



# TAPMI Research Newsletter

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T. A. PAI MANAGEMENT INSTITUTE

## Message from Chairperson

Even as the second issue of the TAPMI Research Newsletter is going to press, I invite you to contemplate on why research and publishing play an important role in the life of an academic institution like TAPMI. Just as a healthy economy is believed by many to be driven by the free flow of capital, goods and services amongst its constituent elements, the health of an institution devoted to the cause of learning is determined to a large extent by the uninhibited flow of knowledge, between its individuals. In such an institution, activities are motivated by the desire to learn and share, and partake with each other, the joy of continuous discovery. Engagement with quality academic research is an essential at the centre of such a culture; more than anything else, it is good research that kindles and illuminates the wisdom of a true intellectual, just as the sun lights up the solar system. TAPMI's Research and Publications Committee (RPC) is dedicated to nurturing this culture at TAPMI.

With delight, I note that even though TAPMI has always promoted and pursued quality academic research, this tendency has further intensified in recent times. Academic research builds upon published findings and theory and seeks to uncover new implications for theory and practice, and faculty members at TAPMI are increasing their commitment to such research. To compliment this, students are showing greater interest than ever before in pursuing research with the help of the faculty. The recent introduction of the Course of Independent Study (CIS) for second year MBA students at TAPMI is very positive move on this front and will provide a forum for faculty and students to collaborate to deeply explore and master a topic of mutual interest. This issue of the Research Newsletter is meant to provide a glimpse into the various research activities that took place in TAPMI in the period since September 2009, and we sincerely hope that the content of this newsletter will increase in quantity and quality in the times ahead.

**Dr. Ajith Kumar J.**  
Chairperson, Research and Publications Committee

## Articles in Journals

**Sabuj Kumar Mandal**, 2010. Environmental efficiency of Indian cement industry: An interstate analysis, co-authored with Prof. S. Madheswaran, *Energy Policy*, 38 (2), pp. 1108-1118.

Coal combustion, for the production of cement, generates considerable amount of environmentally detrimental carbon dioxide as an undesirable by-product. Thus, this paper aims at measuring environmental efficiency within a joint production framework of both desirable and undesirable output using Data Envelopment Analysis and Directional Distance Function. Carbon dioxide is considered as an input in one context and as an undesirable output in the other with the environmental efficiency being defined accordingly.

Using 3 digit state level data from the Annual Survey of Industries for the years 2000-2001 through 2004-2005, the proposed models are applied to estimate environmental efficiency of Indian cement industry. Empirical results show that there is enough potential for the industry to improve its environmental efficiency with efficiency being varied across states. Results also show that Indian cement industry, if faced with environmental regulation, has the potential to expand desirable output and contract undesirable output with the given inputs. However, regulation has a potential cost in terms of lower feasible expansion of desirable output as compared to unregulated scenario.

## Case Studies

**V. Vijaya**, 2009. Formal informal and cognitive-affect dimensions of employee expectations A qualitative case study on psychological contract in the IT Sector, *Great Lakes Herald* 3(2), pp. 42-63.

## Presentations in Conferences and Seminars

**T. N. Badri** and **B. Sasidhar**, 2009. Operation Research in Cost Allocation Of Operational Materials at a Steel Plant, *Conference on Operations Research for Emerging Economies*, at the APORS 2009, December 6-9, 2009.

**Jaba M. Gupta** and **B. Sasidhar**, 2009. Managing Organizational Conflicts: A Communicative Approach, *AIMS International Conference* at IIM Bangalore, December 20-23, 2009.

**Manjunatha K.** and **D. Shivalingaiah**, 2010. A framework for Consortium of MANLIBNET Libraries, *11th MANLIBNET convention* organized by Siva Sivani Institute of Management at Secunderabad, February 15-17, 2010.

**S. K. Mathew** and **P. C. Biswal**, 2009. Mark-Down pricing models: The study of a fashion apparel retailer in the Indian market, *13th Annual Conference of the Society of Operations Management* at IIT-Madras, December 20-22, 2009.

**S. K. Mathew**, **A. K. Vasant** and **J. Chandy**, 2009. An Exploration of analytics adoption in fashion retail, *13th Annual Conference of the Society of Operations Management* held at IIT-Madras, on December 20-22, 2009.

**R. C. Natarajan**, 2009. Learning Effect under Turbulence: A Laboratory Experiment using the Beer Game, *7th AIMS International Conference on Management* at IIM, Bangalore, December 20-23, 2009.

