <p>Forging better connections between innovators and mainstream operations</p> <p>Cultivating communication and collaboration skills</p>
<p>Process Mistakes: Controls Too tight</p> <p>Process remedy: Add flexibility to planning and control systems.</p>	
<p>Structure Mistakes: Connections Too Loose, Separations Too Sharp</p> <p>Structure remedy: Facilitate close connections between innovators and mainstream businesses.</p>	
<p>Skills Mistakes: Leadership Too Weak, Communication Too Poor</p> <p>Skills remedy: Select for leadership and interpersonal skills, and surround innovators with a supportive culture of collaboration.</p>	

Excerpted from: Innovation: The Classic Traps by Rosabeth Moss Kanter, Harvard Business Review, November 2006

Innovation involves ideas that create the future. The quest for innovation requires managers who seek to learn from the past. It requires getting the balance right between exploiting (getting the highest returns from current activities) and exploring (seeking the new). It also requires organizational flexibility and a great deal of attention to relationships.




Then, we have got Rosabeth Moss Kanter. She has developed an integrated innovation management system for corporations, she has written a book based on her study of 3M, Dupont GE, Pfizer and Rubbermaid. And she has talked about innovation management in those companies.

And she has developed certain formulae for embedding innovation in the companies. What she says is that people tend to make strategy mistakes where hurdles are very high and scope to go

forward is too narrow. And she comes up with a remedy, saying that you will widen this search for options, broaden the scope of strategic search, so that you get to solutions which are probably more suited for your firm.

Secondly, we tend to make process mistakes, that is you get controlled by the bureaucracy and the rigor of the processes we have put in place. And the remedy for that is to have flexibility, so that the planning and control systems are adaptive and flexible to the developments that take place.

The third series of mistakes are structure related mistakes which are either close-fit too tight connections, or too-loose connections between departments between the company and the customers, and between leaders. And the remedy she suggest is to facilitate close connection between innovators and mainstream businesses, because innovation is as important as mainstream and every department whether it is operational department or a futuristic department, they need to work together.

And finally, the skills mistakes, wherein leadership is found to be too weak and communication too poor. And the skills remedy is to select for appropriate leadership and interpersonal skills surround the innovators in the organization with the supportive culture of collaboration.

Again you can recall the three concentric circle model where we talked about the individual being at the core in center enveloped by the boss, and finally, the firm and the ecosystem. Therefore, skills can be developed if you have a helpful ecosystem.

And her proposal is that once these four types of mistakes are remitted. It will lead to widening of the search for new ideas, it makes the controls less tight and more flexible, and structures more adaptive, it forges better connections between innovators and mainstream operations and cultivates good communication and collaboration skills.

So, the quest for innovation according to her, requires managers who seek to learn from the past, but always look towards the future.

They should get the right balance between exploiting which is getting the highest returns from the current activities and exploring, that is trying to develop new ideas, new products and investing for new developments in the organization and for the customers. It requires in some organizational flexibility with a great deal of attention to relationships.

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Management Thought Leaders: Anil Gupta

Anil Kumar Gupta is an Indian scholar in the area of grassroots innovations. He is the founder of the Honey Bee Network. He was a full-time professor, and now a visiting faculty at the Indian Institute of Management, Ahmedabad. He is a member of the governing body at the National Innovation Foundation.

Honeybee Model of Grassroots Innovation

Adapted from: <https://yourstory.com/2017/06/bee-a-bee-promote-grassroots-innovations-anil-gupta>

"Diversity is the essence of inclusiveness and creativity," says Gupta. Quantity as well as quality of innovative ideas are important. Long-term experience should not come in the way of listening to new ideas and questioning the status quo. New perspectives are needed in seeing, observing, abstracting, labelling, clustering, understanding, and assimilating.

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At another end of spectrum, we have Anil Gupta, who says that one should listen to as many people as possible for you to get grassroots innovations developed into a corporate mainstream. He believes that many stakeholders are capable of providing ideas, providing innovative solutions to the problems we find. He is a visiting faculty professor at the Indian Institute of Management, Ahmedabad. And he is also a member of the governing body at our Indian National Innovation Foundation.

So, he has written a book on Grass Roots Innovation. He says that one should keep the eyes and ears open always for new ideas and acute problems, build platforms of innovation, institutionalize strategies for innovation and most importantly to inspire people, document and celebrate the stories of innovators and so on.

And at the end of it, you should aim to embrace not only you jugaad, but also embrace frugality as a way of doing things. As a result, you will also promote micro venture finance.

He says the diversity; diversity of thoughts and diversity of skills and people is the essence of inclusiveness and creativity; quantity as well as quality of innovative ideas are very important.

And according to him, long term experience and the legacy of the past experiences should not come in the way of encouraging younger people come up with newer ideas and new perspectives can be developed he says by seeing, observing, abstracting, labeling, clustering,

understanding and assimilating from what various people say and what we as people observed in the marketplace as well as the industrial canvas.

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Management Thought Leaders: Haiyan Wang

An expert in international economics, Wang's focus is on global mindset. The winning global leaders, whether individuals or companies, will be the ones who grasp the unprecedented transformation of the global economy and possess the capabilities to sense, filter, and integrate diverse opportunities on a global scale, ahead of the pack.

Advocacy of Four Realities of India

Provide mega-markets for almost every product and service	Have platforms that will dramatically reduce the company's global cost structure
Have platforms that will significantly boost the company's global technology and innovation base	Are springboards for the emergence of new fearsome global competitors.

China and India

GETTING CHINA AND INDIA RIGHT
ANIL K. GUPTA and HAIYAN WANG

In collaboration with Prof Anil K Gupta, Dr Haiyan Wang sheds light, in her book – claimed to be the first strategic guide for MNCs wishing to enter India - on the brutal competition for markets and resources in China and India. It also lays out the strategic action implications for those companies who want to emerge as the global players of tomorrow.

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Haiyan Wang

Another management leader is Haiyan Wang. She has talked about the realities of India and China. She is probably one of the first authors who has served to focus the global mindset on the emerging huge markets of India and China. She says that these two markets are mega markets have platforms that dramatically reduce company's global cost structure, have platforms which will boost a company's global technology and innovation base and are springboards for the emergence of new fearsome global competitors.

Today, we see what China has done and what India is very likely to do. And in collaboration with Prof. Anil K Gupta, she has also written the first strategic guide for MNCs wishing to India, because entering India is not easy. We have our own culture, we have our own capabilities, and we have our own ways of doing things.

But all of these things are driven by a passion for growth, and we would like to do things which many people have taken many years to do, but we would like now to do things with a great degree of self-reliance on one hand and also globalization on the other hand.

So, her book is a nice treatise on how to get into emerging markets such as India and China. And in doing so, it breaks new grounds of thought how multinationals can benefit from India and China.

