

STRATEGIES IN EMERGING ENTREPRENEURIAL CULTURE IN THE GLOBAL ARENA: CHALLENGES & OPPORTUNITIES

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ABSTRACT

Strategies are the pillars of a workable future. Synergizing our energies into positive action pools through effective goal setting that link to measurable, specific, targeted and time-sensitive values will pay huge dividends as we strive to achieve strategic plans.

Strategic intent plays an important role, especially in times of turmoil, where decision-making has to be done under uncertainty and risk. The organizational direction is based on effectively strategizing with prior mapping of the terrain so as to be safeguarded from pitfalls and calamities. Sustaining the enterprise, sustaining the action-plan and translating it into practicality is a proposition that calls for trust, for optimizing productivity, synergizing resources and cushioning against risk.

A survey by Industry body CII states that India needs to move away from the 'one size fits all' approach and needs to devise potent retention strategies tailor-made to suit today's youth.

Greater national and global opportunities beckon Indian youth today. Simultaneously, the need for stronger retention strategies heralds newer methods, plans and policies to sustain and develop the talent pool. Enterprises need to tailor their business priorities so as to retain the talent pool, said the CII survey on Generation Next workforce.

KEYWORDS: Positive Action Pools, Time-Sensitive Values, Strategic Intent, Mapping of the Terrain, Sustaining, Retention Strategies.

INTRODUCTION AND BACKGROUND OF THE STUDY

Tej Kohli, CEO of Grafix Softech and founder of the Tej Kohli Foundation, opined that although there are similarities in the way we do business around the world, there are important differences that remain. He therefore emphasized on the need to choose the right people to work with, especially in case of a global business.

Success is built on choosing the right people and nurturing their talents. More importantly, global ambitions necessitate the need to delegate, to trust, to have a global perspective and to understand the various applicable laws and formalities.

Harnessing the power of ideas is the key to business and economic success. Driven by technology and fostered by innovation, the global platforms we create are leveraged with a comprehensive environmental scanning that identifies needs and provides solutions in a pragmatic and inclusive way.

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effective goal setting that link to measurable, specific, targeted and time-sensitive values will pay huge dividends as we strive to achieve strategic plans.

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Moreover, shrinking and marginalized talent pools call for able management in situations of economic crisis or saturation of economies. Shortsighted perspectives can result in staggering catch-up costs.

Prior to the recession, many companies identified an aging workforce and massive retirement of experienced workers as a looming challenge. Moreover, several knowledge transfer processes and technology improvement programs were delayed or cancelled. When the recession subsided, the need to access specific knowledge increased and the cost to rebuild lost knowledge and acquire the talent to execute the same also increased, not just in monetary terms but in terms of overall cost.

The need for enterprise to strategise is inextricably linked with success and with the necessary armament to meet the pitfalls head on and come out on top.

HYPOTHESIS

It is essential for entrepreneurs to identify good strategies and innovate new strategies in order to gear up to the challenges of the world market, face uncertainties, tap opportunities and deliver with innovation for a sustainable future

OBJECTIVES

- To identify strategies followed by Companies and analyse the same.
- To study the global environment and analyse the transformations and changes happening.
- To gather primary data from the entrepreneurs regarding the internal organizational environment, the external organizational environment and the need for strategies.
- To analyse and interpret data from reliable secondary sources to identify worthy strategies.

FINDINGS

In 2007, Vodafone unveiled its 'Passage-to-India strategy'. It was India's single largest investment from overseas. Vodafone's Indian-born CEO Arun Sarin, was jubilant on their success and opined that Vodafone expected "to be the only international brand in India". He said that Vodafone would reap rich rewards and India being the British giant's third largest ever and the largest foreign direct investment, crucial access to the third largest high-growth market in the world, namely India, where it was possible to acquire 74% control, would be enjoyed by Vodafone. Sarin further stated that India was a terrific, fast-growing market with expected returns of about 14 percent a year.