**A. V. Rajagopalan**, 2010. Ego-Guna Conflict: A Comparative analysis of Characters in The Ramayana and The Mahabharata during a crisis situation, *IBA Conference*, Bangalore, February 2010.

**Rajiv V. Shah**, 2009. Direct Taxes and Environmental Issues, *International Conference On Environmental Issues in Emerging and advanced Economies: Canada, India*, organized by the Department of Chemistry, Gujarat University and James Reaney Canadian Centre at Ahmedabad Management Association, Ahmedabad, December 6-8, 2009.

**H. S. Srivatsa** and **R. Srinivasan**, 2009. Banking Channel Psychographics of Retail banking customers of Karnataka (India) An exploratory study, *NASMEI Conference*, at the Great Lakes Institute of Management, Chennai, December 18-19, 2009.

**Vijaya. V**, 2010. Relationship building in the health setting Insights from a qualitative exploration, *National Academy of Psychology Conference*, Department of psychology, Bangalore University, March 6-9 2010.



## Faculty-student Research Collaboration

**Sharatchandra Kamath, Amit Ahlawat and Anuradha, R.**

**“Competence Profiling: Generic Model with Self Concept and Leadership as Trigger Points”**

Competence is defined as a distinguished characteristic of an individual that induces superior performance. Human resource management group worldwide, comprising of research scholars and practitioners, constantly explain the impact of behavior and personality on one's own performance. By establishing the correlation between behavior and performance, they have attempted to evolve an authentic and reliable framework to capture the phenomenon coined as competence. Drawing clues from existing work, the first level of understanding is to profile the subtle aspects of an individual's characteristics such as self concept and leadership. The methodology applied for conducting this project, consisted of literature review to conceptualize competence profiling, questionnaire design, data collection from primary source, script writing to prototype an image of a leader persona. The primary assumption of this project is that the base of human behavior is built on self perception. Another assumption is that the inherent personality of a high

performance oriented individual is his leadership potential. The project led the researchers to discover the underworld of human mind and get a glimpse of human nature.

**Aritra Pal, Arunabha Biswas and Ajith Kumar**

**“Challenges to E-Governance Projects in Public Health Care in India”**

Although there have been tremendous improvements in Indian healthcare since 1980, several gaps still remain. In recent times, e-healthcare initiatives have become popular. This study unearths findings based on publicly available information that provides glimpses into the variety of potential challenges that a typical e-governance project in public health-care can face. Twenty-three different challenges have been categorized into five categories: technological, socio-economic, human resource, operational and strategic. It is felt that interactions between challenges influence the success of a project and its sustainability. It is also felt that the framework of challenges developed in this study can be morphed into a useful tool for assessing the risks involved in a project, during the conceptualization, strategizing and planning stages.

## Ongoing Research at TAPMI

**Ajith Kumar J.**

**Forking, leadership control and social capital in open innovation**

Open innovation, by sponsoring communities of knowledge contributors, has attracted the attention of business firms as it can help generate diverse ideas to innovate new products. This study draws attention to forking within communities, whereby sub-groups form and pursue agendas different from the overall community's goals. While forking can sometimes be beneficial, it can also harm the community by disrupting its integrity and in turn, threaten the interests of the sponsoring firm. It is surmised that increasing leadership control can help reduce the likelihood of forking up to a certain point, beyond which it might again increase forking possibility. Increasing social capital in the community can help reduce the likelihood of forking for a given level of leadership control. This study aims to develop a set of insightful propositions that can help strengthen theoretical foundations of this area.

**D. P. Bedari and P. C. Biswal**

**Convergence of Economic Growth Across Various States in India**

India has experienced uneven growth across various states, which is mainly due to inherited differences in the structural characteristics of the states. This study examines whether states are conditionally converging, and if so at what rate. It also intends to highlight the dynamics of inequality of income distribution. A panel data approach will be used for estimation.

**R. Chadaga**

**Emotional Intelligence & Emotional Management**

'Self Management' includes management of mind, body, emotions, nervous system and consciousness. Emotions are connected with our feelings and hence are of primary importance for achieving any progress. The idea of intelligence dimension to emotion is a recent one, and business management is devoting more and more attention to this of late. Recent research at the Harvard Business School, studied the wide spectrum of the subject of intelligence and with emotional intelligence as the main focus. Characteristics like self motivation, perseverance in the face of frustration, ability to control impulses and delay gratification, regulate moods, ability to empathize and hope, are considered as the set of characteristics that make up emotional intelligence. Positive emotions like love, joy, pleasure and satisfaction are good and desirable while negative emotions like fear (man-made), regret, anger, sadness, guilt, embarrassment, anxiety and frustration are bad and need to be controlled, as they seem to have adverse consequences on our body and mind (Psychosomatic disorders). The study explores various pragmatic techniques to control negative emotions at the three levels of preventive, curative and symptomatic. The processes being explored include change of behavior by altering and avoiding events, and logic, managing irrational to rational, and national to pragmatic beliefs, managing comparisons and expectations, life positions and ego states and worries. Curative approaches like centering, witnessing and visualizing are also explored.