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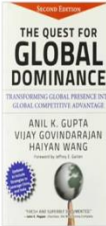
Management Thought Leaders: Anil K Gupta

Anil K. Gupta is Michael D. Dingman Chair in Strategy and Entrepreneurship at Robert H. Smith School of Business, University of Maryland. He is an authority on globalization and the role of China and India in the globalization processes.

Anil Gupta's Evolutionary Framework of Globalization

Globalization 1.0 started when entities such as the British East India Company went global in the search for markets and raw materials	Globalization 2.0 began around 1980 as manufacturers in the United States and other advanced economies began outsourcing work to Asian countries
Phases of Globalization	
Globalization 3.0 commenced in the 1990s with the globalization of Research & Development, as companies like IBM, Microsoft and GE built R&D centres globally	Globalization 4.0 is fuelled by the ubiquitous and rapid spread of digital technologies, across all economic sectors and industrial segments

According to Anil Gupta, Globalization 4.0 is an era that is affecting, permeating and transforming all of the first three layers of globalization, and transforming the nature of ties among countries.



Anil K Gupta supplements, these kinds of thoughts with his own evolutionary framework of globalization. He wrote about the quest for global dominance. He says that there have been four phases of globalization. Globalization 1.0 started when entities such as the British East India company went global in the search for markets outside their home country, that is United Kingdom and then for raw materials. Globalization 2.0 began around 1980s when manufacturers in United States and other developed countries began outsourcing work to Asian countries.

Globalization 3.0 commenced when research and development began to be globalized. Companies such as IBM, Microsoft, GE, Mercedes Benz and others built R&D centers globally. And, globalization 4.0 now is fueled by the ubiquitous and rapid spread of digital technologies cutting across all sectors and segments of industry and economy. His view of globalization is a bit different as you can see.

It is not based on equipment made, it does not say that industry 1.0 is based on certain type of missionary, industry 2.0 is based on other types of missionary, no, it is more based on the actual transnational movement of market seeking, production seeking or cost leveraging activities and finally, today innovation led globalization and digitalized network globalization.

So, he believes that globalization 4.0 is going to be far more pervasive than any other previous tranche of globalization and it would affect, permeate, and transform. All of the three

globalizations that have occurred and they still remain as globalization trends and there would be a total transformation in the nature of ties between and across countries.

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Management Thought Leaders: Eric Ries

Eric Ries (born September 22, 1978) is an American entrepreneur and author of *The Lean Startup*, a book on the lean startup movement, and *The Startup Way*, a book on modern entrepreneurial management.

Eric Ries' Entrepreneurial Management System

While Eric Ries' *The Lean Startup* focuses on startups, *The Startup Way* demonstrates application of entrepreneurial principles in larger corporate environments. Lean startup is a combination of principles of customer focused product development and lean manufacturing, with appropriate funding and commercialization options.

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Eric Ries, he is one of the foremost thinkers and writers about the entrepreneurial systems. He has written the book on Startups, *The Lean Startup* which has provided an account of how startups can start lean and make themselves very efficient in the entrepreneurial journey. But, what is important is that he has also propounded ways and methodologies for large corporations to be entrepreneurial.

In fact, he has developed an entrepreneurial management system which has the following five episodes. One - continuous innovation, two - atomic unit of work, three - entrepreneurship as a function, four - entrepreneurship as the second founding for the company, second founding because we are talking about established companies.

So, if they want to take a rebirth as entrepreneurial oriented companies, they need to look at entrepreneurship as the new driver of growth and then continuous transformation to rewrite company's DNA.

While Eric Ries's *The Startup Way* and *The Lean Startup* focus on startups, the second book *The Startup Way* really demonstrates a great way for embedding entrepreneurial thinking in large corporations and in corporate environments. So, it is very useful and path breaking in terms of marrying entrepreneurship with the professional running of established companies.

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Management Thought Leaders: Yves Pigneur

Yves Pigneur (born 1954) is a Belgian computer scientist, and Professor of Management Information Systems at the University of Lausanne since 1984, known for his work on the business model canvas with Alexander Osterwalder.

Sequel to Business Model Generation and Value Proposition Design



The new book *The Invincible Company* "provides all disruptors and senior leaders with the best available tools and methodologies to lead their organizations to design a day-one innovation culture, including how to manage innovation portfolios, and set-up the corresponding organizational structures."



We have got Yves Pigneur, who has been a Belgian Computer Scientist, Professor of Management Information Systems. He has developed a concept of the invincible company that is a company which cannot be easily conquered. And the recipe for invincibility lies in the four factors: business portfolio map, innovation metrics, culture map and business model mechanics.

He says that all disruptors and senior leaders should have the best available tools and methodologies, so that, they can have from day one a culture of innovation and a methodology for a managing innovation based product portfolios and setting up corresponding organizational structures. So, if you look back on whatever we have discussed during this session, you will find that innovation has been one of the flag bearers of thought for the new generation of management thinkers.

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Management Thought Leaders: Steve Blank




Steve Blank (born 1953) is a Silicon Valley entrepreneur based in Pescadero, California. Blank is recognized for developing the customer development methodology (and a pivot of the lean startup movement) that recognized that startups are not smaller versions of large companies, but require their own set of processes and tools to be successful.

Customer Development, Competitor Analysis, Petal Diagram

Excerpted from: <https://steveblank.com/2013/11/08/a-new-way-to-look-at-competitors/>

Steve Blank created the Lean LaunchPad class at Stanford, Columbia and UC Berkeley. It changed the way entrepreneurship is taught. Instead of relying on the traditional business school practice of teaching through writing a business plan or building a product, the course provides hands-on experience in what it takes to start a company.

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Steve blank, he is a Silicon Valley entrepreneur who has been sharing his knowledge and experience on setting up entrepreneurial firms. And he has been a professor in several universities and he has a course which is called Lean Launchpad Class at Stanford, Columbia and U.C. Berkeley.

It has changed the way entrepreneurship is taught, because it is very much hands on and it brings into fore, it brings into togetherness several aspects of higher education ecosystem, corporate ecosystem, startup ecosystem, institutional ecosystem and adult learning ecosystem into developing something which is related to entrepreneurs.

And he also taps the US market for venture capital financing or equity financing to ensure that all of this ecosystems are well-funded. And he has developed a map called petal diagram which connects these institutional frameworks with the funding frameworks. And he has also developed a four step process to develop lean startup.

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Management Thought Leaders: Richard D'Aveni

Richard A. D'Aveni is the Bakala Professor of Strategy at the Tuck School of Business at Dartmouth College. His areas of research include competitive strategy at multiple levels of competition: individuals, teams, corporations, militaries, governments, spheres of influence/alliances, and even competition between capitalist systems.

