



# Empowering Times

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## Dear Reader

Wish you a very **HAPPY NEW YEAR!**

Welcome to the first issue of **Empowering Times**, a monthly connector from **Empowered Learning Systems (ELS)**.

Over the years, we at ELS have believed in contributing to the world of knowledge and **Empowering Times** is our latest medium to trigger thoughts in your mind.

**Thinking Aloud** is what we call when ELS consultants write their opinions and share ideas to create provocative 'thought waves'. We make a start with **Jay** contemplating on whether human capital is really a disadvantage.

**Podium** brings you ideas from thought leaders and showcases people who inspire others with their extraordinary achievements. This month we bring you an exclusive interview with **Dr. Jagdish Sheth**, renowned management thinker.

Working in the knowledge space, how can we not write about books! In **Between the Lines**, we share with you gems to get you interested in reading.

Finally, the 'thought waves' come alive through the **Figures of Speech** a caricature series created exclusively for **Empowering Times** by **Vikram Nandwani**, a talented & budding cartoonist.

Can't wait to read the full issue? I am sure you will enjoy it. Do write to us with your feedback at [editor\\_empoweringtimes@empoweredindia.com](mailto:editor_empoweringtimes@empoweredindia.com).

Cheers!

Geetanjali Sharma  
Editor

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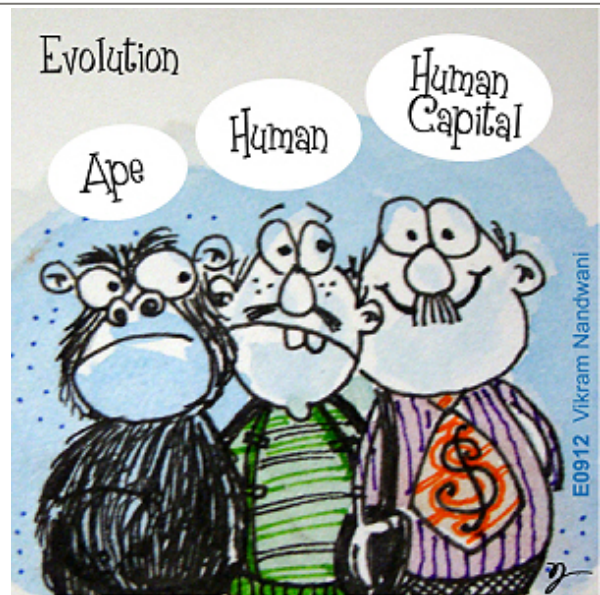
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## THINKING ALOUD



## **HUMAN CAPITAL DISADVANTAGE? - K Jayshankar**

After years of complaining about brain drain, India today is talking about the demographic dividend. Simply put, we are happy that we are so many!

However, the other concern still is that quantity does not guarantee quality. In other words unless we groom the people who join our business, they do not genuinely qualify as 'Talent'. The onus of converting a raw material straight from campus into a polished diamond is on the Corporation.

The harsh realities of India's educational system are too well-known to bear repetition. But it is also true that this very system has produced brilliant minds. Too often in the past we have assigned the responsibility of creating a pool of qualified personnel on the Government. However, with an increase in the demand for private initiative in the education sector, not just through the Public Private Partnership (PPP) model, but also through stand-alone investment by private companies into the business of education, the scenario is changing.

But that is hardly enough. It is important that Corporations also make on-going investments in people. Large companies have taken the corporate university route for this purpose but regrettably many smaller firms are still looking at training as an expensive burden. Isn't it time that we reminded ourselves that if training is expensive, what is the price of ignorance?

It is time to forget about the false metric of attrition analysis & rather focus on the need to unleash the power of the untapped & disadvantaged employee. With business sentiment poised for further improvement, it would be appropriate for senior business leaders - like true financial planners - to recommit themselves to the deeper impact derived from the power of compounding through a systematic investment plan for human capital appreciation!

To paraphrase a recent TIME article, India's model of development is an unique one and if we can empower a billion people and "translate raw figures of economic growth into widely shared prosperity, then it will not be India alone who will benefit..... the world will benefit".

**“Isn't it time that we reminded ourselves that if training is expensive, what is the price of ignorance?”**

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## **PODIUM**



### **INTERVIEW WITH DR. JAGDISH SHETH**

*Dr. Jagdish Sheth, a world renowned authority in the field of Strategy, is the Charles H. Kellstadt Chair of Marketing in the Goizueta Business School at Emory University, Atlanta, USA. Prior to this, he was a distinguished faculty member at the University of Southern California, the University of Illinois, Columbia University and the Massachusetts Institute of Technology. His insights on global competition, strategic thinking and customer relationship management are considered revolutionary.*

*A prolific author, Professor Sheth has published more than 200 books and research papers in different areas of marketing and business strategy. Many of these are considered classic references. He was in India last month and we requested the Management Guru to share his views on Human Capital Management. Read on to know more.*

**Empowering Times:** People management has seen an evolution from a Labor Welfare approach to Personnel and then to Human Resource Development (HRD). The current wave is Human Capital Management (HCM). Is HCM the next level of evolution and how different is it from HRD?