Coincidentally, Vodafone's passage to India was announced on the opening day of a three-day conference of the

mobile phone world's movers and shakers in Barcelona. As news of the deal spread, Mike Short, Chairman of the Mobile Data Association, declared that more phones were connected in India in 2006, than the population of the UK! He expressed the viewpoint that it was time to acknowledge, address and learn from the Asian influence.¹

According to Indian Staffing Federation (ISF), India's leading staffing firms have generated over 5 million jobs! ISF is an apex body of the flexi-staffing industry in India. ISF Vice President Rituparna Chakraborty stated that the flexible staffing industry has proven itself as one of the key pillars necessary to sustain and accelerate the growth of the Indian Economy! Flexible staffing is also making greater advent into the formal sector. Out of two crore flexi-staff in India, only 13 lakh are being covered under the organized sector. The potential is immense and unleashing this potential highly essential. Strategising effectively to channelize the human resources requires skill and ability. According to studies conducted by National Sample Survey Organisation (NSSO), employment rates depict ambiguity and volatility, thereby increasing the demand for flexi-staffing, as opined by ISF.²

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Research by consulting firm Mercer confirms that employees are less happy with their jobs today and retaining key performers is tougher than before. Prithvi Shergill, Chief HR Officer of HCL Technologies concurs and quotes a survey that states high performers are three times more likely to seek a new opportunity than they would earlier.

Policies and processes, rewards and benefits, culture and career growth emerged as top priorities across all generations. The survey highlighted the fact that while the Corporates realised the importance of the financial priorities of Gen Y, they often failed to understand the non-financial needs of their employees such as strong leadership, effective communication and career advancement opportunities. Sectors like Automotive, Consulting, Consumer Business, Energy, Financial Services, Hospitality, Infrastructure & Real Estate, IT/ITes, Manufacturing, Media & Advertisements and Pharmaceuticals were covered by the survey. The Industry-wise analysis reveals that brands assume a high importance for individuals employed in the hospitality Industry. In the media sector, the role offered is given high importance. Overall, a fair system with transparency in processes and less bureaucracy within the system was preferred.³

On a comparative analysis with other countries, let us take the case of China. Although we have always drawn similarities with this neighbouring country in terms of a huge population, unsaturated areas, need for economic development, agrarian economies, etc. how have all these parallels manifested in so favourably tilting the balance in favour of China today? Chinese exports to the United States were \$337.8 billion in 2008 compared to US exports to China of \$69.7 billion. Comparatively, US Exports to India were \$32.4 billion in 2008 and India's exports to the US were \$39.89 billion. Effective strategies could definitely have played a key role in enhancing our performance and competitiveness.

The Chinese Premier Wen Jiabao visited India in December 2010. India's ties with China in Commerce have yielded a bland joint communiqué skirting core Indian concerns but incorporating a commitment to rapidly expand a lopsided trade relationship that has already turned India into the raw material appendage of a neo-colonial Chinese

economy. Although bilateral ties are doing well in commerce, as underlined by the 20-fold increase in trade in the past decade to \$60 billion, the trade relationship has been uncomplimentary for India. This is because India has not effectively tapped her manufacturing potential and over a time-frame spanning more than sixty years, mid-course corrective measures have not been strategized. India has been largely exporting primary commodities and importing finished products. China's iron-ore deposits, according to international estimates, are more than two-and-half times that of India. Yet, China conserved its own resources and imported iron ore in a major way from India. China then exported value-added steel products to India. Such a trade pattern bespeaks of lack of sustainability and highlights the fact that India needs to tap her manufacturing potential, thus far neglected.

India also faces a ballooning trade deficit with China, with Chinese exports to India almost double of India's exports to China. The joint communiqué offers support for Indian participation in China's national and regional trade fairs, advancing of trade facilitation, enhancing exchange and cooperation of pharmaceutical supervision, stronger relationships between Chinese enterprises and Indian IT Industry and speedier completion of phyto-sanitary negotiations on agro products.

Yet another area of concern is the dumping of Chinese goods in India that is systematically killing local manufacturing. Such dumping continues, despite India's lodging of a record number of anti-dumping cases against China in the World Trade Organisation.

The visit of Chinese Premier Wen Jiabao with a delegation of more than 300 businessmen, to strengthen the asymmetrical trade relationship calls for future-preparedness from our side to effectively strategise to tap opportunities, create opportunities and to bolster our competitiveness globally. Cash-rich China's Foreign Direct Investment (FDI) in India has been miniscule-just \$ 52 million in the past decade- even as it sought greater access to the Indian market for its goods and services.⁴

The United Nations Brundtland Report defines sustainable development as 'Development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs'.

