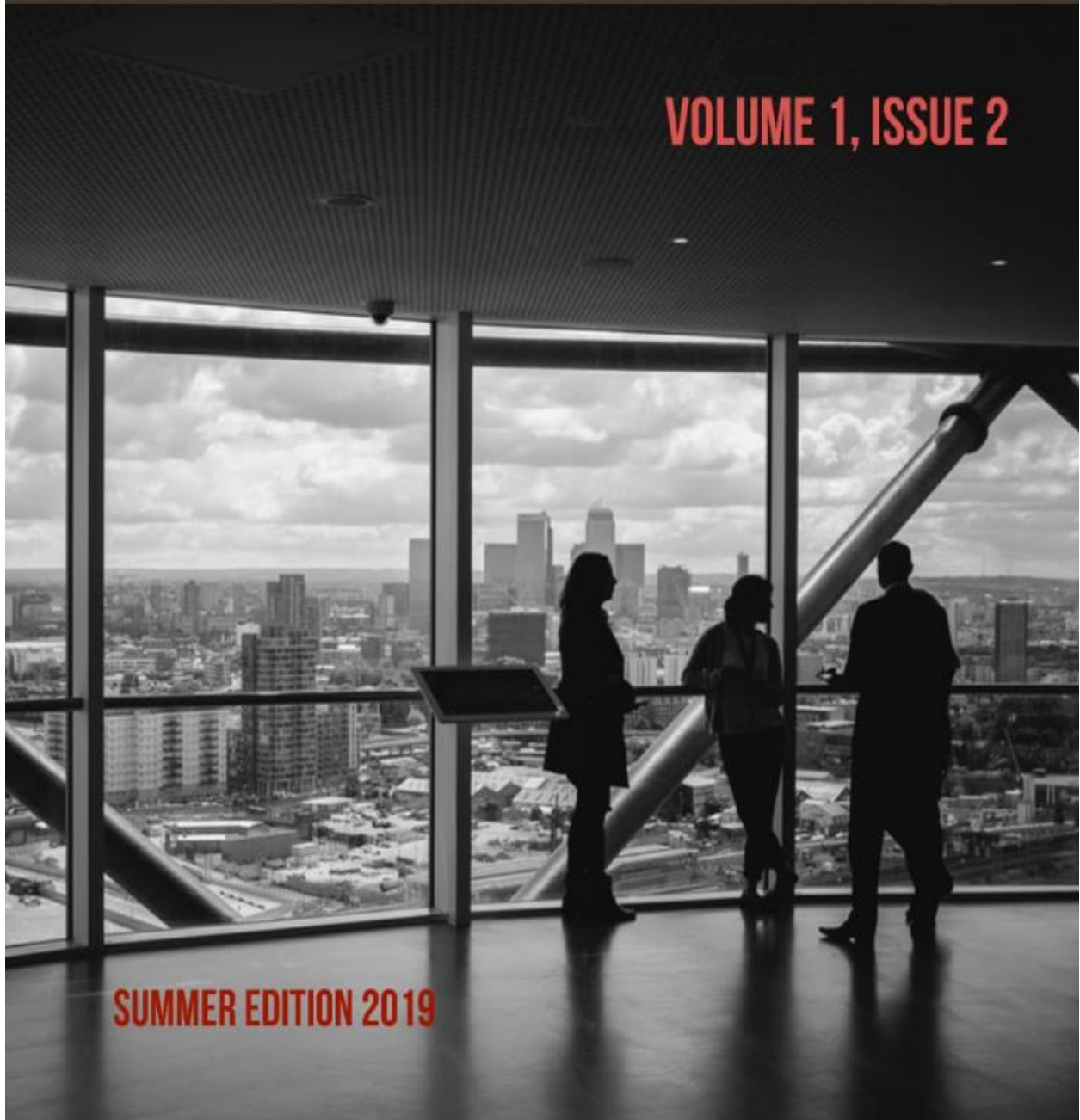




Journal of Cross-functional Business Research

VOLUME 1, ISSUE 2



SUMMER EDITION 2019

Journal of Cross-functional Business Research

(JCBR)

Second Edition (2019)

Knowgen Education Services Pvt Ltd

3C Rafi Ahmed Kidwai Rd

Kolkata 700013

Journal of Cross-functional Business Research (JCBR)*Second Edition (2019)***EDITORIAL BOARD****Co Editors** : Rajib Kumar &Suvendu Narayan Roy**Editorial Assistant** : Soham Roy**Honorary Subject Editors**

HR &IR : Dr. RanaBandopadhyay&Mr.Indranil Banerjee

Marketing : Dr.RajdeepBakshi

Finance and Economics : Prof Imon Ghosh

Mass Communication and Public Relations : Mr. Biswajit Matilal

Systems & Operations : Dr. S N Roy

Journal of Cross-functional Business Research (JCBR) is a quarterly publication of Knowgen Education Services Pvt Ltd. Views expressed in the journal by the authors do not necessarily purport to constitute an official position of JCBR or Knowgen Education Services Pvt Ltd.

SUBSCRIPTION INFORMATION**Journal of Cross-functional Business Research (JCBR)***(Quarterly publication)*

Price per edition : Rs. 150/-

1 Year Subscription (4 editions) : 550/- (by ordinary post)

Overseas Readers : US \$ 5 (1 edition); US \$ 15 (for 4 editions)

Extra: Courier charges at actual.

A/C Payee Cheques/Drafts are to be drawn in favour of "**Knowgen Education Services Pvt Ltd**"Payment can be made electronically in favour of "**Knowgen Education Services Pvt Ltd**" A/C No: 10170002027967, Bandhan Bank, Park Street, Kolkata-700016, Branch, IFSC Code: BDBL0001640

Email for correspondence, general queries, permission for reprint, submission of papers:

knowgeneducation@gmail.com

Address for correspondence (Editorial & Subscription):

JCBR

C/o Knowgen Education Services Pvt Ltd

3C Rafi Ahmed Kidwai Rd, Kolkata 700013

Printed at Repro Digital Pvt Ltd

*The views expressed in JCBR are those of the authors and do not necessarily purport to constitute an official position of JCBR or the editorial team or Knowgen Education Services Pvt Ltd.**No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without written permission of the Knowgen Education Services Pvt Ltd. Copyright © 2017 by Knowgen Education Services Pvt Ltd. All rights reserved.*

Editorial

Dear Readers,

As Editor of JCBR, a journal specializing in cross-functional business research, we herein share our urge to communicate true insights while assessing cross-functional collaboration; such collaboration is a relatively new paradigm of business practice in the landscape of rapidly changing corporate environment. Driven by the unquenchable thirst for revolutionizing the field of corporate business research, we have taken up the responsibility of introducing this small yet valuable initiative. Having been associated with many publications for an extended period of time we as a team have availed the opportunities of reading and reviewing the submitted manuscripts and in addition to this, and have been staying abreast of the state-of-the-art research in the field of cross-functional business issues through our work.

With the sheer advancement in the field of business management practices and techniques, emphasizing on functional collaboration and integration has become a matter of prime significance when it comes to achieving sustainability and growth in business. Considering the beneficial aspects of cross-functional approach's applicability, organisation executives are giving serious thought to its implementation and incorporation into organisational culture. "Journal of Cross-functional Business Research" (JCBR) launched by Knowledge Education Services Pvt. Ltd aims at bridging the gap between academia and corporate. This initiative has been introduced with the purpose of enabling organisational executives to grasp the applicable facets of cross-functional approach to business. This edition of our research journal has primarily assessed industrial issues from a cross-functional perspective.

We view cross-functional interface as cooperative or competitive in nature considering the complex interrelationship between cross-function areas, which are germane to our journal's theme. Leadership can be a significant challenge under this situation while the leaders are charged with the task of directing team members with multiple disciplines of business management. Nowadays, some organisations are built around cross-functional workflows by having reporting lines to multiple managers. This concept of Matrix Management has been gaining popularity, which also has laid to the making research-driven initiatives on cross-functional business issues.

With the burgeoning of online tools, we are planning to move to an electronic database, which is essentially a large document storage system. This move will mark the final transition to a complete online system for journal submission, review and management.

We would like to thank our valued contributors including those from overseas for their trust in our effort- contributions would engage you through its sheer diversity-from career decision making to bitcoins and blockchains, to Technology-HR and HR-Marketing interfaces to Cost Leadership to Change management's impact on Talent. Unlimited is our gratitude to readers too, who contributed to the successful implementation of our cross-functional initiatives without which it would have been reduced to a far distant dream.

Please send us feedback at knowgeneducation@gmail.com

Sincerely,

Suvendu Narayan Roy

Co-editor

Message from the Principal Consultant

Dear Readers:

It gives me immense pleasure to be associated as Principal Consultant with Knowgen Education Services Pvt Ltd, a group which has taken up the noble mission of generating and sharing knowledge through assorted means to support the cause of current and future practitioners and professionals.

JCBR, a quarterly journal dedicated to cross functional approach, is the maiden effort of Knowgen Education Services Pvt Ltd. The key goal of this Journal is to encourage knowledge generation in the area of cross functional thinking at the workplace. Organizational success these days is purely dependent on proper synchronization of interventions from assorted functions; it feels proud to be associated with an endeavour which has got this on the forefront.

The second edition of JCBR is a significant improvement over the first with contributions from overseas thought leaders on engaging themes like Bitcoins, Cost Leadership and Career Management.

Sincerely,

Arijit C. Mazumdar

Table of Contents

COST LEADERSHIP STRATEGY ENHANCING COMPETITIVENESS: A CRITICAL STUDY ON MNC RETAILS..... 10

SYSTEMS AND THE HUMAN FACTOR: EXPLORING THE CROSS FUNCTIONAL QUESTION THROUGH A CASE STUDY AT XEROX CORP 25

MARKETABILITY OF BLOCK-CHAIN TECHNOLOGY IN THIRD WORLD SCENARIO. 32

A CRITICAL REVIEW ON THE IMPACT OF CHANGE MANAGEMENT UPON TALENT MANAGEMENT: THE INDIAN CORPORATE SCENARIO..... 43

IDENTIFICATION OF RIGHT CAREER FOR STUDENTS AND ASPIRING PROFESSIONALS: A CRITICAL STUDY 59

SCOPE OF INTERFACING CROSS-FUNCTIONAL BUSINESS FUNCTIONS FOR HIGHER SUCCESS: HR AND MARKETING..... 70

COST LEADERSHIP STRATEGY ENHANCING COMPETITIVENESS: A CRITICAL STUDY ON MNC RETAILS

SUVENDU NARAYAN ROY

Abstract

An effective cost control helps to reach the targeted cost, which is the most important part of cost leadership. For example, Walmart is one of the largest companies in the world, which has advertised slogans, such as “*always-low prices*” and “*save money, life better*”. These communicate the emphasis of the said company on price slashing to potential customers. One of the important challenges to the financial management is to show the ability to charge low price, but to make a profit. Nowadays, a few cost leaders is spending little on brand promotion and research and focusing on the achievement of high sales growth through charging lower price. This study, based on secondary evidences and case-based illustrations, has hypothesized that COST LEADERSHIP STRATEGY have most important role to play when it comes to making impact on competitiveness. In this research study, three hypotheses have analytically and critically been illustrated and tested with references to scholarly sources-positive impact of financial decisions upon business performance, strategic implementation of cost leadership and quality for effective implementation of financial decisions and lesser priority of increased allocation on brand promotion for the augmentation of business’ profitable growth. Findings have been discussed with regards to the case studies of three organisations, Aldi, Walmart and Jerónimo Martins and based on the findings, application of hypotheses has critically been discussed.

Key Words: Cost Leadership, Cost Leadership Strategy, Financial Decision & Business Performance, Competitiveness, Financial Decision & Competitiveness

Introduction

“Finance is the lifeblood of business. Financial performance starts before launching a product or service. It has far-reaching effect on the marketability either of a product or of a service in terms of cost, price and product differentiation within budget. Therefore, an effective financial performance seems to be achieved when the competitive advantage of a product or service is witnessed.” In the age of cutthroat competition, it has become imperative for companies to leverage financial decisions’ efficiency for creating positive impact upon competitiveness. Marketability of product or service portfolio is greatly dependent upon financial decisions. Increase in spend upon R & D has become a trend in competitive market scenario and companies are becoming aware of the need of increasing efficiency of financial decisions through cost control, budgetary control and investment decisions. Achievement of high sales growth is possible if financial decisions are made in accordance with changing scenarios of business environment and changing demands with respect to market responsiveness.

Background of Research Problem

In the changing paradigm of rapidly evolving business environment, business experts, scholars and stalwarts cannot deny the fact that financial decisions make positive impact upon business performance. At the same time, strategic implementation of cost leadership and quality is of importance compared to the increase in cost for brand promotion when it comes to effective application of financial decisions. In an attempt of facilitating augmented growth of profitability and competitiveness, multinational retailers are investing their earnest efforts in adhering to strategic vision to ensure long-term success. In recent years, there has been an emerging emphasis placed upon the strategic effectiveness of financial decisions and cost leadership approach for increasing level of profitability and competitiveness. With the purpose of increasing business unit performance associated with retail market, Menguc, Auh& Shih (2007) laid placed emphasis on transformational leadership and market orientation along with low-cost strategies. Rapid enhancement in profitability and continuous growth in competitiveness are becoming matters of concern for organisations. At this point of time, it has become important to assess positional advantage of MNC retailers in competitive

marketplace in terms of their orientation towards cost-leadership approaches' strategic and managerial implications and financial decisions' effectiveness.

Literature Review

Many scholars have come up with different interpretations though extensive research for assessing impact of financial decisions upon competitiveness. In the age of rapid growth of globalisation, conceptual aspects of competitiveness are attaining unprecedented significance. Owing to the increased changed in global economy and changing pattern of globalisation, many organisations have been investing earnest efforts for accelerating competitiveness through financial decisions. In many current and past studies, scholarly discourse is developed for shedding light on the impact of financial decisions upon firms' performance and in this context; many prominent industrial practices are highlighted. In multinational companies across the globe, chief financial officers or CFOs are incorporating financial decisions with strategic goals for producing better outcomes in business in terms of cost efficiency, price elasticity and R & D oriented-differentiation.