### R. Chadaga

#### Better Business and HR Practices for Sustainable Corporate Growth of Modern Organizations

A combination of the state of the art HR and business practices, for attaining sustainable corporate growth in these days of economic uncertainties and cut throat competition are explored in detail. Starting with the alignment of universal values and social responsibilities (like ecological concern & cultural diversities, gender inequalities and sensitivities) with the vision statement; how a modern global organization can build its HR branding to attract globally competent managers with higher E.I. for building competitive advantage for sustainable growth and development is explored. Taking cue from operational and retail chain management how concepts like Talent Management, PCMM, Six Sigma, HR Audit (BM), Building Excellence (similar to concept of QFD in TQM) performance improvement using Japanese 5-S techniques, maintaining HR process using SQC/SPC and control chart techniques, Continuous Improvement or Kaizen, can be used for sustainable development are explored. Systems approach like ISO 9000-2000 (or 2008), Change management techniques like Learning Organizations, OD interventions, Team Building, Sensitivity training, Action Research, Knowledge Management and EQ approaches for sustainable development and growth are also being considered as pragmatic tools.

### Rajiv V. Shah

#### Direct Taxes and Environmental Issues

Direct Taxes in India are used not only for revenue collection, but also act as a major policy implementation tool. To this extent, the environmental challenges facing the country are dealt with through various legislations, one of them being the Direct Tax Law (Income Tax Act, 1961). The Income Tax Act allows three specific provisions of deductions/benefits for encouraging the shift towards creating a greener environment. Two of these are proactive wherein benefits are given to the tax payers for using or developing energy saving devices or alternate source of energy assets such as windmills. The other provision pertains to something that is given lesser importance the restoration of sites once the renewable sources of energy have been extracted. This point is extremely relevant since the reality is that most of the present consumption of energy in India is from these sources and sites are being degraded at an alarming rate. The aim of this study is to look into other areas where the Direct Tax laws can be amended so as to make a larger and more substantial impact on steering the investment and consumption patterns towards protecting the environment and improve the quality of life. A comparison with similar environment friendly provisions in the Income Tax Laws of Canada is also being done to point out areas where both countries can learn from each other's experiences in this area.

### B. Sasidhar and T. N. Badri

#### O.R. in Cost Allocation of Operational Materials at a Steel Mill

The costing for refractory material lining the inner surface of furnaces can be done solely on the basis of the production levels of various alloy steels such as stainless steel, tool steel, carbon steel etc. The refractory material is used up at different rates by different grades of steel that is made during a production campaign. A more accurate picture of the utilisation levels of the refractory material, by different grades of steel can be obtained, if one factors in the differences in the rate of consumption, in view of the variations in temperature and intensity of chemical reactions. Sasidhar and Achary have derived a non-linear mathematical model with a quadratic objective function and linear constraints to solve for these utilization levels. A working implementation of this non-linear program in the VBA environment is the essence of this study. Results obtained manually in this study have also been obtained through the computer program and the industry will be able to use the program for obtaining the results immediately.

### V. Vijaya

#### Relationship building in the health setting: A qualitative exploration

Relationship is an important area of applied research in social psychology. There are many dimensions associated with relationships like expectations and obligations, norms, communication flows and intended outcomes. Relationship building is found to be an important predictor of employee retention. Caldwell & Clapham (2003) refer to seven constructs in relationship building and trust with the employees that include competence, legal compliance, responsibility to inform, quality assurance, procedural fairness, interactional courtesy and financial balance. Relationship building is also an important predictor of customer satisfaction and retention. The value from relationships i.e, social capital is viewed as fundamental to capitalize on other forms of capital human and intellectual and is found to be critical for organizations. The intent of this exploratory study is to understand relationship building in the health setting. Qualitative research has gained prominence in recent times in the area of health services research. The objectives of this qualitative study are to acquire awareness about the modes in which relationships get built and sustained in the health setting. An attempt has also been made to conceptualize relationship building with patients who are customers in the health setting. The case site is a multispecialty Health system about 20 yrs old. Primary data has been collected from 40 employees representing near complete census of the mid and senior management levels in the organization, who have been interviewed with specific probing on some of their work objectives, the representative stake holders and their experiences related to their stakeholders. The grounded theory approach is being used to infer certain themes and concepts based on induction.