The characteristics that combat stagnation and renew the capacity and desire to change over time can be grouped into three areas:

- The aspirations and imperatives that emerge from the co-evolution of democracy and a competitive market-place;
- The capacities to innovate and adapt that are allowed to flower when there is pluralism, transparency and openness;
- The range of cultural values, such as respect for both civil liberties and social obligations that facilitate a perpetual search for ways of balancing co-operation with competition and security with risk-taking.

Long-term economic dynamism is sustained by combining adaptability and innovation with good information based on clear and efficient incentives and signals. All these traits are in turn shaped by Institutions, explicit laws and rules that set parameters for everyday behavior.

An ever greater diversity of supply is being bred on account of the need to meet increasing demand diversity. Such diversity and changing external environment are dependent on the competitive encouragement of initiative,

customization and a relaxing of centralized controls to meet the needs that arise there from. Strategies must leverage to accomplish this ends.⁵

Moreover, it must be noted that although the basic characteristics that sustain long-run economic dynamism remain fairly constant, the specific ways in which these attributes can be realised, change over time. For example, 19th century democracy and trading institutions offered tremendous scope in that era, just as the organizations of mass production; mass consumption and mass government dominated the 20th century. The 21st century tasks and conditions, however, necessitate specific strategies, apart from the previous institutional and organizational methodical approach. Innovation, platform creation, elevating unsaturated areas, creating additional purchasing power that can generate additional demand and niche market creation apart, situational leadership and futuristic perspective, ably cushioned with financial strength alone can deliver in today's high-risk and uncertain terrain.

The general determinants of long-run economic dynamism viewed from an aggregate perspective are the unabated pressures of human needs and desires that will drive economic activity.⁶

Multinational corporations are reconfiguring global supply networks, value chains and organizational structure. Local firms are going global in an effort to find markets as the costs of discovering suppliers and buyers, sending goods or downloading information fall. Significant efforts at regional integration are driving the search for flexibility and the redistribution of activities and factor inputs by both business and government. Public sector policy mixes are shifting away from direct and frequently uniform service provision towards more decentralized, regulatory and individually managed approaches. Locally, as people at work and at home assume greater responsibilities, there is a resurgence of activism and networking. A paradigm shift in terms of a sweeping challenge to the one-way hierarchical division of labour and its power relationship has been witnessed. All actions and strategies that open up the possibility of deploying new technologies and liberating innovation may be a powerful stimulus to the continuation of economic dynamism.⁷

Of interest is the Blue Ocean Strategy. The name "Blue Ocean Strategy" was introduced in the Harvard Business Review article published in October 2004.

Kim and Mauborgne, authors of the book 'Blue Ocean Strategy' argue that traditional competition-based strategies (red ocean strategies) while necessary, are not sufficient to sustain high performance. Companies need to go beyond competing. To seize new profit and growth opportunities they also need to create blue oceans. As per the analysis of Industry's functioning, it has been noted that competition based strategies assume that an Industry's structural conditions are given and that firms are forced to compete with them. This assumption is based on what is academically termed as 'structural view' or 'environmental determinism'. Practitioners of red ocean strategy focus on building advantages over the competition, by assessing what competitors do and striving to do it better. Grabbing a bigger share of the market is seen as a zero-sum game in which one company's gain could spell another company's loss. Hence, competition, the supply side of the equation, becomes the defining variable of strategy. Cost and value are seen as trade-offs and a firm chooses a distinctive cost or differentiation position. The total profit level of the Industry being determined exogenously to structural factors, firms principally seek to capture and redistribute wealth instead of creating wealth. They focus on dividing up the red ocean, where growth is increasingly limited.

Blue Ocean Strategy, in comparison, is based on the view that market boundaries and industry structure are not given and can be reconstructed by the actions and beliefs of industry players. This is known as 'reconstructionist view'.