Liargovas& Skandalis (2010) measured firms' competitiveness level in terms of

financial performance, which are highly impacted by effectiveness of financial decisions and it is notified that various financial performance measures are used for measuring the level of firms' competitiveness, such as return on sales, return on assets and return on equity. Companies' earnings in relations to their growth of sales are taken into consideration while measuring return on sales. With respect to return on assets, it is said that companies are involved in the process of making use of its current assets for achieving expected growth in annual sales. At the same time, increasing the rate of return on equity has become one of the top priorities for industrial players when it comes to ensuring shareholders' satisfaction. The different measurement criteria are applied across industrial landscape for measuring competitiveness of organisations in terms of delivering desired financial performance. In the process of assessing factors affecting firm competitiveness based on evidence from an emerging market,

Akben-Selcuk (2016) pointed out to the interrelations between financial performance and competitiveness. In this context, it is notified that firms' competitiveness can be denied in the light of their abilities to survive in competitive business environment

and delivering effective responsiveness to market. Competitiveness of organisations is equated with the concept of long-run profit generation.

Capon, Farley & Hoenig (1990) referred to empirical research conducted upon 320 empirical studies and highlighted the impact of different factors upon financial performance of organisations, such as growth of market share and the increase in R & D expenditures.

Miculescu & Grui (2011) shed light upon financial decisions and its impact upon organisations' financial potential as well as competitiveness. Emphasis upon cost reduction is regarded as the key to gaining competitive advantage. Sustainable efforts for cost reduction contribute to obtaining profit to a greater degree. However, there are certain risks, which are associated in this context, such as technological changes and increase in inflation rate. When it comes to differentiation, additional costs are taken into consideration. In generic strategy, cost is treated as an important strategic element. In order to pave the way for the differentiation, companies are involved in the process of enhancing R & D expenses instead of promotional costs, which in turn created major and unprecedented impact

upon financial decision-making efficiency. Companies incorporate focused strategy with financial decisions for meeting needs at targeted high-level market segment. While devising competitive strategy at corporate and business level, circulating funds and investments are provided for generating better return on outcomes. Firms seeking international competitive advantage are focusing on the allocation of funding so that investment strategies can be supported in the long-run. Usually organisations are concerned about the increase internal cash inflows, external long-term and short-term fund through adopting effective financial decisions. (Arnold, Brooks & Nixon (2004) remarked that viable financial planning is required for financial managers and decisions-makers when it comes to deciphering impact of impending decisions upon financial performance and position of organisations. While making financial decision, various factors are encompassed ranging from changes in cash flow to current operating conditions.

In financial decisions, firms consider various determinant factors, which are instrumental in improving financial performance and optimising shareholders' wealth. Multinational companies across the globe are becoming inclined to enhancing firm

value and competitiveness through applying combinations of debt and equity. Daud *et al.* (2016) notified how erroneous financial decisions contribute to pushing organisational financial structure to optimal level. In this context, opinion of Abor (2005) can be referred, who consider capital structure as a determinant factor with respect to financial success and capital structure's selection is very crucial for business entities in enhancing business performance. In this context, it is said that organisations raise capital through issuing equity when economic conditions are satisfactory. Based on the interpretations of Bancel and Mittoo (2002), it can be notified that interest rate and market value of equity are considered while implementing financial decisions irrespective of economic situation. In addition to these market values are also taken into consideration while taking financial decisions.

Methodologies

This study has been developed based on facts and evidences, which have been collected from secondary sources of information. Case relevant case studies and scholarly sources have been used validating research hypotheses in the light of relevant theoretical underpinnings. Case studies of

Walmart, Aldi and Jerónimo Martins have been considered for demonstrating the application of financial decisions in the process of enhancing competitiveness for firms. Based on scholarly evidences, validity of research hypotheses has been tested.

Findings

This section has presented results based on the critical analysis of secondary data, especially financial statements and growth trends of different organisations for measuring the impact of financial decisions upon competitiveness. In addition, this section has referred to few case studies of organisations in order to show how competitiveness of firms is influenced through financial decisions efficiency.

Case 1: Walmart

Cost leadership is at the core of Walmart's financial decisions and business model, which enabled it to lead the USA-based retail market through setting lowest range of price. Selling products' range at the least price is the main focus of Walmart and it has been putting entire focus upon three most important aspects- convenience of customers, availability of products at cheaper and competitive prices and utmost focus on quality. In the year 2017,

Walmart’s investment upon cost reduction has helped it in generating over 485,000 million USD. Walmart reduced prices on chief items in its targeted markets since consumers are becoming inclined to purchasing products with comparatively cheaper price range. There are different factors with respect to applying Walmart’s fundamentals of everyday low prices, such as reduction in operational expenses and providing quality products at possible lowest prices while being profitable and generating higher return in investment. Walmart had focused on saving costs through offering high-volumes upon standardized products. In addition, it had focused on providing basic products and limiting service customisation. In the year 2017 and 2018, Walmart applied high asset turnover approach and increased the sale of quality products for generating high volume of output. In addition to this, Walmart adhered to the economies of scale approach for creating positive impact on financial performance. Its competitive financial decisions taken by upper level of management and board played a pivotal role in increasing rate of revenue generation. In the year 2017, it earned 485,873 million USD in the form of revenue. Revenue generation was increased in the year 2018

(500,343 million) because of effective application of cost control, quality control, budgetary planning and cost reduction. Despite this trend of amelioration in business growth and profitability, there are risks and uncertainties, which are displayed in Walmart’s annual report and they have potential of affecting business performance and financial growth. In this context, it is notified that fluctuation in market rates of interests and wage level are to be considered along with transportation, energy and utility costs. In addition to these, there are other factors ranging from changes in currency control laws to generally accepted accounting principles.

	As of and for the Fiscal Years Ended January 31,				
	2018	2017	2016	2015	2014
<i>(Amounts in millions, except per share and unit count data)</i>					
Operating results					
Total revenues	\$ 500,343	\$ 485,873	\$ 482,130	\$ 485,651	\$ 476,294
Percentage change in total revenues from previous fiscal year	3.0%	0.8%	(0.7)%	2.0%	1.6 %
Net sales	\$ 495,761	\$ 481,317	\$ 478,614	\$ 482,229	\$ 473,076
Percentage change in net sales from previous fiscal year	3.0%	0.6%	(0.7)%	1.9%	1.6 %
Increase (decrease) in calendar comparable sales ⁽¹⁾ in the U.S.	2.2%	1.4%	0.3 %	0.5%	(0.5)%
Walmart U.S.	2.1%	1.6%	1.0 %	0.6%	(0.6)%
Sam's Club	2.8%	0.5%	(3.2)%	0.0%	0.3 %
Gross profit margin	24.7%	24.9%	24.6 %	24.3%	24.3 %
Operating, selling, general and administrative expenses, as a percentage of net sales	21.5%	21.2%	20.3 %	19.4%	19.3 %
Operating income	\$ 20,437	\$ 22,764	\$ 24,105	\$ 27,147	\$ 26,872
Income from continuing operations attributable to Walmart	9,862	13,643	14,694	16,182	15,918
Diluted income per common share from continuing operations attributable to Walmart	\$ 3.28	\$ 4.38	\$ 4.57	\$ 4.99	\$ 4.85
Dividends declared per common share	2.04	2.00	1.96	1.92	1.88
Financial position					
Inventories	\$ 43,783	\$ 43,046	\$ 44,469	\$ 45,141	\$ 44,858
Property, equipment, capital lease and financing obligation assets, net	114,818	114,178	116,516	116,655	117,907
Total assets	204,522	198,825	199,581	203,490	204,541
Long-term debt and long-term capital lease and financing obligations (excluding amounts due within one year)	36,825	42,018	44,030	43,495	44,368
Total Walmart shareholders' equity	77,869	77,798	80,546	81,394	76,255
Unit counts⁽²⁾					
Walmart U.S. segment	4,761	4,672	4,574	4,516	4,203
Walmart International segment	6,360	6,363	6,299	6,290	6,107
Sam's Club segment	597	660	655	647	632
Total units	11,718	11,695	11,528	11,453	10,942

Figure 1: Annual Financial Performance Summary from 2014 to 2018

(Source: Walmart, 2018)

As notified by Martínez, Galván&Alam (2017), sale of Walmart is equated with big three retailers across the globe, such as Carrefour in France, Home Depot in USA and Metro in Germany. Walmart lays emphasis on various performance metrics for augmenting level of growth in business and profitability, such as improvement in value of shareholders, leveraging growth in financial profitability, application of low-cost labor policies and others. In addition, lower prices are attained from vendors and in addition to this; new technologies are adopted for increasing quality of products. Application of everyday low prices strategy has been proved as useful for leveraging profitable growth and in addition, store managers are provided with high powered incentives. Because of effective financial decisions, Walmart has been able to witness significant changes in net sales and revenue generation. However, there as a slight decrease in operating margin between the fiscal years 2014 to 2015. In the fiscal year 2015, there was 1.90% increase in net sales with 486 billion USD. On the other hand, Walmart earned 12.2 billion in the form of net sales with 22% growth rate. In addition to these, Walmart attained 16% increase in shareholders return.

Case 2: Aldi

Germany-based Aldi or Albrecht Discount is not lagging behind when it comes to the application of cost-leadership strategy. “Everyday top quality” is associated with Aldi’s philosophy to which retail stores functioning under its brand name are committed. While highlighting implications of strategy for entry into highly competitive market, Dunford, Palmer & Benveniste(2005) notified that Aldi stocks one size of each product for reducing cost and different products are available at stores. Value proposition and long-term approach are important pillars of Aldi’s strategic decision-making strategy. Despite being a successful brand name in global retail industry, Aldi in the United Kingdom and Germany was struggling in applying cost leadership strategies against rivals in global supermarket industry. Aldi reported a 17% fall in profit between the years 2016 to 2017. In the year 2016, its total profit was 255.6 million GBP and in the subsequent year, it was reduced to 211.3 million GBP (Butler, 2017). Aldi was facing these issues in profitability and financial growth since the increase in inflation costs and decline in the value of pound against the euro and dollar during post-Brexit era. Following the decline in pound’s value since Brexit,

import goods' cost was raised and sales growth was increased by 19.8% in 84 days to 21st may 2017.

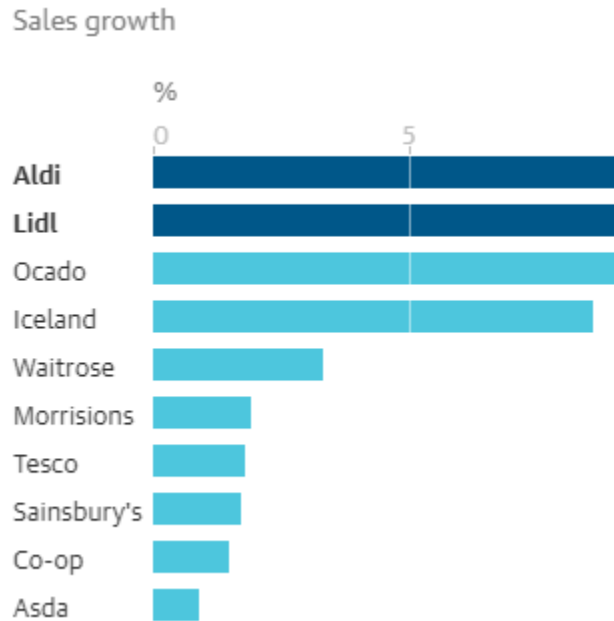


Figure 2: Grow Rate in Sales in UK Super Market Industry

(Source: Butler, 2017)

Case 3: Jerónimo Martins

Jerónimo Martins is regarded as a subsidiary organisation operating in Portuguese supermarket. It is a retail organisation dealing with food distribution and retail activities. Jerónimo Martins persisted with commercial strategy on the basis of competitive price along with intense level of promotions. Apart from effective budgeting

decisions and cost control policies, Jerónimo Martins effective strategies for enhancing financial performance and accelerating sales growth, such as everyday low prices, loyalty programs, promotional pricing and others. In accordance with fundamentals of promotional pricing, products are offered at lower price compared to market price so that consumer purchasing behaviour can be influenced. As per loss leader pricing strategy, high-demand products are sold at lower price so that potential consumers can be attracted (Leal, 2014). On the other hand, EDLP or everyday low pricing strategy has helped Jerónimo Martins in increasing the rate of growth in terms of net sales and net profitability. In the year 2016, Jerónimo Martins attained sales of 14,622 million Euros. Compared to previous year, Jerónimo Martins attained 6.5% growth in sales. In addition, the retail organisation 673 million in the form of funds from operations related activities. Based on these data, it is deduced that Jerónimo Martins has embraced effective strategies of cost control and it is focused on the process of gaining efficiency at operational level through applying effective financial decisions. Cost control, quality control and cost effectiveness are the key aspects of competitive advantage for

Jerónimo Martins in Portugal’s domestic retail market.

	Derivatives defined as hedging instruments	Borrowings and accounts receivable	Available-for-sale financial assets
2016			
Assets			
Cash and cash equivalents	-	643,512	-
Available-for-sale financial assets	-	-	-
Debtors, accruals and deferrals	-	322,025	-
Derivative financial instruments	1,277	-	-
Other non-financial assets	-	-	-
Total assets	1,277	965,537	
Liabilities			
Borrowings	-	-	-
Derivative financial instruments	610	-	-
Creditors, accruals and deferrals	-	-	-
Other non-financial liabilities	-	-	-
Total liabilities	610		
2015			
Assets			
Cash and cash equivalents	-	441,688	-
Available-for-sale financial assets	-	-	-
Debtors, accruals and deferrals	-	288,212	-
Derivative financial instruments	250	-	-
Other non-financial assets	-	-	-
Total assets	250	729,900	
Liabilities			
Borrowings	-	-	-
Derivative financial instruments	93	-	-
Creditors, accruals and deferrals	-	-	-
Other non-financial liabilities	-	-	-
Total liabilities	93		

Figure 3: Financial Statement of Jerónimo Martins

(Source: Jerónimo Martins, 2018)

Discussion

Based on the critical analysis of these three case studies, it is interfered that retail companies are keen to gain competitive advantage through embracing effective cost leadership strategy. With reference to given case studies, it is seen how application of

cost leadership can lead to augmenting profitable growth at retail sector. Chief financial officers are involved in the process of applying financial decisions for increasing level of value creation in business process. On one hand, they are concerned about creating value in business process. On the other hand, they are concerned about the enhancement in the level of competitiveness and economic value. With reference to corporate financial theory, (Escalera-Chávez, Rojas-Kramer &García-Santillán (2015) notified about the existence of three aspects when it comes to value creation, such as establishment of investment decisions, conformance with appropriateness and accuracy while establishing financing structure and implementation of optimal investment policy. In retail sector, conceptual aspects of economic value added are applied for measuring the creation of value. When it comes to applying economic value added strategies, three aspects are taken into consideration, such as investment upon new projects for generating greater level of return of capital, increase in profitability without enhancing capital and reduction in capital without lowering level of profitability. If value is increased, price is also increased. However, reduction in cost has become a strategic objective of business

in retail sector when it comes to maintaining continuous flow of cash and profitability. In retail sector, investment decisions are taken based on various criteria, such as fixed assets, intangible assets, account receivables, inventories and others. In operational decisions, price, cost, product differentiation and technological differentiation are considered.