Factors Driving Hyper-competition

Customer changes, including fragmented tastes

Rapid technological change

Falling geographic and industry boundaries as markets globalize

Deep pockets among competitors due to giant global alliances in multiple industries



His book, *Strategic Capitalism: The New Economic Strategy for Winning the Capitalist Cold War*, was published in September 2012. This book discusses the differences in American and Chinese forms of capitalism, how the Chinese system has flipped many American advantages into disadvantages, and how America might respond.



Richard D'Aveni, he is another management thought leader who was one of the first authors to speak about Hyper Competition. Hyper competition is one of quick change. It is almost like thinking of super-fast moving consumer goods companies which need to be very agile, very productive, very lean and efficient, but at the same time very versatile and very innovative in bringing the products to the market.

So, the drivers of hyper competition for him are the customer changes including fragmentation of tastes, rapid technological changes, falling geography and industry boundaries as markets globalize, and deep pockets among competitors which fund continuous investment programs for multinational management.

In his book, which is another book of his on strategic capitalism, the new economic strategy for winning the capitalist cold war, he talks about the differences between American way of capitalism and the Chinese form of capitalism.

And how the Chinese system of capitalism has flipped many of the American advantages into disadvantages and by that process, succeeding through a combination of rigid autocracy as well as flexible capitalism suited for discipline as well as development in the Chinese methodology. And he also speculates how America could respond to these kinds of new risks on the business horizon.

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Management Thought Leaders: Igor Ansoff

Harry Igor Ansoff (December 12, 1918 – July 14, 2002) was a Russian American applied mathematician and business theorist. He is known as the father of strategic management.

Pioneer of Corporate Strategy

New Markets	Market Development	Product-Market Diversification
Existing Markets	Market Penetration	Product Development
	Existing Products/Services	New Products/Services

Professionally, Ansoff is known worldwide for his research in three specific areas of (a) the concept of environmental turbulence, (b) the contingent strategic success paradigm, a concept that has been validated by numerous doctoral dissertations, and (c) real-time strategic management. His Ansoff matrix remains the foundational tool of strategic growth.



Getting back into the past, now we have Igor Ansoff, he is really a pioneer in strategic management thought. The product market grid we talk about in strategic management literature is attributable to his pioneering thoughts. He said that products and services can be classified as existing and new. Similarly, the markets can be classified as existing markets and new markets.

The Ansoff matrix says that every company has to be in one of the four quadrants. If you are having new products and services and serving the existing markets, you are going to do product development. If you are having existing products and services, and still remain with existing markets, you are doing market penetration that is you are trying to increase your share.

If you are having new markets for your existing products and services, you are developing the markets that is you are enlarging the pie and taking a share of the pie and driving your volumes, revenue, and profits. On the other hand, if you develop new products and services and capture new markets, you are going to do product market diversification.

So, this is the strategic roadmap, diversification roadmap for any company. It is possible for a company to utilize all of these plans, somewhat sequentially as well as simultaneously to get the maximum impact in terms of corporate growth. One could leverage the existing products and existing markets sharper. One could develop new products for the existing markets, develop new markets for the existing products, and develop completely new products and

markets as all of these could be simultaneous ongoing paradigms for a company to expand aggressively and that is the essence of an Ansoff's strategy matrix for growth.

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Management Thought Leaders: Edward de Bono


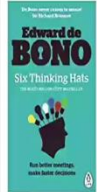

Edward Charles Francis Publius de Bono (born 19 May 1933) is a Maltese physician, psychologist, author, inventor and consultant. He originated the term lateral thinking, wrote the famous book *Six Thinking Hats* and is a proponent of the teaching of thinking as a subject in schools.

Edward de Bono's Six Thinking Hats

The White Hat calls for information known or needed. "The facts, just the facts."	The Yellow Hat symbolizes brightness and optimism. Under this hat you explore the positives and probe for value and benefit.	The Black Hat is judgment - the devil's advocate or why something may not work. Spot the difficulties and dangers; where things might go wrong. Probably the most powerful and useful of the Hats but a problem if overused.
The Red Hat signifies feelings, hunches and intuition. When using this hat you can express emotions and feelings and share fears, likes, dislikes, loves, and hates.	The Green Hat focuses on creativity, the possibilities, alternatives, and new ideas. It's an opportunity to express new concepts and new perceptions.	The Blue Hat is used to manage the thinking process. It's the control mechanism that ensures the Six Thinking Hats® guidelines are observed.

Excerpted from: http://www.debonogroup.com/six_thinking_hats.php

Edward de Bono proposed parallel thinking and lateral thinking as the drivers for building individual, team and organizational capabilities. Six Thinking Hats became a major methodology for individual and organizational change.



Edward de Bono, everybody who has some interest in self-help approaches knows Edward de Bono. He came up with a pioneering thoughts about Six Thinking Hats. He believes that we cannot think about issues whether they are problems or solutions or processes in one regimented thought process methodology, you have to wear different hats for different situations.

So, he came up with Six Thinking Hats. The White Hat calls for information known or needed. It is fact based that is very analytical. You also need to have a Yellow Hat which symbolizes brightness and optimism. You need to be a leader who radiates positivity and hope for the future.

The Black Hat is one of the core points of leadership that is being objectively judgmental. You could be the devil's advocate or you could be the highest level of optimism, but you should finally, make some judgments based on apparent dangers or real dangers perceive difficulties or real difficulties.

And one of the issues with this Black Hat is that given its dependence on analysis, prior to judgment, it could be misused. So, it is important to use Black Hat along with the other hats prudently. The Red Hat is the emotional hat; it talks about feelings, hunches, intuition. When

you use that hat as a leader, you learn to love people, you learn to like and respect people and you also learn to grapple with your biases and dislikes.

The Green Hat again taking the innovation cue focuses on creativity. It looks at all possibilities avenues for diversification, avenues for growth. It is an opportunity and platform to express new concepts and new perceptions. And the Blue Hat is a sort of integrating hat. It tries to manage the entire thinking process. It is a control mechanism that ensures that the Six Thinking Hats are following the guidelines which he has stipulated.

He recommends parallel thinking and lateral thinking as drivers for building individual, team and organizational capabilities. I would say that Six Thinking Hats is a great methodology for creative solution making for problems which are not easily solved.

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Management Thought Leaders: Dale Carnegie


Dale Carnegie (November 24, 1888 – November 1, 1955) was an American writer and lecturer, and the developer of courses in self-improvement, salesmanship, corporate training, public speaking, and interpersonal skills.

Praised as a Self-help Classic that reads as a life manual

Changing one's own behaviour first	Understanding others better
Become a more likeable person	Improve relationships
Win others over	Influence behaviour through leadership

HOW TO WIN FRIENDS & INFLUENCE PEOPLE
The Only Book You Need to Lead You to Success
Dale Carnegie

While self-help tool kit may not be seen as classic management thinking, the underlying concepts of empathetic listening, influencing rather than commanding, reflection and introspection resonate with contemporary thinking as well. Building individual personality continues to be a key driver of organizational behaviour.