## Research Seminars held at TAPMI



**7th October, 2009**

*Speaker*

**Prof. R. C. Natarajan**, TAPMI

Learning Effect under  
Turbulence: A Laboratory  
Experiment using Beer Game

Learning occurs when one recognizes the variance between the desired outcome and the actual outcome of one's actions. Such actions normally happen in response to a stimulus. Over time, one learns to minimize or eliminate the variance, thus internalizing such responses to the stimulus. However, this type of learning is rather Pavlovian, somewhat typifying single loop learning. It reflects adaptation in its best form. Managerial learning, on the contrary, demands higher level of both comprehension and response that reflect (i) questioning the method of response itself; and (ii) evolving a better method of arriving at the response. It warrants a model that captures the holistic picture of the dynamic context in which the response occurs, in addition to understanding the intricate relations among the elements of the context. Despite the phenomenon of bounded rationality that characterizes human mind, management scholars have been seeking to move toward what Argyris calls "Double Loop Learning", trying to provide models that can better the learning process.

Research in managerial learning has covered a wide spectrum of phenomena such as system dynamics single versus double loop thinking learning style MBTI, reflective on the job-learning experiential learning heuristics and so forth. The field of system dynamics has been especially active in capturing various aspects of learning and has been providing models of augmented learning. For example, in recent studies, the field has contrasted the extent of learning when the learner is exposed to tabular presentation of the systemic variables vis-à-vis when the variables are presented graphically an aspect that does not seem to have been given adequate attention is the relationship between the degree of turbulence and the degree of learning.

Turbulence causes disruption and hence the need for change and adaptation. It typifies a scenario where the scenario changes repeatedly, the magnitude and the direction of such change being beyond predictability. Evidently, organizations do learn to adapt to turbulence in some form and become skilled in handling turbulence in future. A priori, repeated exposure to turbulence is expected to make one-and similarly an organisation-immune to such turbulence in future much the same way one develops immunity to infections. And, it is easy to comprehend that those who have been exposed to repeated turbulence will be able to handle turbulences in future with greater ease than those who have not. This is simply due to the learning effect that occurs while facing repeated turbulence which the latter miss out. This relationship between exposure to turbulence and the ability to

handle turbulence does not seem to have been given attention in research works. This paper is an attempt to fill this gap.

The current work reports an experiment among post-graduate students of management using the famous *Beer Game*, a supply-chain simulation created by MIT Sloan. The study tested the proposition that turbulence is likely to cause an experience-effect and thus to result in learning that will make the students handle turbulence better in future. The study divided the students into two groups, with one group facing turbulence repeatedly and another facing turbulence after a relatively calm demand pattern. Though both the groups showed the effect of learning in the experiment, the group that faced turbulence in the beginning showed better ability to handle turbulence in the later stage as compared to the other group.



**21st October, 2009**

*Speakers*

**Prof. Madhuchhanda Das**

**Aundhe** and

**Prof. N. Ramesh**, TAPMI

Technology Adoption in  
e-Governance

Nemmadi is a G-C e-Governance programme under implementation in the state of Karnataka. The case seeks to understand the Nemmedi project from the perspective of adoption of a technological innovation by the various stakeholders. The literature on adoption of technological innovation offers a process framework to help understand the dynamics, over the life-cycle of a project from its genesis to its successful adoption or termination. The case attempts to capture the processes involved in the key phases of motivation, decision-making and implementation of the project. The case is aimed at articulating the critical interrelationships among the three phases and its influence on impact of adoption. This is expected to illuminate the important managerial and leadership implications for success in e-Governance projects.

Through the above pedagogical case, the authors also wish to explore the connection between the expected *learning outcomes of the case, and domain maturity*. The proposition being explored posits that levels of learning outcomes of pedagogical cases increase as domain maturity increases.



**28th October, 2009**

*Speaker*

**Prof. Joshua A. J.**, Manipal  
Institute of Management (MIM)

Adoption of Technology-Enabled  
Banking Self-Services:  
Antecedents and Consequences

Worldwide the way in which banks deliver services has undergone a paradigm shift with the banks increasingly going in for electronic provisioning of services in the self-service mode through various electronic channels. There is a gap in the understanding of how Indian bank customers perceive the services delivered through these self-service delivery channels, the level of satisfaction of the users, factors that aid the adoption and adoption levels of services delivered through these channels and the reasons why the non-users of these services are unwilling to adopt them. This study is intended to fill this gap.