Inference

In accordance with the opinion of López Salazar, Contreras Soto & Espinosa Mosqueda (2012), financial environment of business is regarded as the main factor, when it comes to decision-making and competitiveness. Because of lack of emphasis of financial planning and capital, organisations experience failure in dealing with business challenges and industrial competition. In addition, financial decision-makers consider other aspects while making financial decisions, such as limited to access to funding and lower level of financial projection. Michael Porter came up with several arguments with regards to the enhancement of competitive strategies and in this context, he referred to the roles of microeconomic context, which determines organisational success at regional and global level. Ross, Jordan & Westerfield (1997)

notified that development of financial strategies and decisions revolves around three important aspects, such as capital, investment and funding. Investment decisions have relation to the capital allocation, which are instrumental in carrying out opportunities for investment dealing with risks of future cash flows of investment. Funding decisions revolve around the idea of applying and using financial resources in order to carrying out operational activities. Long-term debt and capital are considered, while making up financial decisions and both of them are included into optimal capital structure. Executives associated with firms have been focused upon lowering operating costs and market prices simultaneously, which can eventually lead to the attainment of competitive advantage (Nzisa, Njeje & Namiida, 2017).

Strategic implementation of cost leadership is of prime importance when it comes to making decisions of increasing profitability effectively. In age of competitive business environment, it has become essential to apply cost leadership strategies as a means of gaining competitive advantage and improving profitability level in an effective manner. Considering its advantageous aspects, financial decisions are kept in line

with cost leadership strategies and quality management strategies. Cost leadership and quality are of prime importance when it comes to accelerating business growth effectively. In supermarket and retail industry, these criteria are incorporated with overall strategies financial decisions for increasing competitive advantage. Quality is the vital factor for making positive impact on overall balance sheet. While making working capital decisions, managing short-term assets and liability becomes top priority for organisations. *Financial decisions cannot be implemented in a proper manner if financial strategies and practices are not consistent with business requirements and operations.* In many organisations, emphasis is laid upon the establishment of optimal leverage ratio along with the application of investment evaluation mechanisms and assessment of return on investments. *Nowadays, organisations are putting less focus on brand promotion and major emphasis is given on cost leadership strategies.* In other word, many organisations associated supermarket and retail industry are giving focus on decreasing cost for increasing size of customers' base, which in turn can help in augmenting financial profitability to a greater degree. Based on scholarly and

factual evidences, it is hypothesized that organisational conformance to quality and cost leadership is of significance compared to the increase in cost for brand promotion.

Conclusion

This qualitative study is utilitarian in deciphering various aspects of the impact of financial decisions on competitiveness with reference to the case of global retail industry. Based on entire discussion, it can be concluded that it is important to understand how effectiveness in financial decisions can lead to desired market performance. At the same time, quality and cost leadership are equally important components for attaining success in competitive market. Hence, cost leadership strategy is to be framed in according with the changing aspects of market dynamism and quality requirements. While deciphering different facets of managerial implications of cost-leadership strategies, earnest efforts can be invested upon the comparison between results to the action standard and what actions ought to be taken for maximising value of competitive efficiency through cost-leadership. It can be said that organisations pursuing cost leadership strategies will be enabled in generating more benefits from the use of advantage with

respect to enhanced managerial efficiency. With the help of applying cost-leadership strategies, concerned organisations, as evident from the study, have been able to attain stronger competitive position. Since cost-leadership strategy has become effective tool for spurring growth in terms of profitability and competitiveness, many MNC retail organisations are applying this strategic tool for thriving in rapidly changing business environment. On the basis of critical assessment and evaluation of financial and business performance, it is evident that the concerned organisations have been able to gain a sizable market share in retail industry and at the same time, they have been able to gain a steady clientele. At the same time, it can be said that the concerned MNC retail organisations have been enabled in withstanding fluctuating situations in market through leveraging competitiveness through cost-leadership strategies and approaches.

Reference List

- Abor, J. (2005), The effect of capital structure on profitability: An empirical analysis of listed firms in Ghana. *The Journal of Risk Finance*, 65(5), 438-445.
- Akben-Selcuk, E. (2016). Factors affecting firm competitiveness: Evidence from an emerging market. *International Journal of Financial Studies*, 4(2), 9
- Arnold, T., Brooks, L., & Nixon, T. D. (2004). Understanding The Impact Of Financial Decisions on Financial Statements: A Pedagogical Note. *Advances in Financial Education*, 2, 10-21.
- Bancel, F., &Mitoo, U. (2002). *The Determinants of Capital Structure Choice: A Survey of European Firms. University of Manitoba*.Mimeo.
- Butler, S. (2017). Aldi's UK profits drop for third successive year despite growth. *The Guardian*.
- Butler, S. (2017). Strong sales growth at Aldi and Lidl takes their market share to 12%. *The Guardian*.
- Capon, N., Farley, J. U., &Hoenig, S. (1990). Determinants of financial performance: a meta-analysis. *Management science*, 36(10), 1143-1159.
- Daud, W. M. N. W., Norwani, N. M., Mansor, A. A., &Endut, W. A. (2016). Does Financing Decision Influence Corporate Performance in Malaysia?. *International Journal of Economics and Financial Issues*, 6(3), 1165-1171.
- Dunford, R., Palmer, I. C., &Benveniste, J. (2005).Strategy for successful entry into a concentrated and highly competitive market.In *Australian*

- and New Zealand Academy of Management Conference. ANZAM.*
- Escalera-Chávez, M. E., Rojas-Kramer, C. A., & García-Santillán, A. (2015). Financial Decision and Its Relationship with Economic Value Added. *Mediterranean Journal of Social Sciences*, 6(1), 278-284.
- Jerónimo Martins (2018). Financial Statements. *Jerónimo Martins*.
- Leal, J. L. D. F. S. (2014). *Pricing strategies of the supermarket sector* (Doctoral dissertation).
- Liargovas, P., & Skandalis, K. (2010). Factors affecting firm competitiveness: The case of Greek industry. *European Institute Journal*, 2(2), 184-197.
- López Salazar, A., Contreras Soto, R., & Espinosa Mosqueda, R. (2012). The impact of financial decisions and strategy on small business competitiveness. *Global Journal of Business Research*, 6(2), 93-103.
- Martínez, A. B., Galván, R. S., & Alam, S. (2017). Financial Analysis of Retail Business Organization: A Case of Wal-Mart Stores, Inc. *Nile Journal of Business and Economics*, 3(5), 67-89.
- Menguc, B., Auh, S., & Shih, E. (2007). Transformational leadership and market orientation: Implications for the implementation of competitive strategies and business unit performance. *Journal of business research*, 60(4), 314-321.
- Miculescu, C., & Grui, S. (2011). Company Strategies and Long-Term Financial Decisions In the Conditions of the Present Economic Environment. *Quaestus Multidisciplinary Research Journal*. 188-201.

Nzisa, J., Njeje, D., & Namiida, B. (2017). Influence of Cost Leadership Strategy on Growth of Hotel Chains: A Perspective from the Kenyan Context. *IOSR Journal of Business and Management*, 19(12), 64-71.

Ross, S. A., Jordan, B. D., & Westerfield, R. W. (1997). *Fundamentos de finanzas corporativas*. McGraw-Hill.

Walmart (2018). Walmart Annual Report 2018. *Walmart*.

Suvendu Narayan Roy is the Director of Watzmore e-Services Pvt. Ltd. and Knowgen Education Services Pvt Ltd. He is a co-editor JCBR. He is author of two books- "Financial management with new approach" and "Microfinance in India". He is a faculty member of management. He also published more than 40 articles on several topics. He can be reached at roysuvendunarayan@gmail.com



QUOTABLE QUOTES

"Catch a man a fish, and you can sell it to him. Teach a man to fish, and you ruin a wonderful business opportunity."

-Karl Marx

"Never interrupt your enemy when he is making a mistake."

-Napoleon Bonaparte

**SYSTEMS AND THE HUMAN FACTOR: EXPLORING THE CROSS
FUNCTIONAL QUESTION THROUGH A CASE STUDY
AT XEROX CORP**

RAJIB KUMAR

Abstract

This short paper probes the need for collaboration among different functions through the Xerox Corporation case wherein successful implementation of the Eureka! Knowledge Management System required systems, operational and Human Resources alignment. At level one, system changes were brought about primarily to have ground level knowledge shared among team members for greater operational and managerial efficiency. At level two, “HR intervention” came into play, duly embedded into the system with employees able to “patent” their work. This recognition managed to realize optimal participation of the employees.

Key Words: Knowledge Management System, Employee/Staff Knowledge, Employee Pride

Knowledge management system (KMS) isn't profoundly different from other information systems; in fact, it goes on to outspread the already existing systems by incorporating more information than the conventional systems.

KMS is linked to *managing knowledge* whereas conventional systems like MIS are principally related to *managing information*. Needless to say in both systems people along with data hold the key (Matayong&KamilMahmood, 2013).

Knowledge Management is a conception that developed in the 1990s. Simply put, it is information or knowledge that is obtainable in some tangible form (Durst &Edvardsson, 2012).

"The objective of KMS is to support creation, transfer and application of knowledge in organizations" – (Alavi&Leidner, 2001, p. 107)

Knowledge Management is therefore a process that promotes the flow of knowledge between individuals and groups within the organization, encompassing in its course, acquisition, storage, distribution and use of knowledge (Durst &Edvardsson, 2012).

MIS is most often an amalgamation of distinct functional information management

systems (namely- Marketing, Operations, Human Resources, Finance, Production etc.) These are discretely noteworthy for taking care of exact functional requirements and are referred by acronyms – MktIS (Marketing Information Systems), HRIS (Human Resources Information Systems), FIS (Financial Information Systems) etc. MktIS, for instance, would be covering issues related to Market Segmentation and Research, Channel and Consumer Behaviour etc. while Human Resources Information Systems would be addressing needs of HR functionaries like Performance Management, Recruiting and Training needs, Compensation etc.

Company in Question – Xerox

Founded in 1906 as "The Haloid Company", it was named "Haloid Xerox" in 1958. Subsequently the company was again renamed "Xerox" in 1961. According to 2016 figures, the revenue of Xerox stands at \$10,771million with Net Income from Continuing Operations being \$616 million("Xerox Company Profile 2017," 2017).

Xerox employs approximately 37,600 people worldwide doing business in 160 countries("Xerox Company Profile 2017," 2017).

Xerox Corporation has been a pioneer in several dimensions. Xerox has been an early mover in the area of KMS as well.

The company got its engineers and technicians to use a KMS as early as 1996. Xerox managed to bring about savings and share organizational knowledge by deploying a KMS. The KMS question gave credit to engineers for their individual contributions.

In a dynamic business environment arresting employee knowledge and managing that data is acute in light of downsizing, hiring restrictions, attrition and skill set change related hazards. Under circumstances, even skilled and competent human resources have the prospect of leaving organizations; implanting a Knowledge Management system can be a preventive measure in this regard (Mottl, 2017). Further, according to Allen et al (2007) knowledge is distributed to involved employees for motivation purpose.

Xerox Corp did exactly that when it realized invaluable on-site solutions created by its highly superior engineers and technicians were not getting shared efficiently and effectively among other team members. This was not only impacting operational effectiveness, it was also creating a

motivational gap amongst hard working employees.

Xerox had been exploring means to advance customer service and learnt that service engineers were often confronted with equipment problems that could not be solved through conventional support channels.

Grounded on a broad study of workplace related behaviors, Xerox developed “Eureka!” - a KM application that powers Xerox’s Web built DocuShare tool aided with an Oracle database. By logging in to Eureka! engineers and technicians were effortlessly able to document freshly produced solutions using an assortment of templates through their office devices.

However, this didn’t mean that Xerox employees sharing the new knowledge took place at the pace of ducks taking to water. Motivation was a key factor. Initially, response rate wasn’t encouraging. According to Brown (2006) Structural, technological and behavioural change strategies do not work in isolation of one another.

Human Resources Managers explored several incentives to address the problem; they subsequently realized that allowing

engineers to take up ownership of the work was the most effective incentive. Apparently, there was no alternative to professional credit. Eureka! was duly overhauled to allow engineers to “author” their solutions (Mottl, 2017)

Once employees were able to tag their names to their creations, the task was rendered a professional peer review process. This naturally supported employees demonstrating pride in their creations. Xerox Corporation was able to reduce Human Resources costs significantly with the roll out of Eureka! Further, ROI recorded dramatic increase prompting the management to implement the application across global locations of the

company (Mottl, 2017).

Eureka! is an excellent case study on the value of cross functional approach and collaborative effort. Systems and Human Resources decision makers have worked at tandem to bring about a radical change at Xerox.

At level one, system changes were brought about primarily to have ground level knowledge shared for greater operational and managerial efficiency. At level two, “HR intervention” came into play, duly embedded into the system with employees able to “patent” their work. At level three, we see astounding results with enhanced operational and human resource efficiencies.

References

Alavi, M., & Leidner, D. (2001). Review: Knowledge Management and Knowledge Management Systems: Conceptual Foundations and Research Issues. *MIS Quarterly*, 25(1), 107-136. doi:10.2307/3250961

Allen, J, Jimmieson, NL, Bordia, P and Irmer, BE 2007, 'Uncertainty during organizational change: Managing perceptions through communication', *Journal of Change Management*, vol. 7, no. 2, pp.187-210.