Again from the self-help grouping, we have Dale Carnegie. His book has been praised as the life manual in the self-help classics, How to Win Friends and Influence People. He has focused on the importance of interpersonal relationships and having positive human relations, and positive individual relations. So, he said that before you expect something from the other person, you must change your own behavior.

You should try to understand others better – the point of view, where he is coming from, become a more likable person, improve relationships, win others over to your point of view based on understanding their perspectives and improving your own perspectives, and only

through this process you can influence behavior through leadership that has all of these elements.

While this is not a classic management thinking, it is certainly a way of thinking that has profoundly altered how individuals look at each other in small groups, large groups, or how companies also can look at other companies in terms of understanding each other. It is relevant for contemporary thinking even today.

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Management Thought Leaders: Albert Mehrabian

Albert Mehrabian, born in 1939, is Professor Emeritus of Psychology at the University of California, Los Angeles. Although he originally trained as an engineer, he is best known for his publications on the relative importance of verbal and nonverbal messages.





The 7% - 38% - 55% Rule of Communication

Brought home the importance of "body language" in communication

Category	Percentage
Verbal	7%
Non-verbal: Tone	38%
Non-verbal: Gestures	55%

According to Mehrabian, the three elements account differently for our liking for the person who puts forward a message concerning his or her feelings: words account for 7%, tone of voice accounts for 38%, and body language for 55% of the liking.

For effective and meaningful communication about emotions, these three parts of the message need to support each other - they have to be "congruent". In case of any incongruence, the receiver of the message might be irritated by two messages coming from two different channels, giving cues in two different directions.



Albert Mehrabian comes up with a totally different approach to leadership communication. He says that we think, we have communicated enough by speaking a lot. It could be so even in my case; I am thinking that I am communicating through the audio visual platform. However, there are certain limitations to how I can communicate; I am in one particular place and you are in a distant place.

But if you really look at small group communication, you will find as he has really postulated that most of our communication is verbal, but it actually is in terms of impact 7 percent, about 38 percent of the impact in terms of liking comes through the tone of communication, which is the non-verbal state of communication. And the body language which comes through non-verbal body cues and gestures, they determine the dominant form of communication.

When you have town hall meetings if the entire group is very silent, you will get certain feedback saying that yes they are extremely complaint to the dot or they are just passive. You

need to understand by encouraging feedback and understanding the tone of the feedback, the gestures of the team members, or even the peers who are next to you whether the communication is going the way you would need to look at.

So, for an effective and meaningful communication about emotions, these three parts of message need to support each other that is they have to be congruent, the verbal message, the tonality of your message, and the body language of the message, they need to be aligned and congruent to make the maximum impact in terms of communication efficacy; otherwise there could be diverging cues that come from the communication platform.

(Refer Slide Time: 30:28)

Management Thought Leaders: Warren Bennis

Warren Gamaliel Bennis (March 8, 1925 – July 31, 2014) was an American scholar, organizational consultant and author, widely regarded as a pioneer of the contemporary field of leadership studies. Bennis was University Professor and Distinguished Professor of Business Administration and Founding Chairman of The Leadership Institute at the University of Southern California.

Considered Father of Leadership

Five Essential Traits of a Leader:

- Provide direction and meaning to followers
- Convey hope and optimism for the future
- Generate and sustain trust
- Share and engage followers in common core values and vision
- Show results

"No leader sets out to be a leader. People set out to live their lives, expressing themselves fully. When that expression is of value, they become leaders. So the point is not to become a leader. The point is to become yourself, to use yourself completely – all your skills, gifts, and energies – in order to make your vision manifest. You must withhold nothing. You, must, in sum, become the person you started out to be, and to enjoy the process of becoming." – Warren Bennis

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Warren Bennis is considered the father of leadership. He has written a path breaking book On Becoming a Leader. He says that a leader has five essential traits; he provides direction and meaning to followers; he conveys hope and optimism for the future; he generates and sustains the trust of his followers; he shares and engages with followers on a common platform of values and vision. And finally, he demonstrates results.

When we go into the theories of leadership, you will find that many of these factors are ingrained in some of the leadership theories. What Warren Bennis says has got some nice insight. He says no leader sets out to be a leader, we all live our lives. But in trying to live our lives, we are trying to become what we are capable of becoming. And once we become fully capable of what we are becoming, then we get into the leadership mode.

Therefore, he says the point is to become yourself, and to use yourself completely all your skills gifts and energies, so that your vision can be manifest in many ways. You must withhold nothing. You must in sum become the person you started out to be and to enjoy the process of becoming.

Again I will connect this thought process to the self-actualization thought process I talked about at the end of my session. You discover your innate competencies, develop those competencies better, set your aspirations high, accomplish those aspirations, and finally, become what you are capable of becoming, so that is the essence of leadership which is expressed in a similar fashion by Warren Bennis.

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Management Thought Leaders: Hermann Simon

Professor Hermann Simon is founder and honorary chairman of Simon-Kucher & Partners Consultants. He is a much sought after speaker. He is also a world-renowned author and has published over 35 books in 26 languages.

Antithesis of Profit Impact of Market Share (PIMS)

Pursuit of high market share destroys additional profit potential

Companies can extract profit potential of 1 to 3 percent by pursuing a profit, rather than market share, orientation

In mature markets characterized by exhausted scope for cost savings and hard-to-get breakthrough innovations, marketing mix offers a solution

Differentiate mature products	Raise prices effectively	Time promotional activities properly	Understand consumer preferences better, etc.,
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MANAGE FOR PROFIT NOT FOR MARKET SHARE

A GUIDE TO GREATER PROFITS IN HIGHLY COMPETITIVE MARKETS

Hermann Simon advocated pursuit of product viability and profitability rather than market share, along with a contextual use of marketing mix to ensure sustainable growth for firms.



Hermann Simon he is the founder and chairman of a famous consulting company, Simon-Kucher and Partners Consultants. He has come up with a very contrarian viewpoint. Generally, the theory is that pursuit of high market share leads to high profits is called PIMS theory, Profit Impact of Market Share. But what he has proposed is the antithesis of PIMS. He says pursuit of market share that too high market share destroys additional profit potential. He hypothesis that companies can extract profit potential of one to three basis points by pursuing a profit rather than market share orientation.

Why does he say so? He says that in mature markets which are characterized by exhausted scope that means scope which is already fulfilled for cost savings and hard to get breakthrough innovations. We have to depend on marketing mix rather than pursuit of shear market share.

So, you should differentiate mature products where necessary you should take pricing action, when necessary you need to do promotional activities and understand consumer preferences better. It is not cost leadership that will gain you market share, but erode your profit, but rather deploying the marketing mix judiciously and creatively. So, that the available products are better leveraged and made more viable, so that your profitability increases.