As the customers use these electronic channels in a complimentary manner, an attempt has been made in the study to understand the multi-channel adoption levels of users through studying the extent of usage of electronic banking channels in a cumulative manner. The implications of the study could be of immense use to the banks pertaining to the identification of the suitable target segments for these services and devising strategies for expanding the usage of these services among their customers. The models developed in the study could perhaps give directions to future researches in this domain.



**4th November, 2009**

*Speaker*

**Prof. K. J. Jaims, TAPMI**

Experiential Branding: A Comparative Case Study of Kingfisher Airlines and Veegaland Theme Park

This is a research study of experiential branding practices in two organizations in India: Kingfisher Airlines (Bangalore), and Veegaland Theme Park, (Cochin). The main objective is to identify the factors responsible for the experiential branding practices of the two Indian firms. Experiential branding is beneficially differentiating a product or service in somebody's mind by focusing on the totality of the experience, rather than focusing on the features, attributes and benefits of the product or service.

The comparative two-case study research design in a longitudinal format will test the three null hypotheses: (1) The Gallup Formula for customer engagement (three factors of rational satisfaction, and eight factors of emotional attachment) does not operate in the Indian situation with respect to Kingfisher Airlines and Veegaland theme park. (2) There are no dissimilarities among the contributing factors between Kingfisher Airlines, and Veegaland theme park, and (3) Experiential branding practices of Kingfisher Airlines and Veegaland theme park do not give them differentiating advantages. This presentation will focus on the research design and methodology adopted to get representative samples of respondents from both the firms, and carry out the study.



**18th November, 2009**

*Speaker*

**Prof. Saji Gopinath, TAPMI**

Managing Non-dominant Player Supply Chains: Developing an Agent Modeling Framework through Social Simulation Experiments

The applicability of Agent Based Models for managing complex supply chains are increasing both in theory and practice. Even though the superiority of such models over the conventional equation based modeling for solving various supply chain problems is still debatable, various research studies have demonstrated the applicability of such models as powerful simulation tools for aiding the design of adaptive supply networks. In this paper we illustrate the applicability of an Agent Based Model in the design of appropriate incentive schemes in a collaborative supply chain network. Our results are based on the Social Simulation experiments conducted among several micro enterprises that are expected to configure themselves as a rural supply chain network. As against the normal supply chain configuration, our network had no single dominant player and the primary objective of the agent model was to provide a policy framework that will be collectively enforced by the players to ensure sustainability of the chain.

The agent model was used to simulate the behaviour of various chain players over time in the presence of different classes of external stimuli. In addition to aiding the design of supply chain and incentive schemes, some of the counterintuitive findings of the study had proved valuable in the selection and training of the entrepreneurs who form the part of the supply chain. The paper also shows how some of the study results, especially the ones with regard to linking pins and social rewards, can be generalised for application in any adaptive supply chain network to minimise information distortion and to ensure global optimisation.



**2nd December, 2009**

*Speaker*

**Prof. V. Vijaya, TAPMI**

Relationship Building in the Health Settings: Insights from a Qualitative Exploration

Qualitative research has gained prominence in recent times in the area of health services research. This seminar is based on a qualitative case study of a multispecialty Health system about 20 yrs old. This Health system has been growing both in terms of brand and profitability in the last ten years and has 6 hospitals under the management. The present business model is one with various SBUs taken care of by business heads that take care of a cluster of related medical specializations. These business unit heads act as the link between the technical Heads of the department and the top management. The objective of the study was to understand



relationship building in the hospital setting. The study is based on primary data collected from 40 employees representing near complete census of the mid and senior management levels.

They have been interviewed with specific probing on some their business unit objectives, the representative stake holders and their experiences related to their business unit stakeholders.

It is an exploratory study and the grounded theory approach has been used to infer certain themes and concepts based on induction. Relationship building is treated as a construct. The specific insights gathered with reference to the health context will be shared during the presentation.