Brown.(2006). OD Intervention Strategies. In *An Experiential Approach to Organization Development* (7th ed.). Pearson

Durst, S., & Edvardsson, I. R. (2012). Knowledge management in SMEs: a literature review. *Journal of Knowledge Management*, 16(6), 879-903.

Matayong, S., & Kamil Mahmood, A. (2013). The review of approaches to knowledge management system studies. *Journal of Knowledge Management*, 17(3), 472-490. doi:10.1108/jkm-10-2012-0316

Mottl, J. (2017). *How Xerox got its engineers to use a knowledge management system - TechRepublic.* [online] TechRepublic. Available at: <http://www.techrepublic.com/article/how-xerox-got-its-engineers-to-use-a-knowledge-management-system/> [Accessed 06 Jan. 2018].

Xerox Company Profile 2017. (2017). Retrieved from <https://www.xerox.com/corporate-citizenship/2017/commitment/company-profile.html>

Rajib Kumar is co-editor JCBR & Director, Knowgen Education Services Pvt Ltd. He has served as Vice President, Secretary, Jt. Secretary & Asst Secretary of National HRD Network, Kolkata for over 8 years. Rajib Kumar is associated as Guest Lecturer in Management with several leading institutes and can be reached at rajib2217@gmail.com



QUOTABLE QUOTES

"The only place success comes before work is in the dictionary."

- Vidal Sassoon

"Why join the navy if you can be a pirate?"

-Steve Jobs

HUMOURLESSLY YOURS



INTERVIEW OF THE EDITION**MARKETABILITY OF BLOCK-CHAIN TECHNOLOGY IN THIRD
WORLD SCENARIO****KATE JANIK**

Dr. Kate Janik speaks here to JCBR Editorial Assistant Soham Roy and Co- Editor Rajib Kumar in an exclusive interview discussing about her entrepreneurial ventures and Block-chain technologies and its marketability in the Indian scene.

JCBR: You started your career with entrepreneurial ventures in the Tourism sector. Could you tell us what motivated you and what were the key learnings from these ventures?

Kate Janik: In 2000, I moved to Corfu Island located in Greece that is a very famous tourism hub. The island has about 100,000 inhabitants. However, during the summer season, over 2 million tourists from all around the world are visiting. My motivation to move to Corfu Island was purely love driven. Once I

decided to live in Corfu Island, the options for money making opportunities were strictly narrowed down to the tourism industry. The biggest lesson I learned over those 16 years in tourism industry is to never give up, follow your dreams, be consistent and listen to no one but your inner voice. All is truly possible if you are strong enough to have faith.

JCBR: You co-authored a book “The Prosperity Factor” in 2016. What was this book about? What prompted you to write this book in the first place?

Kate Janik: The Prosperity Factor is a personal development book written by 51 experts from all around the world. We were carefully selected by Dr. Joe Vitale himself, the famous personal development coach, leader, marketer, author of multiple bestsellers that wrote over 50 books and the star of the movie *The Secret*. When I was approached by the team of Mr. Vitale, I was very pleased and honoured to be a part of this project. The co-authors of the book are world famous leaders, coaches, motivational speakers, successful businessmen and women, scientists, marketers and influencers from different industries. No wonder that the book became [amazon.com](https://www.amazon.com) bestseller in just 6 days, it has something to offer for everyone.

I studied literature and culture and I write books. My first award winning written work was at age of 12. Last year I wrote another personal development story for teenagers that will be published very soon. As a writer and entrepreneur, I feel responsibility to humanity to share

my experience and knowledge. There are proven ways on how to reach our full potential and how to be happy here and now. Our lives are to be enjoyed and not suffered through. It is our responsibility to take charge of our lives and choose “the path of least resistance”, that is to go with the flow and not swim against the stream. My life mission today is to help others to achieve exactly that.

JCBR: What was the motivation behind, over the years, coming up as a leading luxury tourism entrepreneur? What was the driving factor behind hosting dozens of VIP events attended by celebrities and political figures from all around the world? What did you learn from these experiences?

Kate Janik: The biggest lack in the tourism industry in Corfu Island in 2000 was the luxury tourism. When I identified this loophole, I immediately knew what to do. Corfu Island offered very few supporting facilities and even fewer services to satisfy high class clientele. At first,

the challenge was great. Locals were not supportive and would consider me “crazy” at times. I felt I was alone against the world. That there was no one out there relating to or even understanding my vision. I knew that if I manage to bring few celebrities a whole new portal will open. Island’s marketing will be on autopilot and number of visitors/tourists, with higher budget to spend during their stay, will raise. I also knew, that locals will adapt fast to satisfy the new wave of high profiled clients. All this “knowledge” was a pure projection, my vision, based on nothing else but a hunch. I took a high business risk based on purely sentimental assessment. My perseverance and consistency paid off at the end. I indeed managed to bring several high profile clients from around the world to Corfu Island. Celebrities from Hollywood film industry, politicians, oligarchs and famous businessmen. Their visit to the island completely transformed the Corfu Island’s tourism path. Today locals can raise their rates for hotels and BnB’s and enjoy various benefits of

healthy business, such as offering higher quality, charging higher prices, enjoying full occupancy during the summer season and getting healthy profits. This experience contributed to my business as well as to my personal maturity. When I look at my business decisions and steps retrospectively, I feel the risk versus guaranteed outcome was too high. I would not choose the same business strategy now. Today I am conservative and more calculated in my business planning. I work with fundamental assessments, market research, statistics and higher predictability rates to minimize the risk before I even consider to start a new business venture.

JCBR: In 2014 you started extensive research in the online world. Social media, online marketing, crypto currencies were your areas of special interest. Can you explain this switch from Travel & Tourism, VIP events etc?

Kate Janik: In 2014 I hit my limits within the tourism industry. I felt it

has nothing to teach me anymore. I mastered the niche and I needed to move onto something else. It is of utmost importance to me to constantly learn and grow as a person and entrepreneur. My IQ is measured nearly 140 and my brain needs to be exercised in order to function in balance. Change of the industry was simply an inevitable step for my wellbeing.

I always knew that the digital world is the new business world. That works 24/7, 365 days a year around the world, completely deleting the time zones. It is an ocean of unlimited possibilities. The only way for me to understand it better was to experience it for myself. I decided to take a crash course, to literally move into the digital world itself. I isolated myself from the 3D world for over 2 years. Slept 3 hours and the rest of the day observed the social media. At first, I thought that the Facebook was an abyss of confusion; I could not understand its logic. After several weeks, I started to filter users, then started to categorize them into groups per industry, then I

selected industries of my interest and started to get to know each person one by one. I created friendships and business partnerships with top digital world celebrities per each online industry. After 2 years, the Facebook suddenly became a small village of people per industry where everyone knows everyone. This experience dramatically changed my life, my perception of digital world and mainly my perception of time. The digital world people, view the time differently than the 3D world people. One week would feel to a digital world person as one year. I transformed myself into a new being that unifies 3D world with the digital world. The knowledge gained through this experience, immediately placed me on the leading edge of the online marketing strategies, online software technologies, crypto currencies developments and ICO placements. My database is extremely valuable and I am known in the digital industry, for my unique way of combining technologies that create revolutionary end result. I daily receive offers from hi-tech companies around the world to be

their independent advisor. Today I advise governments and large corporations on issues concerning online data and monetary transactions' safety. Online safety is indeed the biggest issue of today's world and it is of a global emergency to start dealing with this matter now. I am very happy to be part of the team that will, within the next 5 years, transform the digital world into the safest environment on this planet.

JCBR: You are being referred as a "Mother of Bitcoin". How do you view the criticisms on Bitcoins? What is the future of Bitcoins?

Kate Janik: I am an early adopter, holder and a true believer in Bitcoin's future. I personally believe that its value will one day easily outgrow 1 million US dollars. It is only logical and mathematically inevitable growth. What most people are not aware of is the basic fact that when a new digital currency is launched, it is launched with a strict protocol that cannot be changed easily, unless so called "Economic

majority's" consent is given. Meaning, most of the currency holders will have to agree on the change in order to benefit them and the currency itself. In case of the Bitcoin, in the original paper/protocol it is stated that maximum of 21 million Bitcoins will be mined in total. Today there are about 17 million Bitcoins existing. Once miners have unlocked 21 million Bitcoins, the world's supply will be over. That will make Bitcoin's value raise dramatically. That is why there will be no reason for the "Economic majority" of the Bitcoin to change the protocol and allow for more Bitcoins to be mined. It would mean that Bitcoin holders will go against their own interest. It makes no sense. Moreover, the blockchain technology is built in a way that longer it creates new blocks, more secure the whole chain becomes. It would have been too expensive to hack the blockchain existing since 2009 and change 51% of its "proof of work" and mainly constantly sustain that new, hacked blockchain. There is not even a government out there financially

strong enough to achieve and mainly to sustain such a hack. We are already talking about trillions of US dollars to be spent to make such a hacking manoeuvre as of today. The Bitcoin's value is simply only going to grow over time, there is no way back. The only way to destroy it is to destroy the online world itself.

JCBR: What are the differences between Bitcoin and Blockchain?

Kate Janik: Bitcoin is decentralized peer-to-peer electronic cash system that cuts out the middle men (Paraphrased from Bitcoin original protocol: bitcoin.org/bitcoin.pdf).

Blockchain is a list of records, an open and distributed ledger that record transactions between two parties that are linked together using cryptography in a verifiable and permanent way. (Paraphrased from: Iansiti, Marco; Lakhani, Karim R. (January 2017). "The Truth AboutBlockchain". *Harvard Business Review*. Harvard University.)

JCBR: How does Blockchain work?

Kate Janik :Digital world reflects our 3D world, people are honest and dishonest in both worlds. If you consider that retail sales worldwide on e-commerce in 2014 were 1.33 trillion US dollars, in 2018 2.84 trillion and by 2021 are predicted to be 4.87 trillion USD (statista.com), it is only logical to understand that the online world become the most attractive target for dishonest individuals. Translating text formats into computing language of 0 and 1 was never the option. We needed very sophisticated encryptions done by clever software programs in real time speed in order to minimize any data violation. Throughout the online history, encryptions changed several times, and they are getting better each year.

In 1992, the blockchain technology was created by a team of software engineers that originally wanted to create digital timestamps, such as notary stamps. No one really used the technology till 2008, when Bitcoin decided in their protocol to use blockchain with the "proof of work". To timestamp each

transaction and then by “proof of work” verify it to avoid so called “double spending problem” and detour of DDOS (distributed denial-of-service attack). Simply put, to protect the original data from being changed in any way by a third party and thus to protect each Bitcoin transaction to remain unchanged from one peer to another peer (from sender to recipient).

Nowadays, we use blockchain technology mostly without the “proof of work”. The version applied to Bitcoin transactions required 10 minutes delay from creation of one “proof of work” to another one (from one block to another block’s creation). Today we mostly use a group of software programs called “smart contracts” that allow us to create hashes in real time and the whole verification process is very secure and mainly instant. This is considered revolutionary, allowing us for a first time in the digital history, to offer data protection and security at this level. This can be done in an open or closed network, on a P2P (peer-to-peer) networks or

other ecosystems run by artificial intelligence in centralized or decentralized environments. We can combine the technology in many ways depending on the industry we need to apply it on and on the level of security required. There is a very big difference between corporate and military security. Therefore the source and purpose of the online data storing significantly varies. The bottom line is, the blockchain is secure because hackers need to spend too much effort and money to persuade 51% of the group (the blockchain data storing network) to change the data and its previous hash and then continuously sustain that change. It will simply not be worth of their time and money. Blockchain so far, has never been hacked. Not because it’s not possible to be hacked, simply because it’s not worth the effort and it’s not financially sustainable over time.

Imagine a cube (that represents the “block” in the “blockchain” terminology). For a purpose of demonstration of a blockchain creation, we will nominate three

sides of the cube as side A, side B and side C. On the side A we input all data we wish to store online. For example, tourism industry: person X is renting a room Z in a hotel Y for ABC price value, transaction date, rules and cancellation policies. Once we have full data, we add on a side B of a cube, the hash. Hash is a uniquely encrypted code that is totally bound to data. Each letter and number combination will create a new hash. If you make any change in the data (for example, space, letter, number etc.) a completely different new hash will be generated. Hash is like a human fingerprint. Hash code of a Java Object is simply 32-bit signed integer. It is highly unlikely to find data that will generate the same hash value. Most used cryptographic hash is called "SHA-2" (Secured Hash Algorithm) that generates 256-bit values. In a blockchain technology we use a system called the "merkle tree". It is data structure of hashes that record data into a blockchain. Its high security is derived from the fact that not entire block of transactions is run through the hash function, but each

single transaction is hashed and then linked ("chained") together, creating a chain of blocks. This is where the name block-chain originates from. Side C of a cube carries information about the previous hash. It serves as a reference. The previous hash on a new cube (block) must match the hash on a side B of a previous block. This is the most crucial point that makes all the difference and it is the reason why blockchain offers safety and complete transparency. New blocks are created constantly, each one carrying the data info, new hash and the previous hash. The verification of the previous hash happens through the members (nodes) of the P2P (peer-to-peer) network. If at least 51% of the nodes agree that the previous hash (located on a Side C of the new block) matches the hash on a previous block (located on a side B), only then the new block can be created and a new hash is generated and written into the side B (of a new block). If there is no consensus of 51% of the P2P network, the new block will not be created and the chain will be broken. We will know that the data was

compromised. With time, the blockchain creates millions and trillion of blocks that are stored on multiple computers and servers around the world (depending on our created P2P network). With time, blockchain becomes a non-penetrable fortress. If a hacker wants to change the data, he/she will need to change all previous hashes as well. To do so, he will need to first identify the P2P network and then persuade 51% of its members (nodes) to agree on the change, accept the new hash and correct all previous hashes on all cubes (blocks). And all that in a few milliseconds time. This manoeuvre needs great financial resources in order to be executed and mainly sustained over time. That is why blockchain is highly unlikely to be ever hacked.

JCBR: How would Blockchain impact assorted functions like Human Resources, Marketing and Operations?