Assuming that structure and market boundaries exist only in managers' minds, it is essential to ensure that existing market structures must not limit thinking. How to tap the largely untapped extra demand necessitates shift of attention from supply to demand, from a focus on competing to a focus on value innovation-that is, the creation of innovative value to unlock new demand. This is achieved via the simultaneous pursuit of differentiation and low-cost. As market structure is changed by breaking the value/cost tradeoff, so do the rules of the game change. Competition in the old game is rendered irrelevant and new avenues surge. By expanding the demand side of the economy, new wealth is created. Such a strategy allows firms to largely play a non-zero-sum game with high payoff possibilities.⁸

George Sreeba, Chairman and Managing Director, Fertilizers and Chemicals Travancore (FACT) opined that to face recession, companies must essentially adopt a blue ocean strategy, thereby identifying and creating new spaces (blue oceans). They must have a Change Management policy and refrain from focusing on the existing space which is crowded.

On the occasion of inaugurating the 12th annual management convention of the Calicut Management Association, Mr.Sreeba shared his viewpoints on the theme, "Economic recession — survival strategies."

He opined that companies should try to find a special place in the hearts of customers at this time. They ought to be innovative and should not be afraid of failures. A higher infrastructure growth could have helped in the recession.

Citrix effectively analysed the existing red ocean in which it was caught up and implemented Blue Ocean Strategy by pursuing cost reductions and differentiation. The cost of enterprise-level virtualization was reduced and differentiation strategy was adopted by including unique features and functionality.

Our Product life Cycle Strategy must involve achieving a superior competitive position within a defined market in terms of segmentation, positioning and superior delivery.

We need to develop plans for new products and unexplored market segments and region segments. In the Indian diaspora, rural India must be given added importance and needs to be studied, analysed and taken up as a distinctive segment. The untapped potential in the rural segment calls for strong strategies.

Globalisation is in but we need to ensure our roots are firm while we take to wings. Thus we need to stress on glocalisation. Different social, cultural, socio-economic and economic background needs to be researched and analysed in order to ensure proper connect with the needs of existing and prospective customers and providing tailor-made solutions.

The Strategic Business Units need to be systematically identified and studied. Their objectives must be clearly spelt out and worked upon. The market share, market size, investment intensity, market growth, product quality and quality of services must be gauged with precision and accuracy in a professional manner.

Telemedicine, the Pharmaceutical sector, the software sector, the agricultural sector as well as the Banking sector, the education sector, etc. in India hold a lot of promise. The competitiveness of these sectors would depend on giving them the best in research, in cutting-edge technologies, in infrastructure and in leveraging their products to a global marketplace.

Scientific and competitive intelligence services lend an actionable framework to support scientific, clinical and competitive insights to help align the business development and their strategic decision-making., keeping in mind the current and future marketing needs. These competitive insights help answer key intelligence questions at every stage in the

Product life-cycle, such as:

- Assessment of Unmet Market Needs
- Status and Potential of Novel Technologies
- Clinical Trial Analytics
- Benchmarking of Strategies Versus Competition

We must identify competition too and prepare ourselves to tackle it effectively. The urge to better needs to surge in our hearts.⁹

Breakthrough approaches usually result in a new orbit, which infuses new aspirations, new energy and new directions to achieve quantum innovation by design. George Bernard Shaw had it right when he said that all progress depends on the unreasonable man. Orbit shifting, however, isn't about being unreasonable for the sake of being unreasonable. Nor is it about challenging things for the sake of challenging them. Without a clear purpose, nothing will work. The purpose is the compass. And the purpose comes from the orbit-shifting challenge-something that is both unreasonable and unambiguous. Think 'eliminate unnecessary blindness' or 'leaders from day one'. You can't get more unreasonable and unambiguous than that. An unreasonable challenge always needs one to break out of the boundaries of the Industry's thinking. It needs enrolment of people who are inspired by the challenge, and it needs an almost fanatical eye on dilution. Every single day, inertia can seep in and dilution can take place so that the unreasonable challenge suddenly becomes so diluted and so reasonable that it doesn't shift any orbits at all.¹⁰

CONCLUSIONS

Through Strategic initiatives, we can leverage an Organization's Competitiveness in a global Marketplace by identifying unique opportunities, tapping unsaturated areas, analyzing its strengths and approaches by taking into account geographical diversity, people diversity, market requirement and global reach-out through bold initiatives linked with delivering value.

It analyses the importance of a global mindset in borderless dimensions and the strategy required to tap that hidden potential.

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