**16th December, 2009**

*Speakers*

**Prof. Saji K Mathew** and  
**Prof. Madhuchhanda Das,**  
TAPMI

Service Provider Risks in  
Remote Infrastructure  
Management Services

Remote Infrastructure management Services (RIMS) is one of the fast growing services in IT which has been outsourced to third party service providers by leading global firms. Since service providers of this line have to ensure agreed upon service levels by monitoring and controlling client's infrastructure from a remote offshore location, this service poses huge challenges to service providers. This research explores the relatively nascent area of RIMS to identify and categorize service provider risks. There categories of risks emerged from the analysis: (i) Service delivery risks, (ii) Relationship specific risks, and (iii) Macroeconomic risks. There is a close relationship between the first two categories of risks and the similar categories of risks in application development. However, dimensions of *timeline* and *codifiability* elicit a different set of risks in RIMS. Relationship maturity, nature of client, contract design, and nature of service are contextual factors which influence the degree of risks in RIMS.



**30th December, 2009**

*Speaker*

**Prof. Satyajit Majumdar,**  
TAPMI

Growth Strategy in Entrepreneur  
Managed Small Organizations:  
A Study in Auto Component  
Manufacturing Organizations  
in India

Entrepreneurs of small organisations describe growth differently. Growth strategy of these organisations is a function of industry structure and performance, entrepreneurial motivation, attitude, and competence of the entrepreneurs in strategy planning. The article based on Grounded Theory approach is an attempt in developing a theoretical framework on growth strategy planning in small entrepreneurial organizations. Two major patterns are

emerging. In 'focused customer based growth strategy' entrepreneurial vision towards focusing on single customer is the basis for growth planning. Customer relations, low cost automation, and agility to match with the demand uncertainty are the important dimensions. In 'multiple opportunity based growth strategy' the entrepreneurs choose data based approach to search for new opportunities, value addition and cost efficiency with technology support. They develop investment capability to establish supply chain collaboration among manufacturing bases established at various locations.



**13th January, 2010**

*Speaker*

**Prof. Shijin S.,** TAPMI

Dynamic Interdependence of  
Human Capital and Common  
Factors Affecting Stock Returns:  
An Asset Pricing Approach

The risk return puzzle has been one of the fundamental issues in finance and the oldest model addressing it is CAPM. However, given the inadequacies of CAPM, two schools of thought emerged, viz. behaviourists, and Intertemporal CAPM (ICAPM) proponents. The behaviourists modeled the common factors observed in the market, popularly known as Fama-French model.

The ICAPM proponents focused on modeling measurement errors and time variability in the investment opportunities. The first phase of the study focuses on the ICAPM view of a time varying setting in the Indian market. In the second phase, the Fama-French model has been tested in a time varying setting.

In the final phase, the variables of two models were combined with principal component analysis and the resultant model is tested in a time varying setting. Monthly returns of stocks which were part of S&P CNX 500 ranging from March 1996 to March 2006 were used for the study. Company's data were chosen from prowess database. The other variables were obtained from Reserve Bank of India database.

In this study, Vector Auto Regressive (VAR) model has been used to investigate the dynamic interactions and causal relationships, Granger causality test has been used to identify significant impact on the future values of each variable and Impulse Response Functions (IRFs) has also been used to mark the response of endogenous variables in VAR. A Variance Decomposition Analysis (VDA) was applied to understand the percentage of variance explained by factors including human capital and other variables affecting share prices. Generalized Method of Moments (GMM) was also used to check the robustness of the results.

The first phase of analysis tests the variations of market factor with the macro economic variables. The causality among the variables was investigated and it revealed that market return can be estimated when human capital proxies are introduced in the model. Other variables are trivial in the presence of human capital. The direction of relationship aided in concluding that human capital is a major factor affecting stock returns.



In the second phase, the three factor model was tested and the results confirmed a conditional value effect and strong size effect. The causality test indicated that size causes value effect and value in turn caused market factor. This implied that size and value were correlated. Based on the principal component analysis, the long and short term interest rates were dropped for further analysis. Hence, only human capital, size, value, dividend yield, and market factor were considered for further analysis.

The final phase combines the factors of Fama-French and ICAPM variables. It was found that when common index factor were removed, Human Capital was significant. Size and Value effects were trivial in the presence of Human Capital. Size effect caused value and value caused human capital proxies. The effects of size and value disappeared when one of the factors was removed. Other variables were instrumental in explaining the variation caused by Human Capital proxy and common index. GMM estimation indicated that human capital and index returns are the major factors affecting stock returns.



**27th January, 2010**

*Speaker*

**Prof. A. V. Rajagopalan,**  
TAPMI

The relevance of the Guna-Ego matrix in a crisis situation: lessons for Indian managers

The ancient Indian texts have discussed the concept of the three Gunas at great length. The Transactional Analysis Theory elaborates three ego states which pre-dominate individual attitudes in human transactions. While the Guna Theory is founded on relatively basic human instincts, the Ego Theory addresses the transient moods of the parties concerned during a transaction. Combining the two will provide a new platform to address human behavior during conflicts. This paper is based on a matrix developed by the author on the Guna-Ego conflict. A character is drawn from each of the two great epics of India viz; The Ramayana and The Mahabharata and the matrix is applied during a conflict situation.