Kate Janik: From all the above functions, the Human Resources is

surely in an urgent need for its digital data to be transferred into the blockchain technology. Human Resources is dealing with very sensitive data about each employee, their salaries, work history, family details, insurance and other benefits. If a hacker violates this data, changes any part or all content, he can basically change the life of the person, even make the person to completely disappear. Operations will suffer hugely too, imagine high tech company intranet or extranet's messages hacked. All their secret new technology will be stolen and company ruined. Every industry has sensitive information. Every industry deals with personal data, that itself is the most sensitive digital information out there. Therefore blockchain technology is a must upgrade transformation for all online stored data.

JCBR: According to you what is the future of Blockchain in countries like India?

Kate Janik: India is growing extremely fast. It is already in a process of preparation for a cashless

society. India invests heavily into a digital world, in both, public and private sectors. It is only matter of time when most of India's ministries and large corporations will implement blockchain technology to protect their digital data. It is not possible otherwise. In 2018, 27 European countries signed a Declaration that created a European Blockchain Partnership (EBP). The partnership's main focus is on cyber security, privacy, energy efficiency and interoperability. In 2016, United Arab Emirates laid foundation for Dubai to become blockchain-powered city by 2020. The project focuses on applying blockchain technology to improve government efficiency, including transition to digital systems for visa applications, bill payments and driving license renewals and to completely move away from paper documentation. I don't see a reason why India as a modern country with leading software engineers will stay behind and away from the blockchain technology.

JCBR: How can Blockchain improve overall cross-functional

efficiency? Which sectors are likely to leverage the technology according to you?

Kate Janik: According to the Smart Dubai 2021 strategy, the blockchain technology could redistribute up to 25 million hours of economic productivity by removing the need for paper document processing. The project also promised to benefit the tourism industry in Dubai as international travellers will have fast-tracked entry with pre-approved passport, visas, and security clearances.

Moving around the city will also be improved with approved driving licenses and car rental, wireless connectivity as well as pre-authenticated temporary digital wallets. (Source: 18th of October, 2018; <https://cointelegraph.com/news>).

The application of the blockchain technology is limitless due to the fact that it offers complete transparency and traceability. Today we already applied it on agriculture: for crops growth monitoring and food traceability, in medicine: for medical records storage and global access, for

notary timestamps, for logistics tracing of cargos, ships, planes and tracks, tourism industry: online reservation systems, all inventory

systems, online data protection, for all money transactions monitoring and protection.

Dr. Kate Janik can be called the “Jill of all trades” and Mistress of all! She is referred in the circuit currently as the “Mother of Bitcoins”; however, before getting to realize that the future lay in the 24/7 online world, Dr Janik had an extensive experience in the Tourism Industry wherein she got immense exposure to luxury tourism. Subsequently, the challenges in the area of luxury tourism at Greek Islands steered her movement into VIP events management wherein she met with immense success. In the interim she co-authored the bestseller “The Prosperity Factor” in 2016. She is currently serving J K Luxury European Products as the CEO. She can be reached at info@jkjanik.com.



QUOTABLE QUOTES

"There are two kinds of people, those who do the work and those who take the credit. Try to be in the first group; there is less competition there."

-Indira Gandhi

"Competition brings out the best in products and the worst in people." David Sarnoff, pioneer of American commercial radio and TV"

-David Sarnoff

A CRITICAL REVIEW ON THE IMPACT OF CHANGE MANAGEMENT UPON TALENT MANAGEMENT: THE INDIAN CORPORATE SCENARIO

SOHAM ROY

Abstract

The purpose of the study is to conduct critical review on the impact of change management upon talent management in light of Indian corporate scenario. The study has been published based on nine research journals and one book between the periods of 2005 to 2017. The selected papers were reviewed critically for showing the impact of change management on talent management with reference to Indian corporate scenario. It has been found out that change management's application makes effective impact on talent management. However, it is necessary to ensure the creation of urgency for change. In addition, there are other factors, which were highlighted in the review, such as commitment of top management and middle management, motivation for change and others. It is also shown in the study based on deductive research approach that Indian corporate organisations are putting efforts to deal with talent management issues through investing efforts for managing changes. In spite of all these efforts, issues are faced in implementing change management because of the lack of commitment from top and middle management, lack of efficiencies in industrial relations practices and lack of appropriate actionable HR policies. Through referring to the case of the Steel Authority of India, it is shown how the application of change management helps in improving workplace productivity and organisational efficiency. In this study, a wide range of employment trends are highlighted with reference to Indian corporate scenario along with other labour market issues, such as rise in temporary job and decline in lifetime employment. The presence of structural issues and absence of R & D spends in Indian corporate sector are also hampering overall industrial productivity. At this point of time, it has become essential to apply actionable HR policies through scoring change efforts and empowering organisational talents into change implementation process. The

findings are developed on the basis of the critical analysis of the population of selected secondary sources.

Key Words: Change Management, Talent Management, Indian Corporate Organisations, Strategies

Introduction

Change management and talent management are prime aspects in the landscape of business management. Without the application of these two management functions, organisational performance cannot be improved effectively. If principles of change management are applied in an appropriate manner, it is possible to increase overall organisational efficiency of the organisation. In a bid to exert positive impact on the overall profitability, organisations are focusing on bringing about effective strategic changes in case competitive advantage for preventing rapid deterioration in dynamic business environment. In the past few decades, the concept of change management has been gaining popularity effectively and many HR directors across corporate world are focusing on the implementation of change management principles for guaranteeing long-term success in terms of business profitability. Talent management does not end up with manpower sourcing only. Rather, it involves other aspects of human resources management, such as performance appraisal, succession planning, promotion, training and development. In each of these areas of talent management, fundamentals of change management are to be applied for

augmenting growth of human resource efficiency. In many India-based multinational companies, change management consultants are invited for creating motivational ambience in workplace. Many Indian corporate organisations in heavyweight industries, executives are focusing on the development of short-term tie-ups with change agents so that talent management issues are identified effectively and necessary initiatives are adopted for filling the loopholes in talent management practices and their efficiency.

Background of Research

Since change has become a constant force in an organisation because of rapid growth, it has become essential for the corporate organisations to give serious to the idea of restructuring business process for achieving the goals in a better manner. In corporate organisations, embracing change has been necessitated due to the increasing industrial competition. In an effort of remaining competitive, institutionalization of change has become an essentiality. Since change has become empirical observation in corporate organisations, change initiatives are needed to be aligned with strategic and operational objectives. The corporate organisations are in need establishing solid

change for the people. However, robust assessment of change initiatives is to be conducted before implementing them. Change management and talent management are applied for assisting organisations in understanding why necessary actions are needed to be applied effectively and what behaviours of workforce are needed to be promoted through changed initiatives. Everyone's involvement in change process is required in the process of consolidating and institutionalizing changes. Seamless application of change and talent management is necessary for the sake of gaining stakeholders' confidence over organisational efficiencies. Interface between talent and change management is of prime importance for leveraging competitive capabilities of corporate organisations. Organisational talents are to be educated in such a way so that they do not resort to resistance to change at the time of change management's institutionalization process (Smith & Fingar, 2003). In the age of competitive business environment, HR stalwarts are expected to resort to systematic and proactive approach while managing organisational change so that organisations are enabled in gaining distinct advantages over competition. If applied appropriately, change management helps in alleviating

uncertainties amongst organisational workforce. Effective application of change management helps in reducing negative impact on workforce productivity and at the same time, workforce engagement is arranged effectively. Considering necessity of securing sufficient return on investment over human capital, interface between talent management and change management is needed to be optimally utilized.

Validating Change Management-Talent Management Interface in accordance with Theoretical Narratives

In the context of Indian corporate scenario, it can be said that change agents are viewed as external consultants. In general, change agents are regarded as role players in a wide range of areas ranging from employee motivation to radical transformation. Yi, Gu & Wei (2017) established their narratives on the positive impact of bottom-up learning upon speed and vastness of strategic change. In this context, it can be notified that strategic change occurs when top t down learning process is encouraged in organisations. It, in turn, makes positive impact on overall talent management through bringing about radical changes in HR policies. Indian organisations are putting focus on bringing about substantive changes

in organisational culture for creating higher level of employee commitment and motivation. Managing organisational talents is made effective if well-planned approaches are adopted for facilitating organisational change. Many scholarly arguments have been made for addressing the issues of the implications of change management in the landscape of talent acquisition. Majority of the arguments revolve around the leadership role of HR in leveraging change management as a tool for bringing about radical transformation in the field of business management. Bringing a transformative shift in the landscape of corporate world has become a concern for majority of Indian corporate organisations. As asserted by Rahaman & Roy (2017), organisations apply talent management for fulfilling the purpose of developing and retaining workers. Through the application of transformational leadership, it is possible to attract and retain higher skilled talents in Indian corporate organisations.

On the basis on the above discourse, it is deduced that talent management has been emerged as a strategic approach for deciphering and attracting highly skilled talents. In addition to these, on-boarding top talents are facilitated through adopting strategic approach towards talent

management. Randhawa. (2017) shed light on this aspect and laid emphasis on the creation of passion for change in workplaces. They also highlighted the need of fulfilling the demands of bringing about progressive changes at grass root level. Since Indian corporate organisations are going through rapid changes, it has become essential to pave the way for creating changing aspirations in workforce. For these reasons, many Indian corporations are taking consultations from change agents for managing highly skilled talents at organisations. There is an increasing need of applying the fundamentals of change management principles in corporate information technology sector, where workforce issues are becoming rampant because of monotonous working environment and excessive increase in attrition rate. Since organisations are under colossal pressure of augmenting productivity growth rate and reducing costs in talent acquisition, application of change management's fundamentals has become a need of time. While demonstrating factors' review on the impact of talent management on competitive advantage, Ahmed (2016) shed light on certain factors having relevance with talent management ranging from talent acquisition to organisational

performance. In the wake of increasing external business environment's pressure, human resource professionals and top executives heading HR function are becoming involved in the process of taking up responsibilities for managing overall costs of business operations. Managers and top executives are focused on ensuring that employees are experienced enough in responding to changing paradigm of challenging business environment. In other word, coping with change is of prime importance for leveraging degree of organisational effectiveness and efficiency.

In light of drivers of change model, arguments of Anderson & Anderson (2010) can be taken into consideration, who shed light on various aspects having relevance with the fundamentals of change management. Amongst all these aspects, managing employee behaviour and development of employees' change-oriented mindset are of prime importance. Indian corporate organisations are focusing on these two aspects for generating desired business outcomes. In addition to these, the authors have referred to other aspects, such as business imperatives and organisational imperatives. These two imperatives are to be managed effectively for attaining strategic success in business and at the same time,

they have indirect relevance with talent management. In business imperatives, companies' strategic activities are outlines given changing facets of customers' requirements, whereas organisational imperatives lay emphasis on bringing about changes in organisational process, resources and skill base. The application of these two imperatives is useful in attaining organisational success in terms of accelerating the process of consolidating change. The effectiveness of these imperatives can be enhanced through ensuring transformative shift in the process of managing talents. In Indian corporate organisations, these two imperatives are often addressed for reengineering business process. In this contexts, examples of Wipro and Infosys can be cites, who took initiatives for addressing these two imperatives in an effort of reengineering business process. On one hand, they are making inviting the presence of change efficiency. While coming up with scholarly interpretations about the implications of change management in the field of managing workforce, Lunenburg (2010) notified that change agents' roles cannot be ignored when it comes to stimulating and facilitating efforts of change. Be external or internal, change agents are always regarded as vital

role player in coordinating efforts for the establishment of change. These changes are occurred in different forms ranging from external type to organisation development type. With the help of inviting necessary changes in organisations through intervention strategy, internal process efficiency is increased to a greater degree. In Indian corporate organisations, emphasis is laid on team building and survey feedback and managers are assumed the role of executors of the fundamentals of organisational development while facilitating the implementation of change. They referred to the narratives of Carnall (2008) in the context of managing change and notified that change efforts and their implementation ought to be rewarded for creating motivation amongst employees. If change efforts are rewarded, it will make impact on overall talent management practices effectively. In accordance with the fundamentals of Lewin's Change Model, creating perceptions about the necessity of changes is of prime importance before implementing them. In other words, generating motivation for change is necessary before ensuring the occurrence of change. Motivation for bringing about changes in talent management practices does not bring positive results if managerial people do not

resolve their uncertainties and at the same time, they are surmised to look for new avenues for enhancing talent management effectiveness and in the whole process, active involvement of HR executives and managers is required.

In light of the opinion of Tripathy (2014), application of talent acquisition strategies is important for meeting business needs and at the same time, change management's fundamentals are to be effectively applied in the field of talent management. At the same time, long-term business plans must be made flexible for addressing the increasing requirements of rapidly changing business environment. Fundamental change in direction and focus is to be facilitated effectively for the implementation of talent management strategies. In majority of the cases, Indian corporate organisations, especially small and medium scale enterprises face issues due to the misalignment between strategic business goals and efforts of talent management professions of corporate organisations. For minimizing the intensity of this misalignment, putting change management's principles into practice has become the need of hour. Lunenburg (2010) notified the importance of talent management in current business environment and efforts are

coordinated for increasing the level of competency of workforce. A sense of urgency is to be created amongst workers so that it is possible to make them understand the growing significance of finding out ways of establishing and consolidating change. The application of effective change management fundamentals contributes to causing improvement in the process of the bottom line performance. Resultantly, organisational efficiency and effectiveness are enhanced to a greater degree. Since talent management has been uncovering a host of benefits ranging from revenue generation to market capitalization, implementation of change management is necessary. Fapohunda (2014) referred to the global 2012 survey report of Deloitte and asserted that insufficiency in talents within organisations can cause harm financially and about 83% of HR and business executives laid emphasis on the improvement in talent programs for enhancing the level of business efficiency. In Indian corporate organisations, enhancement of flexibility and performance is a matter of top concern. In this situation, the application of strategic change is necessary through coordinating organisational teams' efforts. Indian corporate organisations are making efforts for the integration of talent management

with business purpose so that individual needs and organisational objectives are fulfilled. In these ways, Indian corporate organisations are putting their efforts for consolidating changes in rapidly changing business environment.