So, his focus is on product viability and profitability rather than market share and contextual use of marketing mix, so that there could be sustainable growth were firms. Obviously, what he is suggesting is highly suitable for established companies trying to grow the revenues and profits in times of competition.

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Management Thought Leaders: Linda Hill

Linda A. Hill is an American economist currently the Wallace Brett Donham Professor of Business Administration at Harvard Business School. She specializes in managerial and leadership strategies.

Harmonizing Management and Leadership

The transition from individual contributor to manager is a profound psychological adjustment—a transformation.

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The process of becoming a manager is primarily one of learning from experience.

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Through trial and error, observation and interpretation, the new managers learn what it takes to become effective business leaders.

Challenges of transformation

Reframing the understanding of new roles and responsibilities	Learning to build effective work relationships	How and when to use individual and organizational resources	Learning to cope with the inevitable stresses of the transformation
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BECOMING A MANAGER
How New Managers Master the Challenges of Leadership
Linda A. Hill

New managers must learn how to lead others rather than do the work themselves, to win trust and respect, to motivate, and to strike the right balance between delegation and control. It is a transition many fail to make.



Linda Hill, she has come up with a pathway for harmonizing management and leadership. She says the transition from an individual performer or individual contributor which a typical executive at the frontline is to manager who manages a group of people is a profound psychological adjustment, a transformation because it is no longer necessary for a manager to do everything by himself.

In fact, if he continues to do everything by himself, he can never be a manager. He will continue to be an individual performer. So, the transition from individual contributor to a manager is one phase of transition.

Then the process of becoming a leader from being a manager is a process of learning from experience that is you observe how management principles can be put in practice, how leaders are working their way up and how leaders are influencing course transformations in organizations, this is a process of observation and experiencing the process of leadership.

And together through trial and error, observation and interpretation, the new managers can become effective leaders when they are able to perform in their jobs and when they opportunities emerge.

The challenges of transformation in these is reframing to understand the new roles and responsibilities, rebuilding or even building new effective work relationships, how and when to use individual and organizational resources and learning to cope with the inevitable stresses of the transformation. We have to again connect back to one of the earlier things which Marshall has said that is what got you here will not get you to the new state.

Therefore, the challenges of transformation or adjusting yourself to the new reality and using resources in a manner that your footprint as manager or as a leader, is very clearly visible to the entire organization. So, new managers must learn how to lead others than do the work themselves. They should learn how to win, trust and respect, how they can motivate and inspire people, and finally, have the right balance between delegation and control.

We learnt in an earlier session about the too-loose, too-tight kind of situation that is something which is to be avoided and that is where transformation also counts in one's own mindset.

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Management Thought Leaders: Amy Edmondson

Amy C. Edmondson is an American scholar of leadership, teaming, and organizational learning. She is currently the Novartis Professor of Leadership at Harvard Business School.

Advocate of People Speaking Up

The diagram illustrates the relationship between psychological safety and organizational performance. It features a central purple oval labeled "Organizational culture of psychological safety". This oval is connected to three surrounding boxes: a blue box at the top labeled "Explore the link between psychological safety and high performance", a green box on the left labeled "Create a culture where it's 'safe' to express ideas, ask questions, and admit mistakes", and a green box on the right labeled "Nurture the level of engagement and candour required in today's knowledge economy".

With so much riding on innovation, creativity, and spark, it is not only essential to attract and retain quality talent but also enable the talent to express itself fearlessly. Amy's thesis is that an organizational culture in which employees are free to speak up will ensure a continuous influx of new ideas and foster innovation.

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Amy Edmondson, she talks about organizational learning. She advocates the fearless organization. Millennials particularly will respond very openly to this hypothesis. People feel empowered these days to speak up and talk about the new ways of doing things.

She says that an organizational culture which ensure psychological safety for people that is which empowers people without any retribution to speak up. It does three good things. One it explores the link between psychological safety and high performance.

So, the higher the level of psychological safety you assure to the employees, the higher will be the individual as well as corporate performance. Secondly, if you are able to nurture the level of engagement and candor required in today's knowledge economy, it will be what acting in virtues energy with psychological safety.

If you ensure psychological safety, it will heighten the level of engagement and candid method of operation. And if you nurture the level of engagement and candid operations, psychological safety ipso facto will improve that is the second point.

And third most importantly the leadership make it very clear that it is safe to express ideas, ask questions, admit mistakes and even make contrarian propositions, if they are supposed to be good for the company. So, when you have these kinds of people enablement processes, through assurance of psychological safety, then lot of innovation, creativity and spark will take place in the organization.

You can actually feel in organizations and in the town halls when you walk in, the way people react with confidence and competence versus in certain other passive organizations where people remain mum and they would not like to speak up lest they should offend the leadership.

So, it was very important that organizational culture encourages fearlessness. Of course, the fearlessness there should not be permissiveness. It should be disciplined; it should be bound by certain value systems, and it should also have some accountability.

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Management Thought Leaders: Erik Brynjolfsson and Andrew McAfee

Erik Brynjolfsson (born 1962) is an American academic. He is a professor at the MIT Sloan School of Management and Director of the MIT Initiative on the Digital Economy. Andrew Paul McAfee (born c. 1967), a principal research scientist at MIT, is cofounder and codirector of the MIT Initiative on the Digital Economy at the MIT Sloan School of Management.

Optimism on the New Digital Age

Bounty

- Benefits of new technology
- Beyond standard economic measures like GDP

Spread

- Inequality due to digital technology
- Digital integration or digital divide

Erik Brynjolfsson and Andrew McAfee weave micro and macroeconomics with insights from other disciplines into an accessible story to review and forecast the impact of the new digital engine.

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We have Erik Brynjolfsson and Andrew McAfee; they talk about the new digital age. They talk about the bounty and spread which comes out of use of digital technologies, and they say that it goes beyond standard economic measures like GDP. They also talk about the digital divide. How digital integration is being threatened at the first place by the digital divide which is brought in by the digital technology. Today, we are working from home, the education is happening through digital learning mode.

But if you look at a country such as India or several other less developed countries, you will find that digital education is not accessible to a large percentage of student population in indigent parts of the country and also in rural areas. This has led to sharp digital divide, so, how do we bridge this divide.

So, the more digital mean become in certain pockets of the country, those islands of success would be there. But the key lies in moving away from digital divide and moving into digital

integration. So, how do you do that? For that we should weave in micro and macroeconomics with insights from other disciplines, so that we understand how certain core industries such as telecommunications, certain infrastructural industries can be developed.

If we are able to work from home seamlessly in the face of COVID pandemic, it is because we have had strong telecommunication backbone. So, certain industrial infrastructural activities are essential to enable that the country becomes one connected country, and the world becomes one connected world.

So, the new digital age requires investments in certain key infrastructural areas including telecommunications, computers, information technology, artificial intelligence, machine learning and things like that. And they cannot be pockets for use by only certain industrial segments or population segments.