Kaikeyi plays a significant part in the development of the theme of Ramayana. Her conduct and emotions during the critical stage in the Ayodhya Kanda portray a bewildering kaleidoscope of the Guna-Ego combination. The way she is influenced and is able to influence others in her turn is a case study by itself of ego conflicts. A similar situation occurs in Mahabharata as well.

There is a whole range of ego shifts in the approach of Arjuna when the war is about to commence. He travels from one ego stage to the other in the course of 18 chapters of Bhagavad Gita. The influence of external forces is visible and profound. Yet, Arjuna comes put in a positive note whereas Kaikeyi emerges as the villain of the piece. The Guna-Ego theory is put to test in both the circumstances and the results are analyzed. This study tries to find the relevance of the above matrix for Indian managers.



**3rd March, 2010**

*Speaker*

**Prof. Raghunath Rudran,**  
TAPMI

Effect of Service System Impact and Supply Chain Responsiveness on Customer Satisfaction in the context of Ayurveda Services

Ayurveda, one of the ISMH (Indian Systems of Medicine and Health) has become hugely popular in recent decades. Organizations offering various types of Ayurveda Services have sprung up in a big way, particularly in Kerala in India. Customers come in to the system from a variety of backgrounds, and have varying expectations from these organizations. Many customers come in with expectations of a no frill basic treatment. Other customers may want to partake of Ayurveda Services as a part of a basket of services along with tourism. A variety of organizations with addressing the different customer expectations have sprung up, and may have different levels of responsiveness in their supply chains.

The above phenomenon of the rising popularity of Ayurveda Services offers a context of interest for the researcher. The Services sector is taking up an increasingly dominant role in most developing economies. However, there is a paucity of Operations Management literature in this sector and there is a stream of recent literature that calls for more research in this area. There is also a call for more research in the Indian context.

The work seeks to study the effect of "Service System Impact" on the "Supply Chain Responsiveness". Service System Impact is conceptualized as being constituted of "Customer Contact" and "Extent of Customization". The constructs of "Customer Contact" and "Extent of Customization" are not yet fully developed in literature and this work seeks to develop and extend the same. The relationships of these constructs with "Supply Chain Responsiveness" is sought to be explored. Further, relationship of "Customer Satisfaction" with these constructs is sought to be studied.

Since theoretical development is sought, the Case Research Methodology is proposed. The relevance and application of Case research Method for theoretical development, and in particular, for this work, will be discussed. The current status of the research work (development of research questions/propositions/need for multiple cases/identification of units of analysis) will be presented.

**10th March, 2010**

*Speaker*

**Prof. Saji Mathew,** TAPMI

Behavioral Risks Mitigation, Client-Vendor Relationship, and Success of Offshore Software Development



Risks originating from vendor behavior in Offshore Software Development (OSD) could adversely impact the success of offshore software development. Behavioral risks ex post have

been conceptualized as *shirking*, *loss of control over information assets* and *service provider (vendor) lock-in*. Success of offshore outsourcing have been broadly characterized in this study by the dimensions of achieving cost efficiency and global strategy. Drawing from previous research in Relationship Marketing and Inter-Organizational Relationship (IOR), this study examines the role of risk and benefit sharing, trust and service provider's dependence on

client in mitigating behavioral risks. A model to study the impact of risks and relationship on the success of offshore software is developed further in the study. Survey data obtained from senior executives involved in outsourcing decisions of 40 US organizations was analyzed using Structural Equation Modeling with PLS. Final specification of the model for OSD success supported risk-relationship impact on cost efficiency and global strategy.

## Seminars / Conferences Organized by TAPMI



**Next Stage of India's Economic Growth Redefining the Role of Banking and Financial Institutions**  
Held at TAPMI, Manipal, **November 3rd, 2009.**

**Conference Coordinators:**

**Prof. S. Shijin, Prof. Chowdari Prasad**

TAPMI organized a one day National Seminar on "Next Stage of India's Economic Growth-Redefining the Role of Banking and Financial Institutions" on 3rd November 2009.