In accordance with the opinion of Lunenburg (2010), change management is facilitated when there is a continual renewal of direction, structure and capabilities of organisations in terms of serving requirements of internal stakeholders. Since organisational change is regarded as inseparable aspect of organisational strategies, it is important to decipher avenues of addressing current organisational issues at strategic and operational level. Todnem By (2005) notified that changes in organisations are characterised by the rate of occurrence and they are perceived as a normal response to conditions existing in internal and external environment. On the basis of this narrative, it is notified that transformative shift is occurred in talent management practices if management has change-oriented mindset. As per the Kotter's Eight Step Model of Change, it is important to create a sense of urgency amongst organisational people before paving the way for the occurrence of change. Development of vision is also necessary and it needs to be

communicated to management so that it feels motivated to bring about transformative shift in the entire process of talent management.

A Case of Steel Authority of India Limited

While evaluating the impact of change management on talent management from Indian corporate scenario, a case of Steel Authority of India Limited can be taken under consideration. In the year 2000, the Government of India granted Steel Authority of India Limited with the approval of making financial and business restructuring since it was a need of time due to rapid decrease in profitability following recession in international steel market. In an effort of implementing financial restructuring plan, the Steel Authority of India Limited put focus on the reduction of debt-equity ratio, which in turn would be useful for bringing about improvement in stakeholders' perception and confidence. On the other hand, business restructuring was necessary for through focusing on core strengths, such as production of carbon steel and alloys steel. After these two chief areas, the Steel Authority of India Limited put focus upon rightsizing manpower through reducing the size of organisational

workforce. Even, the top management was becoming concerned about the reduction of workforce's size for staying competitive in market. At the same time, the Steel Authority India Limited decided to regulate cost of labour through embracing a more human approach and they offered voluntary retirement schemes to workers associated with the organisation. Voluntary retirement schemes were offered to organisational members with minimum 20 years of service experience. At the same time, quinquagenarian people were offered with facilities of voluntary retirement schemes. In exchange of retirement, employees are provided with the benefits of medical facilities for themselves along with their spouses. In these ways, the Steel Authority of India Limited intended to ensure optimal use of human resources through voluntary retirement schemes. Furthermore, the Steel Authority of India the policies of manpower rationalization in an effort of enhancing operational efficiency and ameliorating bottom line. The policies of manpower rationalization are implemented for employees appointed in units facing operational issues due to the existence of outdated technologies. Underperforming workforce members, disabled employees with no higher academic qualification and

surplus employees were also targeted while successfully implementing manpower rationalisation policies by the Steel Authority of India Limited (Madhavi, 2002).

Apart from the above-mentioned initiatives, the Steel Authority of India Limited implemented other changes, such as merging organisational functions and closing uneconomic units. In addition, improvement in process, reduction in workforce's strengths and computerization were also in the priority list of the organisation. While providing VRS schemes related facilities, the Steel Authority of India also gave serious thought to creating other alternative opportunities for employees. In this context, it can be averred that they were allotted with shops and encouraged to take up local industry related jobs. At the same time, they are encouraged to set up training and educational centres. Apprehending possibility of resistance to change, the Steel Authority of India Limited applied communication plan effectively so that they can understand the growing needs and significance of restructuring. A communication document titled *Turnaround and Transformation: A Path to Global Competitiveness* outlining organisational restructuring plan was spread around the company so that all senior executives could

understand the necessity of dealing with current crisis through implementing a turnaround plan across a wide range of units and plants in India. In addition, internal resource persons associated with plants and units were targeted while giving brief concerning the necessity of restructuring entire organisation through enhancing operational efficiency. At the same time, it effectively applied training and development strategies for communicating restructuring plan of business operations to workforce having associated with plants and units. In an effort of implementing restructuring process, the messages of the Chairman were communicated and emphasis was placed upon the improvement in organisation's performance through leadership and workforce's commitment. Because of these concerned changed management related initiatives, it had been possible for organisation to effectively manage workforce and ensure their satisfaction. In addition, the organisation was able to reduce intensity of change resistance due to effective application of communication strategies.

Insight into Employment Trends with reference to Indian Corporate Scenario

As far as insight into employment trends in Indian corporate is concerned, it is put forward that there has been an increase in employment in organised sectors like information technology, service and manufacturing. In these corporate sectors, new technological trends are sweeping the market off conventional skills and at this point of time, it has become essential for organisations to bring about changes in their skill development strategies. In India-based corporate industries and sectors, there is a strong demand for expertise for attaining competitive advantage. In addition, the demand for skilled English speaking workforce has been increasing in Indian corporate since it is one of the vital reasons behind India's emergence as a global outsourcing hub. In the year 2008, overall unemployment rate in India was 4.12 and within 10 years, it was reduced by 0.60 percent (3.52 percent in the year 2017). It has been made possible because of the initiatives of the Government of India for reducing unemployment in organised and unorganized sector. In the year 2010, employment growth in organised corporate private sector was 1.9 percent. In spite of being promising in terms of employment generation and growth, Indian corporate employees are usually deprived of sufficient

remunerations compared to developed countries. Improvements in the standard of life along with job security are the major goals of Indian corporate employees. However, this fact cannot be denied that decline in lifetime employment has also become a matter of concern for many employees. Simultaneously there is an increase in temporary jobs in organized and unorganized sectors of India. In the age of rapidly growing business environment, it has become essential for the organisations to take effective measures for applying cost optimization imperatives so that business value is maximized\ and at the same time, operations costs are reduced. For generating sufficient ROI on talent management, many corporate organisations are putting emphasis on the application of various strategic priorities, such as forecasting innovation, talent management, strong brand, implementation of disruptive technology and others. Driving business productivity and collaboration is a key to the enhancement in profitability and customer retention in Indian corporate organisations. These factors altogether make impact on talent management-change management interface in corporate organisations effectively.

Actionable HR Policy with reference to Current Scenario in Indian Corporate World

For addressing current scenario in Indian corporate world, actionable HR policies must be implemented and they are to be aligned with change management policies and initiatives. Scuffle between supervisors and workers is a matter of concern for many corporate companies in India. In addition, poor working environment is also a matter of concern for executives of corporate organisations and at the same time, it can be said that this issue contributes in intensifying employee attrition rate. Interface between change management and talent management can be optimized in case organisational management adheres to the fundamentals of industrial relations. Change process in corporate organisation is consolidated in case, workers' participation in decision-making is arranged and HR executives start to take active participation in the process of settling grievances and disputes between workers and management (Kelly, 2012). Because of the increase in temporary and decline in lifetime employment, industrial relations in Indian corporate organisations are hampered. Because of these issues, job security of corporate workforce is at stake. In an effort

of managing industrial economy through interventionist approach, the application of industrial relations is of prime importance. There are several aspects, which are to be taken into consideration while defining the nature of current state of industrial relations in India, such as lack of equal distribution of power in Indian labour market and lack of emphasis in collective bargaining in Indian high-profile corporate organisations. In this current scenario, actionable HR policies must be applied for addressing these issues through the implementation of change management. However, workers' involvement and participation is also necessary in the process of applying change process so that negative impact of average industrial relations inefficiencies upon corporate organisations can be minimized.

Structural Issues and Relative Absence of R & D Spends in Indian Corporate Sector

In accordance with the opinion of Goswami (2016), managing agencies and corporate requires effective implementation of strategies for dealing with structural issues. In addition, absence of R & D spends in Indian corporate is regarded as a vital issue, because of which, corporate organisations face issues in coping with technological advancements and change. In Indian

corporate organisations, sustainable and inclusive innovation are not encouraged for many reasons, such as funding issues, lack of transparency in funding for streamlining R & D, lack of efficiency in governance and others. In addition, there are several structural issues in Indian corporate, which can effectively be deal through optimally utilizing interface between talent management and change management, such as lack of consistency, poor communication inter-departmental conflict and others. Indian corporate organisations are in need of adhering to the fundamentals of workplace diversity and creating effective communication structure for dealing with the structural issues. In India, more than half of R & D activities are performed in the private sector. Private corporate organisations in India put focus on the application of R & D activities for the sake of maintaining competitiveness. However, the gross expenditure on R & D in India, as shown by the National Science and Technology Management Information System, was 85,326.10 crores INR in the year 2014 to 2015. As per the study referred by the Times of India, private sector organisations share in gross R & D expenditure is 38.1 percent (Mohan, 2018). Henceforth, it can be notified that corporate

organisations are in need of improving their R & D efficiency in an effort of improving business performance through change implementation.

Conclusion

It is highlighted from literature review that change management makes impact on talent management significantly in many ways. Though Indian corporate organisations are facing issues due to effective application of change, this fact cannot be denied that they have felt a sense of urgency for consolidating change in organisational processes. Talent management and change management-both carry equal values in Indian corporate organisations. However, it is important to see that commitment of top management and middle management is ensured consolidating effective change. Top management and middle management must be flexible enough in welcoming changes in the field of talent management so that it is possible to enhance efficiency of talent sourcing and development. Not many research activities have been conducted for highlighting the impact of change management on talent management. In the age of competitive business environment, it has become essential to address both of the functions for ensuring satisfaction of

organisational stakeholders. Henceforth, more research activities need to be encouraged for exploring more avenues in the paradigm of talent management. Indian corporate organisations need to encourage research for facilitating effective interrelationship between these two

functions and most importantly, change agents are needed to be employed by talent management personnel for creating motivation for change in corporate organisations.

Reference List

- Ahmed, H.K. (2016). The impact of talent management on the competitive advantage in the organizations. *International Journal of Management and Applied Science*, 2(8), 67-75.
- Anderson, D., & Anderson, L. A. (2010). *Beyond change management: How to achieve breakthrough results through conscious change leadership* (Vol. 36). John Wiley & Sons.
- Carnall, C. (2008). *Managing change in organizations*. Upper Saddle River, New Jersey: Prentice Hall.
- Fapohunda, T.M. (2014). Increasing organizational effectiveness through better talent management. *Researchjournali's Journal of Human Resource*, 2(4), 1-14.
- Goswami, O. (2016). *Goras and Desis: Managing Agencies and the Making of Corporate India*. Penguin Random House.
- Kelly, J. (2012). *Rethinking industrial relations: Mobilisation, collectivism and long waves*. Routledge.
- Lunenburg, F.C. (2010). Managing change: The role of the change agent. *International Journal of Management, Business, and Administration*, 13(1), 1-6.
- Madhavi, C. V. (2002). *Change and turbulence at SAIL: a story of fluctuating fortunes*. Sage Publications Pvt. Ltd.
- Mohan, V. (2018). At less than 1% of GDP, India's spend on R & D continues to be less than other emerging economies. *Times of India*.
- Rahaman, A., & Roy, N. C. (2017). The Changing Dynamics of Talent Acquisition: An Indian Perspective. *International Journal of Commerce and Management Research*. 27-31.
- Randhawa, N. (2017). The changing dynamics of talent acquisition. *Imperial Journal of Interdisciplinary Research*, 3(6), 1137-1142.
- Smith, H., & Fingar, P. (2003). *Business process management: the third*

<p><i>wave</i> (Vol. 1). Tampa, FL: Meghan-Kiffer Press.</p> <p>Todnem By, R. (2005). Organisational change management: A critical review. <i>Journal of change management</i>, 5(4), 369-380.</p> <p>Tripathy, S..(2014). Talent Acquisition a Key Factor to Overcome New Age Challenges and Opportunities for</p>	<p>Human Resource Management. <i>IOSR Journal of Business and Management</i>, 16(12), 39-43.</p> <p>Yi, Y., Gu, M., & Wei, Z. (2017). Bottom-up learning, strategic flexibility and strategic change. <i>Journal of Organizational Change Management</i>, 30(2), 161-183.</p>
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Soham Roy has served as an content writer. He is an editorial board member of JCBR. Also he has published many articles on the important topics like leadership, entrepreneurship, training, motivational exercises etc. He can be reached at roysoham87@gmail.com



QUOTABLE QUOTES

"The politicians say 'we' can't afford a tax cut. Maybe we can't afford the politicians."

-Steve Forbes

"Democracy is an awful way to run a country, but it's the best system we have."

-Winston Churchill

IDENTIFICATION OF RIGHT CAREER FOR STUDENTS AND ASPIRING PROFESSIONALS: A CRITICAL STUDY

JAYATI MUKHERJEE

Abstract

Making the right career choice is a big step for teenagers and youngsters particularly in an age where there is a plethora of choices. While plenty of opportunities may be seen as positive, the choice, under circumstances gets more difficult. Selecting a career which will fetch one happiness and success at the same time is a challenging proposition. This paper looks at the multiple dimensions associated with this crucial question of career choice. The impacts of peer pressure, parental role and individual interest have been explored at length in the paper. This can be viewed as a rare effort to track the science behind identifying the right career for oneself.

Key Words: Career, Right Career Choice, Peer Pressure in Career Choice, Parental role in Career

Introduction

Many students and aspiring professionals, after the completion of graduation or masters, put focus upon the attainment career goals and objectives by grabbing lucrative corporate. Different people come up with different needs and based on them, their career objectives and goals are determined. However, this cannot be asserted that all people remain happy with their career options. Indeed, it is a disheartening reality in today's scenario. Many people are clueless about the definition of a happy and a successful career. They often feel that a job is synonymous to a career. However, it does not happen always. Before arriving at the definition of a happy and successful career, it is important to have a look why people often land-up at a career choice, which is not so apt for them and eventually, they lose our interest later.

Background of Research

In the cutthroat age of competition, it has become important for students and aspiring professionals to take appropriate career decisions. Considering different factors before making career choice has become a trend and many aspiring professionals and students are involved in career planning.

Appropriate career choice for aspiring professionals and students is necessary for making positive impact on professional life and achievement. Inappropriate choice of career may lead individual efforts and resources towards wrong directions. Henceforth, career choice of individuals must be aligned with their expectations and abilities. There are many factors, which drive the choice of career, such as concerns of salary and employment prospects. In addition, advice from family members and educators is also taken into consideration while making career choice. However, this fact cannot be denied that students and professional aspirants need to be enabled in understanding their own potentials. In this context, it can be said that the application of career management helps in optimizing the provision of opportunities for people to develop their skills and attain their career goals. In career progression, three phases are involved, such as establishment, expansion and maturation. During each phase of career progression, people develop their skills and abilities. Individual aspirations and needs are taken into consideration before making decisions on career objectives. Self-assessment and exploration of existing career opportunities are two important strategies for attaining career goals and

objectives. Status of individual personal and professional lives, circumstances in family, financial expectations and desired lifestyles play vital role in determining individual perspectives concerning career choices (Greenhauset *al.* 2010). The application of career planning not only helps in pursuing the growth objectives, but also in ensuring the fulfillment of self-actualization needs of individuals. With respect to career choices of students and aspiring professionals, financial outcomes and future opportunities are considered as important factors and in India, these two are given preferences. In spite of this, this fact cannot be denied that interest in the subject is also a vital factor in influencing career decisions. The choice of career must contribute to providing a sound basis for an ameliorated standard of living.