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Management Thought Leaders: Francesca Gino

Francesca Gino is an Italian-American behavioural scientist and the Tandon Family Professor of Business Administration and unit head of the Negotiation, Organizations and Markets (NOM) unit at the Harvard Business School. She is also affiliated with Harvard University's Mind, Brain, Behaviour Initiative.

Elements of Rebel Talent

Novelty
Seeking out the challenges, and the new

Authenticity
Embracing all that one does, remaining open and vulnerable in order to connect with others and learn from them.

Curiosity
The impulse to ask "why?"

Rebel Talent

Diversity
Tendency to challenge pre-determined social roles and reach out to those who may appear different

Perspective
The ability to broaden worldview and see it as others do

According to Francesca Gino, while rebels have a negative reputation, they are often the ones who change the world for the better with their unconventional outlooks, allowing businesses to evolve and prosper.



Another management thought leader is Francesca Gino. She talked about rebel talent. She says that rebel talent has got five elements; one novelty. Rebel talent always seeks something new. They are willing to express a new way of doing things, seeking out a new way of challenging the status quo. They also have got a lot of curiosity, the impulse to ask why, why should we do it the same way? They also have the perspective to broaden their view. They are willing to accept to your views, the established views provided they make sense or if they are logical, but they are also asking you to broaden your own view to a worldview as other see.

Then the rebel talent also encourages diversity, gender diversity as well as intellectual diversity. It looks at predetermine social roles as constraints and tries to challenge them, and tries to create a new roles. And it also looks for authenticity, where openness transparency is there in day-to-day relationships, in working relationships. It also accepts vulnerability as a natural phenomenon of human behavior at work.

So, rebels they have a negativity reputation, but they have the capability and they are the ones to change the world for the better with their unconventional outlooks, allowing businesses to evolve and prosper. So, when Elon Musk came up with his electric car initiative, he was maverick in his approach to electrification.

But he was far ahead of the requirement as thought by established automobile manufacturing companies at that time, but with his singular rebellious approach towards transforming an automobile industry which is based on IC engines into electric automobiles, he has chartered out a totally new way of saving the planet from the pollution of automobiles.

So, the rebel talent which is inherent in such intellectual people helps companies to seek newer avenues of growth. So, it is very important to rebel talent.

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Management Thought Leaders: Nirmalya Kumar

Nirmalya Kumar (born 8 March 1960) is Lee Kong Chian Professor of Marketing at Singapore Management University and a Distinguished Fellow at INSEAD Emerging Markets Institute.

Proposed 3 Vs of Strategic Segmentation, Among Others

From Marketing Tactician to Marketing Strategist

From market segments to strategic segments	From selling products to providing solutions	From declining to growing distribution channels	From branded bulldozers to global distribution partners	From brand acquisitions to brand rationalization	From market-driven to market-driving	From strategic business unit (SBU) marketing to corporate marketing
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According to Nirmalya Kumar, the key to the success of market-driving firms is that they create and deliver a leap in benefits while reducing the sacrifices and compromises that customers make to receive those benefits.



Nirmalya Kumar, he is another master theorist who worked at INSEAD Emerging Markets Institute. He has moved from being marketing tactician to marketing strategist as part of his hypothesis. He says that marketing is no longer one functional strategy. He says that marketing

itself is strategy. He says that we should not look at segments of market as marketing segments; you should look at strategic segments because you are not providing just products to those segments, you are providing solutions for customers.

You are looking at distribution channels as not just some intermediaries. You are wanting them to grow into their own businesses because they have the customer connectivity between the firm and the product and the customer.

Because dealers have the connectivity between the firm through the product and service to the customer, and that experience of utilizing the product, getting it serviced could itself be an experience business for the customers. So, we should not look at distribution channels as something which needs to be deemphasized, in fact, we should try to grow them into their own businesses.

For example, Ashok Leyland has done great things in having what it calls solutions business which comprises leykart, Service Mandi, providing GPS systems to drivers, high alert, various digital solution, so that the operator experiences a better way of running a truck or bus; and similarly a faster way of keeping the truck on the move, minimizing the downtime. So, there is a solution business that would happen through dealerships.

Similarly, from branded bulldozers to global distribution partners, it should not be seen as one brand which has got such brand value that I do not need anybody, instead of that you should rely on regional partners to make your brands even more effective.

And there is no point in just acquiring brands without seeing whether the brands are cannibalizing amongst themselves the established brands versus the new brands rather you should look at brand rationalization by which you covered the entire market spectrum strategically.

And instead of being market driven, drive the market which is again the blue ocean strategy which is finding out an uncontested market space, so that you create your own product and your own market.

And look at corporate marketing, don't rest that you have created SBU – Strategic Business Units which are having their own P&L responsibility, and they are having their own queued

product market segments, you should take a total corporate view of everything including the SBUs. So, that marketing becomes strategy.

The key to success of market driving firms according to him is that they create and deliver a leap in benefits while reducing the sacrifices and compromises that customers have to make to receive those benefits. So, it is advantage to the customers and advantage to the firms.

So, as we go through these kinds of thoughts, you will find that some of the thoughts are pretty interlinked like developing new market space, driving market which is pronounced by Nirmalya Kumar, and the blue ocean strategy creating the uncontested market space. We need to understand so many thoughts which are existent; which are existing and which would be developed in management and leadership literature as well as in practice. So, that you are able to connect those dots and use the appropriate models for our contextual situation.

I will explain why. All those several thoughts are being processed and presented, and again you are being asked to process all of them, you please realize that the brain has enormous ability to process huge amount of data. Probably you will be able to process even 1850 slides, 1850 is a huge number for any course.

You may think that lots of inputs are being provided, but I assure you that all of you are intellectually capable to be able to assimilate all of these things, distill some of the very important points for your own contextual business situation or organizational situation and adapt. Who knows to which other situation, you will migrate in future, you will be able to cross fertilize, cross pollinate, and adapt some of these thoughts as you go into newer situations.

Therefore, what we want to learn must always have a very wide canvas. Even if what we apply in the immediate context is somewhat limited, anyway let us move on with the thought leaders.

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Management Thought Leaders: Gary Pisano

Gary P. Pisano is an American economist, currently the Harry E. Figgie Professor of Business Administration at Harvard Business School. His focus has been on culture of innovation in organizations.

Cultural Framework for Big Firms to Innovate

To understand a big organization's opportunities through innovation, Pisano lays out a helpful four-cell matrix, with the nature of the threat (distant or imminent) on one axis and relative impact of switching through innovation (erodes profitability or enhances it). Pisano suggests big firms building an array of options for the future, while still maintaining the core business.



Gary Pisano is another thought leader who talked about the cultural framework necessary for big firms to innovate. He says that if you have risk taking in an organization, you have creative exploration, rapid learning, ability to think differently and experimentation, a big firm will be able to innovate.