Padmabhushan Dr. Isher Judge Ahluwalia, Chairperson of Indian Council for International Economic Relations, inaugurated the seminar and delivered the keynote address. Dr. Ahluwalia stressed that there was an urgent need for striking a reasonable balance between financial openness that supports innovation and growth, while implementing regulations and effective supervision that limit the potential risks of the financial excesses. The past two decades have seen a great deal of financial innovations world over. New financial products, complex derivatives, securitization etc were the ways in which the banks attempted to spread their risks on loans that originated in their balance sheets. Asset price mismatches and irresponsible ratings provided by the credit rating agencies meant that risk rather than being distributed was actually accelerated, she said.

Dr. Ahluwalia said that the Asian crisis of 1997 brought the focus back on the financial sector. It highlighted the weaknesses that arise in poorly supervised banks in open capital markets and the consequences were for all to see. However, the relatively less open capital accounts and highly regulated nature of financial sector in India meant that India's financial sector was relatively insulated from this upheaval, she said and added that greater attention was also paid to capital adequacy and prudential norms for banks in lending based on the recommendations of M Narasimhan committee on strengthening the Indian financial sector.

### Industry Conclave

Held at TAPMI, Manipal, **November 15th, 2009**

TAPMI hosted an industry conclave on its premises as part of its annual market research event, BrandScan. The speakers

at the event included Mr. Aditya Atri, Consultant & Former Vice President, Reliance Industries Limited, Mr. Bijay Sahoo, Chief People's Officer, Reliance Retail, Mr. P.K. Mukherjee, Managing Director, Sesa Goa, Mr. Pulin Shah, MD, v Smart Innotech & Former National Sales Head, IBM and Ms. Monica Doshi, CEO, Leadership Management Institute India. The topic for the event was 'India as a Brand'.

The event commenced with the first round in which the speakers expressed their opinion on India as a global brand. The talk was followed by an open discussion during which the dignitaries shared their experiences with the students of the institute. The final round was a knowledge quenching session which saw students posing questions on the day's topic to the speakers. The event was moderated by Ms. Monica Doshi.

### Seminar on Indian Heritage, Culture and Values

Held at TAPMI, Manipal, **February 13th, 2010**

Padma Bhushan Shri. M .V. Kamath, reputed journalist and Honorary Director of the Manipal Institute of Communication inaugurated the Awareness Programme conducted by Center for Indian Culture, Heritage and Management on February 13, 2010 at TAPMI Premises. He spoke on culture being non-static and how it changes over time. He also emphasized that Indian culture was inclusive and encouraged the students to take responsibility for propagating and upholding it. He quoted several excerpts from the Vedas and Upanishads, explained their meaning and relevance in the modern world and urged the students to read, understand, remember and apply the concepts in their lives. The Guest of Honour for the event was Dr. Peter. J. Claus, an eminent scholar of Anthropology and Indian Folklore at California State University, USA. He elaborated on "Business Culture" in India and on how the term is an oxymoron in the West, where business is constrained only by the law and not by ethics and religion. He proceeded to analyze three Indian businesses namely The Indian Railways, Indian Telecom Sector and the Dabbawalla system and on how each one of them focused on the culture of serving the people. He also gave a couple of pointers for future course of action in this field by the Center.

Following the inaugural function was a cultural programme with classical and folk dances and instrumental music by the students of TAPMI showcasing the rich heritage of our country. The technical sessions witnessed the lecturers by TAPMI faculty members on topics related to Indian culture and management. The expert topics included "Ayurveda Stress management for executives", "Vedic Mathematics", and "Management in Indian Churches". This was followed by "Yaksha Prashna", a debate on the influence of Indian Culture and Heritage on management.

## About TAPMI

The T. A. Pai Management Institute (TAPMI) located in the international university town of Manipal (Karnataka), is among the leading management institutes in India, and is reputed for its academic rigor and faculty-student interaction. Founded by the visionary, Late Shri T. A. Pai, TAPMI's mission is to provide much needed impetus to the task of building professional management capability in the country. In the process, it has also played a role in strengthening the existing educational and health infrastructure of Manipal.

Since its founding in 1984, TAPMI received recognition and respect amongst the well-known industrial houses and academic institutions in India for the quality of its education. In early 2009, its 25th year running, TAPMI took a landmark step in its history by shifting its operations to a new scenic 42-acre residential campus in Manipal.

TAPMI has the unique distinction of launching India's first Post Graduate Programme for e-Governance in April 2009 in association with NISG, Hyderabad supported by Department of Information Technology, Government of India, New Delhi.

### **TAPMI is also engaged in:**

- Executive Education Programmes (EEP)
- Faculty Development Programmes
- Programmes for SMEs
- Research, Training and Consultancy



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