Situational Factors Leading to Inappropriate Career Options' Choice

A root cause analysis approach is a very essential one to uproot the problem. Otherwise, only symptoms will be resolved, and that too, on a temporary basis. The reasons could be many. However, some of the most profound ones are:

Social and occupational prestige

Some professions are under some social spotlight; as for e.g. medicine, engineering, law, army, navy, performing arts etc. However, there are thousands of other professions too, which can be chosen as a career, and people do become successful in those arenas.

Peer pressure

People often select something by being impulsive when they see that most of their friends, or family members, or someone from the previous generation has chosen that specific profession. Without an iota of doubt, they feel that they would be successful in achieving career objectives if they opt for those professions. However, there is no possibility that it happens always. As indicated by prior researches, many students face dilemma in making career decisions and at this point of time, peer pressure plays a pivotal role. Peer pressure tends to dominate career related decision-making capabilities of students and aspiring professionals (Agarwala, 2008).

Imposition of parents' ambition

In Indian scenario, imposition of parents' ambition is a driving factor in the process of opting for available career options. However, it is to be remembered that wishes

and strengths are to be aligned with the wishes of parents. In general, students in India do not question their parents when it comes to opting for available career options. Leveraging core strengths areas and nurturing uniqueness and creativity through career choice is not within the purview of career decisions taken by students and their parents.

Parents' awareness

The preparation for a career starts at a very early age of students long before they realize and understand the same. In an effort of making advancement in career and achieving career objectives, students choose specialization. However, there is no point of denial to the fact that the choice of opting for specialization affects their general study. However, awareness of parents concerning available career options is also required for the advancement in career or the attainment of career goals and objectives.

Unavailability of facilities in the neighborhood

It is possible that the educational institutes do not offer the subjects students wish to study and pursue as a career in future. In case of the unavailability of facilities and options for attaining career goals, students

and aspiring professionals may face difficulties in achieving career growth.

Marks of the entrance exam become selection criteria

It is not uncommon that we are chosen for a subject of study or a stream, rather than we choose them. When students apply for higher studies in colleges, different aptitude tests play a great role. Proficiency becomes the criteria to be chosen. In majority of educational institutions, obtaining sufficient marks in entrance exam has become a criterion for being successful in career. Therefore, to win over, both the students and the parents – really need to be aware and make adequate preparations. A fulfilling and successful career is a journey by itself, with strategic planning and meticulous execution honoring the time line (Steffy *et al.* 2000). Ignorance can kill aspiration at the budding stage.

Choice of Appropriate Career Options and Defining Career from Perspectives of Students and Parents

A very clear conception on below questions, will give a good head start:

1. What does a 'Career' mean to a student?

2. What is the definition of 'Success' as per values, priorities and preferences of students?
3. What do students really enjoy doing?
4. Are students good at what they enjoy doing?
5. Do students consider their choice of study as viable for the advancement in career?
6. Is there any market demand for the profession students' love?
7. Have students ever thought of / dreamt of having their own business instead of getting into full time service?

These above-mentioned questions are to be answered so that students and aspiring professionals are enabled in deciphering ways of achieving career goals. If students are not enabled in achieving their dreams and career growth through career options, their aspirations remain unfulfilled. Henceforth, long-term consequences of career decisions are to be measured. Since the time humankind started becoming civilized, it realized the importance of 'earning' to maintain their living. Different occupations were / are being created based on the wants and needs of the society.

Getting into an occupation is the beginning of one's career (Tuerwahong&Sulaiman, 2018). Until date, many amongst students think that earning money to meet various needs and getting secured against future uncertainty are all about career. Although it is partially true, this fact cannot be overlooked that the term career has much broader horizon.

A career is something through which it is possible to:

- Maintain regular living and take care of monetary as well as non-monetary obligations; in nutshell, by satisfying wants & needs.
- Satisfy passion towards something and fulfill our dream.
- Earn name, fame, status and dignity in the society
- Serve community

However, fitment to each of the occupation is specific to individuals and multi-dimensional. Success in an occupation depends largely on knowledge, skill, ability, aptitude, our emotional make-up and many other associated factors. Choosing a proper career path, by weighing all these essential factors, is very critical in our life. Following

are some of the factors which play very crucial role to become successful:

1. One’s interest for a particular job or profession
2. **Intelligence** – this specifically determines students’ learning ability, ability to retain the learning and subsequent application.
3. **Emotional intelligence** – this determines the power of controlling & directing one’s own mind / emotions rationally and strategically.
4. **Social intelligence** – Ability to get along with people through a win-win situation
5. **Aptitude** – A natural and innate ability to do something
6. Personality
7. A can-do attitude

These factors are to be nurtured amongst students and aspiring professionals so that they can achieve their career goals and objectives (Chak-keung Wong & Jing Liu, 2010). For nurturing these factors, it is important for parents and teachers to put them under proper guidance. At the same time, it is important to appoint career counselors and psychologists by educational

institutions so that these concerned factors can effectively be optimized.

Affinity for Multiple Career Options and Finding out Career Sweet Spot

Often students find people around them, have multiple likings in selection of profession and often they are good at more than one skill (Guan *et al.* 2016). At times, those skills are related; but at most, of the times, they are unrelated and hence, confusions are created concerning appropriate career decisions.

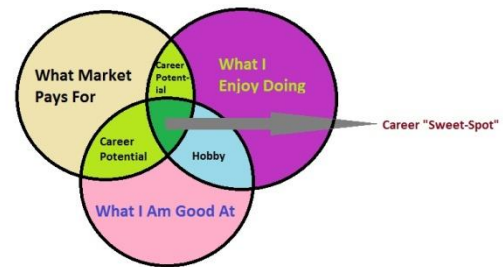


Figure 1: Diagrammatical Representation of Career Sweet Spot

(Source: Berek, 2017)

Passion and reality check are two vital factors for career decisions. It is not only about passion to pursue a fulfilling career for the long haul. However, it is equally important – may be more – to reflect thoroughly and carefully on our innate ability, skills and attribute along with the present and future trend of the job market.

- a. Skill-sets / Professions one passionate about but not so good at, may be bridged by identifying the gaps and by up skilling. Therefore, this area can be treated as a **career potential**, if and only if this has a demand in the job market. If no, then this can be pursued as **‘Hobby’**.
- b. Skill-sets / Professions one good at and which have prominent demand / emerging demand in the job market are considered to be one’s **career potential**.
- c. However, the most important area is the one, where all three questions got their common affirmative answer – the confluence point. This area is known as **“Career Sweet-spot”**. If one picks up the profession from here, he can pursue a fulfilling career for the long haul.

Alignment of Priorities and Preferences of Lives with Career Goals

Everyone has a particular orientation towards life and work. Aspiring professionals all approach our work with a certain set of priority and values. It is a combination of perceived areas of competence, motives, and values relating to professional work choices. This is known as ‘Career Anchor’. This is developed over time and most of the times, with work experiences. It is the one element in person’s self-concept, which one does not want to give up even in the face of difficult choices. Finding this is about getting one of the most sought after keys to the goldmine.

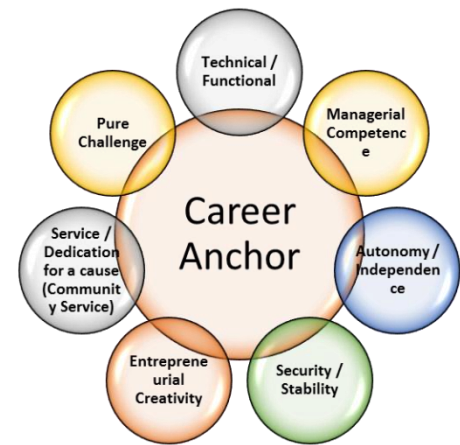


Figure 2: Diagrammatic Representation of Career Anchor

(Source: Chan *et al.* 2017)

Career anchors, by and large, are classified into eight broad categories:

1. **Technical / Functional:** This kind of people likes to earn their living a thorough knowledge & skill based job on certain subjects. They intend to become an expert of that. Their goal is to become a niche professional instead of being an all-rounder.

2. **Managerial Competence:** These people are to manage present as well as future situation to get the maximum benefit by optimizing the available resources. Analytical, Conceptualization, Problem solving, decision making, interpersonal skills etc. are required for them (Berek, 2017). Such people have the potential of becoming future thought leader.

3. **Autonomy / Independence:** Such people prefer to have more freedom while working. They intend to work with their own preferences and own set of terms and conditions. Sometimes, they even trade-off other valuable things for the sake of their freedom.

4. **Security / Stability:** These people are primarily motivated by job security and long-term association with a particular organization. They want stability in their life and therefore, prefer to avoid all kind of threats.

5. **Entrepreneurial Creativity:** These people are creative. They like to invent and innovate things. And, most of them run their own business. Ownership is very important to them. There is a difference between 'Autonomy Seekers' and 'Entrepreneurs'; all 'Autonomy seekers' don't have the entrepreneurial capability.

6. **Service / Dedication to a cause – Community Service:** They are driven by a motive of helping others. They are most suitable in service industry and community service sector.

7. **Pure Challenge:** Here, people are driven by challenge. Challenge acts as a stimulus for them. Such kind of people gets easily bored by standard repetitive mundane work (Watts, 2006).

8. **Lifestyle – "Work-Life Balance":** Some people's focus rests on the preference for their life style. They are more interested in work-life balance. Often they take longer time off to pursue their passion, e.g. travelling.

Therefore, it is very important to ascertain the career anchor to pursue a fulfilling career. Source of satisfaction and feeling of accomplishment varies from person to person and must be aligned. There are many

ways to assess one's career anchor. Mostly, people get a gross understanding on their own about what drives them and what is their priority (Chan *et al.* 2017).

Different Practices of Identifying Appropriate Career and Their Implications

It's not necessary one person has only one career anchor. It can be multiple. In that case, those career anchors need to be ranked and then to be integrated accordingly. Career Development and Management is a vast terrain and starts with the identification of a cherish-able career, which is to be in sync with our dream, passion, capability and market trend (Sharf, 2016). Therefore, identification of a right career is the fundamental for future success. As we have conversed so far, we need to put a great emphasis on the right identification. There are many tools readily available, which help us in the course. Different aptitude & multiple-intelligence test, interest inventory, career anchor inventory, emotional intelligence tests, personality assessment tests and many others help to precisely pinpoint. Career Coaching and asking guiding questions to self, are also of great importance. Establishing a successful career is a long-term process, which needs to be

nurtured with great care, patience, commitment and perseverance. It's not a short-term fix. Aimless random journey makes only futile effort. 'Career Identification' and Goal-Setting are the foremost important factor to reach the desired destination.

Conclusion and Recommendations

While choose appropriate career, it is important to understand the gap between what students want and what they do not want. An appropriate career decision making process can help students and aspiring professionals prosper in their work lives. At the same time, they can fulfill their desires. After the completion of graduation, appropriate career choice is of paramount importance since wrong career decisions can lead to creating negative impact on work satisfaction in future. Aptitude and skills are to be measured while making career related decisions. Inappropriateness in career decision-making process can lead to enhancing anxiety and stress amongst students. Attributes, capabilities and passion are three vital aspects while making career decisions. By adhering to these three aspects, it is possible to help students and aspiring professionals to achieve career goals and objectives. At the same time, they

need to consult with career counselors so that it is possible to clarify career goals and objectives through proper guidance.

Reference List

Agarwala, T. (2008). Factors influencing career choice of management students in India. *Career Development International*, 13(4), 362-376.

Berek, J. (2017). The forms and the methods of managerial competence improvement in modern organizations. *World Scientific News*, (72), 94-102.

Chak-keung Wong, S., & Jing Liu, G. (2010). Will parental influences affect career choice? Evidence from hospitality and tourism management students in China. *International Journal of Contemporary Hospitality Management*, 22(1), 82-102.

Chan, S. H., Chok, S. Y., Lae, S. Y., Lam, A. C., & Lee, C. Y. (2017). The Impact of Perceived Organizational Support, Job Satisfaction, Leader-Member Exchange (LMX) and Work-Life Balance On Employee's Turnover Intention in Manufacturing

Vocational education is to be imparted upon education in order to attain career goals and objectives through systematic efforts.

Industry, Malaysia (Doctoral dissertation, UTAR).

Greenhaus, J. H., Callanan, G. A., & Godshalk, V. M. (2010). *Career management*. Sage.

Guan, P., Capezio, A., Restubog, S. L. D., Read, S., Lajom, J. A. L., & Li, M. (2016). The role of traditionality in the relationships among parental support, career decision-making self-efficacy and career adaptability. *Journal of Vocational Behavior*, 94, 114-123.

Sharf, R. S. (2016). *Applying career development theory to counseling*. Nelson Education.

Steffy, B. E., Wolfe, M. P., Pasch, S. H., & Enz, B. J. (Eds.). (2000). *Life cycle of the career teacher*. Corwin Press.

Tuerwahong, S., & Sulaiman, M. (2018). The Concept Of Career Success Among Muslim Managers. *Journal of Islamic Management Studies*, 1(2), 48-61.

Watts, A. G. (2006). *Career development learning and employability*. York:

Higher Education Academy.

Jayati Mukherjee is Founder & Career Coach, @ CareerViPla. She is a Learning & Development Professional. He is also a Certified Talent Management (XLRI) & Emotional Intelligence (IIT Kharagpur – NPTEL Collaboration) Professional with over 15+ yrs. of organizational experience with varied scope. She can be reached at: itzmycareer@rediffmail.com



QUOTABLE QUOTES

"If at first, you don't succeed, take the tax loss."