But he says big firms typically lag these things, they are so procedure bound, they are so profitability viability model bound that they refuse to take risks. They are so much comfortable with their own paths of development; they are not willing to creatively explore new paths.

They are happy with their successes. Therefore, they are not agile in learning new things that is why many corporations have startups to help them in newer areas of development and growth, more particularly in research and development areas. They would like to think more efficiently in their ways of thinking rather than think differently, and they are not willing to experiment far too much, they do not run too many pilot projects.

So, this big organizations cultural traits which are based on execution, reliability, predictability, certainty, he says must be replaced by this five-point cultural framework which allows risk taking, creative exploration, rapid learning, different thinking and experimentation.

To be able to do that, he proposes a four cell matrix. Wherein one can appreciate the threat, whether it is distant or immediate on one axis and the relative impact of switching through the innovation whether it erodes profitability or enhances.

It, is not a quantitative tool necessarily, but it tells you the mapping of risk and creativity as you look at different options to build for the future while maintaining of course the core business.

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Management Thought Leaders: Charles Handy

Charles Handy (born 1932) is an Irish author/philosopher specialising in organizational behaviour and management. When HBR had a 50th Anniversary special issue, Handy, Drucker and Mintzberg were requested for special articles.

Three Types of Organizations and Characteristics

Handy talks about the Three P's—purpose, pattern, and people—which are the heart or meaning of life and the keys to contribution. He also talks about creating a portfolio life or a themed collection of work experience and life experience.

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Charles handy is another important leader. In fact, when Harvard business review wanted a fifth anniversary special issue to be embellished by notable contributions. They called upon Handy, Drucker and Mintzberg for special articles. So, he is on the same platform as Peter Drucker and Henry Mintzberg in terms of creativity and contribution to management thought.

He looks at three forms of organization. One form of organization is in terms of power. How decentralized is your power structure, how shared is your power structure and how individualized or personalized is your power structure, and that comes with the federal approach in an organization. The more federal an organization is, the more it would be in terms of decentralizing the power structure sharing it and personalizing it.

We would also need to look at how innovative the organization is. Just as federal organization is one type; innovative organization is another type. The triple I factor – intelligence, information and ideas. They must form the bedrock of the innovative type of organization.

And the shamrock, the bedrock of an organization is how do we promote a loyal career, how do you ensure that the ones who are in contractual fringe that is who are existing only for the paycheck, are not the ones who are going to influence the organization, neither are those people

who are being outsourced. But those people who are willing to join the company to work and run with the company on its growth path, those are the people who need to be encouraged.

And he says that if you have three Ps – purpose, pattern and people, it would be the heart and meaning of life and the keys to contribution in an organization. He talks about creating a portfolio of life and themed collection of work experience and life experience which will be inspiring not only for people who have coasted through these life journeys in the organizations.

But also stand out as role models for others to emulate in one of the transformational models that would come up later, I would talk about how there is nothing like silence for a leader. A leader continues to be a leader and with stature increasing all the time. A leader will be able to communicate lot more than what the title would suggest.

So, we need to have role models in organizations who ensure that power mechanisms, intellectual, innovative mechanisms and the career mechanisms are all in synchronization with each other.

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Management Thought Leaders: Jeff Pfeffer and Gerald Salancik

Jeffrey Pfeffer (born July 23, 1946) is an American business theorist and the Thomas D. Dee II Professor of Organizational Behavior at the Graduate School of Business, Stanford University. Gerald R. (Jerry) Salancik (Jan. 29, 1943 - July 24, 1996) was an American organizational theorist, and Professor at Carnegie Mellon University. Both are known for their collaborative works on organizations and environments.

Organizational Power

Resource Dependence Theory
Dependence-Independence; Interdependence

Organizational Effectiveness	Organizational Environment	Constraints
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THE EXTERNAL CONTROL OF ORGANIZATIONS: A Resource Dependence Perspective

While previous organizational work focused on internal factors influencing the design of organizations, Pfeffer and Salancik focus strongly on the environment enveloping the organizations for identifying reasons why organizations take on particular structures and act in particular ways.

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(Video inset shows a man speaking)

Jeffrey Pfeffer and Gerald Salancik, they talk about organizational power. They talk about resource dependence theory. Dependence, independence, interdependence, these are the classic dilemmas of group dynamics and organizational design.


How dependent we should be and how independent we should be as functions, as individuals, as leaders, and what is the level of interdependence we must encourage through organizational

structures and process. The solution to this could vary from firm-to-firm, and from industry-to-industry. If it is a startup, the dependence independence is very high. The interdependence of a close knit team is very well shown in a startup situation. But in an established organization, it must be probably more systemic and systematized.

So, the resource dependence varies based on the type of the company, type of the industry, and the stage of the firm. However, if we ensure an appropriate organizational effectiveness mechanism and organizational environment, and understand the constraints, you will know how to balance out these factors.

So, these are environmental factors which tell us how dependent and independent we are amongst each other, so that organizations can take structures and processes that will respond properly both for internal forces and for external opportunities.

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Management Thought Leaders: Ikujiro Nonaka and Hirotaka Takeuchi

Ikujiro Nonaka (born May 10, 1935) is a Japanese organizational theorist and Professor Emeritus at the Graduate School of International Corporate Strategy of the Hitotsubashi University, best known for his study of knowledge management. Hirotaka Takeuchi is a Professor of Management Practice in the Strategy Unit at Harvard Business School.

The Alchemy of Innovation

Explicit Knowledge

- Contained in manuals and procedures, driven by systems and procedures, followed by US managers

Tacit Knowledge


- Learned only by experience, and communicated only indirectly, through metaphor and analogy, followed by Japanese managers

THE KNOWLEDGE-CREATING COMPANY

How Japanese Companies Create the Dynamics of Innovation

IKUJIRO NONAKA
HIROTAKA TAKEUCHI

Nanaka and Takeuchi attribute the success of Japanese companies to their ability to create new knowledge and use it to produce successful products and technologies.



As I said, not much is learnt about the Japanese management philosophies, we have got the solid Toyota production system which has been documented by Ohno san and Shingo san. We also have Imai san talking about Gemba kaizen. We have here Nanaka San and Takeuchi San talk about the Japanese business practices. They have written a book called The Knowledge Creating Company.

They say how Japanese companies change the dynamics of innovations by creating new innovation dynamics all the time. They differentiate between explicit knowledge and tacit

knowledge. Explicit knowledge is something which is written down in standard operating procedures in designs and drawings, systems and procedures. They say that this method of knowledge creation is typically followed by the US managers.

The system of tacit knowledge which is learning through experience, communicating only indirectly through metaphor and analogy is followed more by Japanese managers.