-Kirk Kirkpatrick

"If you see a bandwagon, it's too late."

-James Goldsmith

SCOPE OF INTERFACING CROSS-FUNCTIONAL BUSINESS FUNCTIONS FOR HIGHER SUCCESS: HR AND MARKETING

ARUN V. MATHEW

Abstract

‘The basic principles for higher success—imposing stretch targets from the center, empowering cross-functional teams, formulating a common platform of all cross-functional business functions through directing the said functions towards attainment of long-term objectives of the organization, standardizing processes’. In view of the changing world, belief system, aspiration values, different but interrelated business practices, this article is contemplating as to what could trigger the big change in business paradigm. This article also challenges the validity of certain existing professional best practices. Instead of taking any function singularly, the attempt is made to take the whole business perspective in its holistic form and peeling every layer of the built and trajectory through the grid of people engagement, as the objective of this study. We may need to build a common platform of all business functions, which are cross-functional. We may often decipher the existence of cross-functional collaboration between HR and marketing for achieving organizational goals. We can also find some capabilities sitting in multiple versions in parallel functions. In this study, scope of interfacing cross-functional business functions for higher success has been highlighted with reference to HR and marketing. Researcher has adhered to the principles of qualitative research while detecting and assessing different aspects of cross-functional collaboration between HR and marketing in business environment. Scholarly sources of opinions have critically been assessed for testing existing theoretical frameworks having relevance with cross-functional collaboration.

Key Words: HR, Marketing, Cross-functional, Business, Strategy, Organisation

Introduction

Cross-functional teams influence processes of decision-making and structures of organizations and they are driven by the self-direction and goal achievement orientation. Management theoretical narratives propound that organizational structure must be enabled in making decisions at different levels (strategic, operational and tactical) since a paradigm shift is created in the landscape of competitive business scenario through the introduction of new procedures and trends have started to emerge that are practiced by cross-functional teams. Although every department in an organization is filled with people with required level of emotional intelligence, mostly it is run by systems and process. In addition, various metrics are used for measuring organizational progress towards the achievement of strategic and operational objectives of business. Marketing, be it brand building or sales or customer service, the quintessential element is – what the customer feels & not what they thinks. This concept is applied for managing external communication and customer relations. Human Resource, be it policy formulation or talent acquisition or talent management or talent development, the quintessential element should be – what the

employee feels & not what the employee thinks, and this application is internal communication of the organization. The collaboration and interface between HR and Marketing contributes to developing organizational brand equity. Both of the functions collaboratively play vital roles in the process of shaping corporate image and market reputation. Through coordinated and collaborative efforts at top and middle management level, organizations are enabled in attracting potential and best talents from labour market leading to the creation of a pool of employees equipped with necessary skills, capabilities and knowledge. After this, the organizations ought to shift their focus on the nurture of internal public relation and marketing in an effort of strengthening workforce retention policies. This will ensure a balanced environment that not only attract but also retain the best of employees. It should always be remembered that happy employees generate and retain happy customers.

Increasing Need of Cross-Functional Approach in Competitive Business Environment

In the age of competitive business environment, it has become essential to decipher the ways of effectively performing

business activities for reaching to organizational mission and vision. However, organizational objectives cannot be attained if there is a lack of cross-functional collaboration between human resource management and marketing management. Success of business depends upon functions working together for achieving a common cause. In strategic human resource management literature, arguments have raised with regards to indirect influence of HR function on performance of firms. In recent theoretical frameworks, emphasis is laid on the implementation of human resource management through strategies and tactics throughout firms. Attitudinal and behavioral reactions in marketing department are steered effectively through the implementation of human resource management. On the other hand, human resource department can learn from employees how application of state-of-the-art technology facilitates employee engagement and workforce prospectus. At the same time, marketing department can learn various aspects of business behavior, roles and responsibilities. In competitive market scenario, both of the functions are working together through aligning their

goals and objectives so that news ways are detected for attracting talents and customers.

In the advent of technological know-how, various approaches, tools, processes and methodologies are used to run businesses and they are it-enabled analytics, process parameters, key activity area metrics, key result area dartboards, key performance indicators and many more. They do augment information quotient and act as an enabler to make informed decisions. However, their capabilities of being business engines or support systems or enablers are still debatable. Many mammoth organizations, that keenly followed this metrics based business practices, have gone bust, while a few start-ups, that never used this metrics in full effectiveness, have grown leaps and bounds. At this point of time, it has become essential for start-ups to espouse effective cross-functional business strategies in an effort of maximizing business performance. However, cross-functional strategies can be able to attain success only if technological know-how is applied for bridging the gap between both of the functions. In an effort of establishing cross-functional collaboration between HR and marketing, Devi & Srinivasan (2015) used a term named *HR Marketing*. For effective HR marketing, many organizations are adopting a wide

range of strategies, such as internet marketing, advertising, direct marketing and others. Every technique is enriched with distinctive features. Of late, Web 2.0 has emerged as a self-perpetuating marketing vehicle for doing marketing effectively and efficiently. In effective HR marketing, emphasis is laid on the deliverance and communication of appropriate messages to target customers without using jargons. HR and marketing functions collaborate with each other for promoting business effectively and efficiently. There is an increasing need of cross-functional collaboration between HR and marketing for branding business. Even, HR managers and directors are putting focus on the utilization of marketing techniques for enhancing efficiency of hiring process. It results in the attraction of high-quality applicants for the organizations.

Facilitating Growth of Organization through Cross-Functional Collaboration

The crux of any movement, be it business enterprises or national governance or political movement or community service, is the people involved in it. When it comes to people, the physical presence of human beings, their intelligence quotient, or the size of the human population are not the sole

things to be considered. When people are happy and joyful in pursuing something, the growth is exponential. On the contrary, when the same people act on fear, unsustainable surge in movement is still seen. However, when people are hopeless, the movement not just stalls, but will also register negative growth. In short, lack of motivation can hamper overall productivity and in turn, growth prospectus of workforce is hampered. Although every department in an organization is filled with people, mostly it is run by systems, process and metrics. However, interestingly, marketing and HR still hinges on emotions of people, albeit the metrics assessment is fast creeping into that arena. Marketing, be it brand building or sales or customer service, the quintessential element is what the customer feels & not what they thinks, and this application is external communication of the organization. Human Resource, be it policy formulation or talent acquisition or talent management or talent development, the quintessential element should be what the employee feels & not what the employee thinks, and this application is internal communication of the organization. As argued by Greer & Stevens (2015), many organizations are putting their efforts for being engaged into Collaborative Innovation with Customers or CIC, which is

gaining significance in the field of developing new services and products. Marketing department plays a significant role through gaining insight into market and industrial trends with respect to product development and innovation along with the specification of customers' requirements. Through facilitating cross-functional collaboration, organizations are placing emphasis on the enhancement of overall effectiveness.

The key focus of a successful marketing department is to observe, analyze, infer and predict the possible needs and wants of the people in their target segment. Empowerment of employees does speak about HR policies and it has become a recognized stream in Business Studies. The pay scale of HR Professionals too has gone up. The organizations are brainstorming of HR Policies and improvising it with Best practices. HR department's roles in organizations are multi-faceted and organizational HR representatives have opportunity of affecting empowerment with best practices. However, that does not guarantee that HR has a veto in deciding the organizations growth path. When organizations are in a difficult situation, not much weight age is given to the HR opinions compared with production, finance

and marketing. Behind the closed doors of corporate power rooms, still HR is seen as an erstwhile function with little influence over decision-making process at corporate and business level. In good times, where project is more and acquiring talents becomes quintessential, HR is called for a collaborative working with a mandate decided by the corner office. At this point of time, it has become important to make necessary changes through OD intervention strategies and mechanisms. In an effort of illustrating the impact of inter-departmental coordination upon commitment of workforce, Peng & George (2011) asserted that cross-functional approach is required for the optimal use of organizational resources, which in turn, contribute to creating superior value for target customers and other stakeholders. In general, interdepartmental dynamics, as asserted by Kohli & Jaworski (1990), consists of a couple of dimensions, such as inter-functional conflict and inter-functional connectedness. Between these two dimensions, inter-functional connectedness has similarity with the conceptual aspects of cross-functional collaboration between HR and marketing. Cross-functional approach's effectiveness not only exerts influence on commitment of organizational workforce and they feel

inspired to work together for attaining common organizational goals and objectives.

Strategic Implications of Cross-Functional Collaboration

With the metrics evaluation parameters in mind, HR Dept per se is segmented – on a broader level – as talent acquisition, talent management and talent development, each with a separate Head. Conceptually, talent acquisition is to identify and attract talent resources to the organization. In addition to this, talent management is to develop and actualize policy formulations and is to grade talents through assessment practices and train the identified resources through L&D initiatives. In the process of developing talents, HR and marketing collaborate with each other so that their goals and objectives are aligned with those of organizations. In other words, cross-functional collaboration has its strategic implications when it comes to meeting long-term strategic organizational goals. Jiang (2009) identified four chief functional areas of organization and in this context; it can be notified that human resource and marketing were one of them. Marketing is concerned about driving organizations through the identification of needs and requirements of customers and

this function is regarded as an important role player in external and internal business environment. Henceforth, it is expected that marketing function will detect every change in business environment and based on this, it would predict the types of products and services customers require. In addition, marketing function has to cope with other functions for realizing overall organizational objectives. For realizing objectives of organizations, marketing function needs to play collaborative and supporting role (in collaboration with HR function) in recruiting teams with specific expertise and knowledge. In this situation, marketing HR has to keep gathering the present and envisaged emotion flow of its internal customers, employees, as to what they aspire in their work place and what are the practices in the work place that they cherish. It is important for HR to build a sense of belongingness amongst the members of workforce. As opined by Henke, Krachenberg and Lyons (1993), cross-functional approach helps in generating integration at inter-functional level and at the same time, mutual knowledge, confidence and team spirit are developed amongst cross-functional team members.

At the same time, it is important to see what they consider as a badge of honor and how

they view external consumers. If new products and services are introduced by marketing function, HR function is surmised to know about it. After the introduction and availability of products and services in commercial market, it is important to see HR function is informed properly, punctually and sufficiently. As suggested by Capon (2000), HR function must give serious thought to the idea of leveraging skills and abilities of new employees through on-the-job training and development strategies. Adding to that, HRM function ought to devise proper strategic and tactical plans for successful training, manpower sourcing and effective manpower development. If everything works in accordance with plan, it is possible to attain strategic goals and objectives in an effective and efficient manner through cross-functional collaboration. In accordance with the opinion of Lopes Pimenta, Lago da Silva & Tate (2014), emphasis is placed on cross-functional team dynamics so that diverse expertise are applied effectiveness for achieving overall strategic goals. Members having association with cross-functional teams may perform effectively in meeting strategic objectives if sufficient time and resources are invested for generating common commitment towards the

attainment of goals and objectives, be it collective or strategic. While highlighting strategic implications of cross-functional approach in the landscape of competitive business environment, Maltz and Kohli (2000) notified that it helps in the process of reducing hierarchical centralization and at the same time, it speed up process efficiency. In addition, market responsiveness is augmented to a greater degree. Most importantly, quality of decision-making is enhanced in comparison with individual decisions.

Conclusion

Thus, Marketing Department and HR Department has to be construed as the propelling twin engine of the business. Finance and Operations need to be seen as clutch and accelerator; and Product Development has to be perceived as the chassis of the organization. Collaboration can be seen as cobbling up of two components to give better synergy, which do gives leverage for business objectives. Whereas, marinating is aligning two components as one and accentuating towards a greater purpose and result could be exponential and unfathomable too. An effective bonded communication between these two departments and a cross functional

job-rotation within these two departments will have a surprising pollination effect in both the departments. Product development the main theme of the business existence should be sandwiched between these two forces, and maximum creative thinking and critical thinking can be injected to bring out, out-of-the-box innovations.

Reference List

- Capon, C. (2000). *Understanding Organizational Context*. Financial Times/Prentice Hall, Pearson Education
- Devi, A.R. & Srinivasan, J. (2016). Role of HR in Marketing: (A Review). *International Journal of Latest Trends in Engineering and Technology*, 8(1), 090-096.
- Greer, C. R., & Stevens, C. D. (2015). HR in collaborative innovation with customers: role, alignment and challenges. *The International Journal of Human Resource Management*, 26(20), 2569-2593.
- Henke, J. W., Krachenberg, A.R. and Lyons, T. F. (1993). Perspective - Cross-Functional Teams - Good Concept, Poor Implementation. *Journal of Product Innovation Management*, 10(3), 216-229.
- Jiang, X. (2009). Strategic management for main functional areas in an organization. *International Journal of Business and management*, 4(2), 153-157.
- Kohli, A. K. & Jaworski, B. J. (1990). Market orientation: the construct, research propositions, and managerial operations. *Journal of Marketing*, 54(2), 1-18.
- Lopes Pimenta, M., Lago da Silva, A., & Tate, W. L. (2014). Developing and managing cross-functional teams: a multi-case study of Brazilian manufacturing companies. *Journal of technology management & innovation*, 9(2), 1-16.
- Maltz, E., and Kohli, A. K. (2000). Reducing Marketing 's Conflict With Other Functions: The Differential Effects of Integrating Mechanisms. *Journal of Academy of Marketing Science*, 28(4), 479-492.
- Peng, C. & George, R.T. (2011). The Effect of Inter-functional Coordination on Organizational Commitment in the Hotel Industry. 1-5.

ArunV. Mathew is CEO of Gyalizo KE and Spaze Deal Property Consultants. He was former impaneled consultant at Randstad India and former advisor at Exide Life Insurance. Also, he was founding team member at Mahindra Network Services Limited and assistant manager at Roots Multiclean Ltd. He can be reached at ceo@gyalizo.com.



HUMOURLESSLY YOURS

Give some managers
an inch,
they think they're
a ruler.

QUOTABLE QUOTES

"Early to bed and early to rise probably indicates unskilled labor"

-John Ciardi

"Formal education will make you a living; self education will make you a fortune."

-Jim Rohn.

HUMOURLESSLY YOURS



Meetings --
where we take
minutes
and waste
hours.

The SALESMAN

Question:
"What is the difference between a Project Manager and a used car salesman?"

The answer:
"The used car salesman always **knows** when he is lying."