I have had the experience of interacting with Japanese collaborators for several years. And I can vouch that the Japanese way of management is subtle, it is experiential, it is deeply embedded in the person and the departmental procedures, and it comes very naturally to the persons and the roles and it is, somebody need not search the manual and procedure to do a few things.

This tacit knowledge which is institutionalized and also combined with their lifetime employment system ensures that the company's embed and institutionalized knowledge. And knowledge gets created therefore, in a cumulative way in the organization and it has a snowballing effect in terms of growth drive.

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Management Thought Leaders: Howard Gardner

Howard Earl Gardner (born July 11, 1943) is an American developmental psychologist and the John H. and Elisabeth A. Hobbs Research Professor of Cognition and Education at the Harvard Graduate School of Education at Harvard University.

Gardner's Theory of Multiple Intelligences

The diagram illustrates Gardner's Theory of Multiple Intelligences. At the center is a black circle labeled "Ten Different Types of Intelligences". Surrounding this central hub are ten colored boxes, each representing a different type of intelligence, connected to the center by lines. Starting from the top and moving clockwise, the intelligences are: Linguistic (blue), Logical-Mathematical (blue), Musical (green), Spatial (green), Bodily/Kinesthetic (green), Interpersonal (orange), Intrapersonal (orange), Naturalistic (yellow), Existential (yellow), and Pedagogical (purple).

According to Gardner, humans have several different ways of processing information, in ways relatively independent of one another. The theory is a critique of the standard intelligence theory, which emphasizes the correlation among abilities, as well as traditional measures like IQ tests that typically only account for linguistic, logical, and spatial abilities.



Howard Gardner, he talks about multiple intelligences. He says that it is not just the intellectual capability that is of substance in leadership development. He says that there is linguistic intelligence. Your ability to master multiple languages and that mastery has certain brain capabilities that let you view things in a different way.

Our own Prime Minister PV Narasimha Rao, had the ability to be proficient in multiple languages, that has also given him the ability to look at things in a completely different way. Otherwise, he would not have brought in along with Dr. Manmohan Singh the economic liberalization package so smoothly. So, this is one example of linguistic proficiency and linguistic intelligence having some relationship with economic intelligence.

Then we have got logical mathematical intelligence. You also have musical intelligence – the ability to coordinate the brain, the vocal cords, the expression, the kind of empathy and the feel of music with actual hand movements. Then we have got the spatial intelligence – ability to relate to whatever is happening.

Let us say, you are in a truck manufacturing company, and you are looking at forgings. And you move to a two-wheeler company and you are looking at the same division. But there is a huge difference maybe 100x from a forging which is used in a truck versus a forging which is used in two-wheeler. To be able to grasp this and the tolerances that are required to a tighter degree in a two-wheeler manufacturing company, you require some type of spatial intelligence.

Similarly, the bodily kinesthetic intelligence, how you make robotics probably a person who is bodily intelligent could be a better robotics developer than one who looks at only drawings and abstract models. The interpersonal intelligence, intrapersonal intelligence, both of these we talked about as emotional intelligence. The naturalistic intelligence, the pedagogical intelligence, the existential intelligence, there are ten different types of intelligences.

Depending upon the types of intelligences we have in what shades and what mixes, we have our own ways of processing information. And these ways of processing information are independent of each other. The inputs may be the same, the communication may be the same, but depending upon the types of intelligences we have, we process the same information in a different manner.

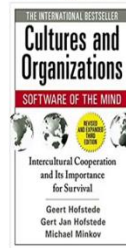

So, he comes up therefore with a critic of the standardized intelligence theory which emphasizes a correlation between one number of intelligence quotient with performance on the job. He says that we should assess our own team and ourselves in terms of the multiple intelligences which are natural to us and which we are capable of. And the more we develop ourselves on all of these intelligences, the more we will be able to be effective, efficient and creative.

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Management Thought Leaders: Geert Hofstede

Gerard Hendrik (Geert) Hofstede (2 October 1928 – 12 February 2020) was a Dutch social psychologist and Professor Emeritus of Organizational Anthropology and International Management at Maastricht University in the Netherlands.

Pioneering Research on Cross-Cultural Groups and Organizations



Geert Hofstede proposed that national and regional factors contribute to the culture of the organization and eventually influence the behaviour of employees in the organization.



Geert Hofstede, he talked about the pioneering research on cross cultural groups and organizations. He proposed a systematic framework for having the best possible cultures in organizations. And he said culture is the software of mind. And he says that intercultural cooperation is extremely important critical for survival, I would say and also growth of organizations.

The framework which he suggests has got this following 6 elements – the power distance, masculinity of thought versus femininity of thoughts, it does not mean that femininity of thought is a weaker thought or masculinity of thought is a higher thought. In fact, we have several examples which say that femininity of thought provides better results and is more assertive and more value based. And organizations benefit from a mix, good mix, positive mix of masculinity of thought as well as femininity of thought.

He talks about individualism as a cultural anchor. Our willingness to or our propensity to avoid uncertainty, our strategic orientation, the long term orientation and our ability to be restrained verses our ability to be boisterous and indulgence, these are all certain cultural anchors which are extremely important to develop a positive cultural environment in an organization.

He proposed that national and regional factors contribute to the culture of the organization, and eventually they influence the behavior of employees in the organization. In a later course module, I will also talk about the cultural anchors which organizations could have, and how the culture of organization is extremely important for organizations to be differentiated.

Again I would loop back to the ESG concept; only a positively culturally anchored company can be adept at ESG leadership. So, culture as the software of the organizational mind is extremely important.

So, with this we come more or less to the end of this first session. Just to recap, we have done many things during this first week. We have set the business context for the leadership. And to do so, we talked about the firm in terms of its basic architecture, in terms of its globalized architecture, we talked about production-production interface, marketing-firm interface, we talked about industry-business interface.

We also talked in the subsequent session on management and leadership. We tried to delineate and we also tried to find the similarities between management and leadership. And we said that both need each other, and they are mutually reinforcing to each other. We also brought out the concept of administration being an extremely important as third anchor of the whole developmental paradigm – management, leadership, and administration, each with a purpose and perspective is important for developing growth.

Then we came to three parts of management thought. We tried to cover nearly hundred leading management thinkers. From the early generations of Gilberth's and Taylor's to the late, mid generations of Douglas McGregor, Peter Drucker, to the recent contemporary generations of Michael Porter and C.K. Prahalad, we covered almost every notable management thinker, and tried to summarize and present for you.

Not only their biographical sketches, but also their leading contributions to the management thought, I could also present the book covers, so, that they make a visual impact on you and you would be kind of inclined to look at those selections at sometimes in future.

So, with this, we have got an overall perspective about management and leadership which enables us to go to the next week and explore the management theories that are already established, try to lead them to our own course. So, thank you very much for being ardent listeners in this course. And stay safe and take care. We will meet again next week in lecture number 6.

Thank you.