**Dr. Jagdish Sheth:** Yes, it is the logical evolution and probably there are 2- 3 differences between them. HRD looks at the people processes involved from the time an employee enters the organization to his retirement. HRD conducts induction programs, trains the employees and plans their career etc. HCM says that this is not enough; people keep moving in and out at all levels, especially at the senior management levels. People are no longer bound to one organization. It is a 'capital', which is free to go outside.

HRD looked at people as 'Assets', HCM looks at people as 'Capital' which has enormous value. HRD tried to nurture people for a specific role on the assumption that the role will be there in the future. HCM looks at creating positions for the person. It looks at people holistically.

**Empowering Times:** Traditionally we assess people capabilities through the resume. People capabilities are actually much more than a few lines of achievement on paper. We almost see no way to connect with other life experiences that people bring to organizations. Is HCM here to help us look at people capabilities differently?

**Dr. Jagdish Sheth:** Yes, I think so. We have to look at people more holistically. The most deceptive way of advertising is the resume. Even at the initial screening level, there is a scope of committing the error of omission and the error of commission. We might be missing out on good talent if we only consider candidates from the top universities. We have to look at the wider experiences a person has. For instance, if we are looking at leadership aptitude then we should be able to see if the person has done community activities where he had to lead people.

**Empowering Times:** Almost all organizations say 'People are our greatest assets'. Would you agree that these greatest assets remain under utilized?

**Dr. Jagdish Sheth:** Yes, I totally agree with this. Recently in one of the press coverage's of my book 'Self Destructive Habits of Good Companies', I was asked, what is the Eighth Habit. I thought about it for some time and my answer was, Organizations plateau the potential of their employees. The internal structure or the culture or say the bureaucracy of organizations plateaus the potential of the individual in an organization.

We as human beings like to work, like to feel that we have contributed. It is a major trend now that people leave large organizations because they feel they are not able to contribute. They find more scope in smaller organizations.

Some companies say this because it is the right thing to say, but when you audit their practices, you can see that they don't really mean it. For example, companies say we like employees to have a work- life balance and then you see the staff putting in long hours at work. If employees are assets, they should not be exhausted. They should be re-energized. If you exhaust your resources, you plateau your own people.

**Empowering Times:** We talk about 'War for Talent'. Did we forget about the 'Worth of Latent Talent' inside the organization?

**Dr. Jagdish Sheth:** Yes, unfortunately it is the reality. When the person is inside your organization, you have already given him a good entry deal, and later, the bonuses, promotions, raises are nominal. Lot of organizations on the other hand prefer to groom talent internally. They refuse to hire externally and say our graduates are the best. They generate worth from the talent.

**Empowering Times:** Which organizations would you say have learnt to maximize from their Human Capital? Can you share some

**“HRD looked at people as ‘Assets’, HCM looks at people as ‘Capital’ which has enormous value. HRD tried to nurture people for a specific role on the assumption that the role will be there in the future. HCM looks at creating positions for the person. It looks at people holistically.”**

practices these organizations follow?

**Dr. Jagdish Sheth:** I can name a few companies from different industries.

**Google** is one of them. It has very good human capital practices. It blends work and non work boundaries very easily. With the kind of work they do, often you need a break and come back. There is work and play side by side. The fixed working hours model is not suitable and they have made the time boundaries permeable.

**Costco** and **Nordstrom** from the retail industry. These companies have the lowest absenteeism, pay highest salaries and their productivity is high. **Costco** employees develop a personal relationship with the customer and all the sales are made through them. **Nordstrom** empowers its people and gives them latitude to perform in their area of work.

**UPS (United Parcel Service)** takes in ordinary people and transforms them to extraordinary people. Today best practices are emerging from employee driven organizations.

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## BETWEEN THE LINES

How Successful People Become  
Even More Successful!

What Got  
You Here  
Won't Get  
You There

Discover the 21  
Habits That  
The Best  
Have

MARSHALL GOLDSMITH  
WITH MARK REITER

### **BOOK: WHAT GOT YOU HERE WON'T GET YOU THERE. How Successful People Become More Successful - Marshall Goldsmith with Mark Reiter**

We normally do not question or challenge something, which has been successful in the past. Our belief is that it will continue to give results just as it did until now. But 'What Got You Here Won't Get You There, How Successful People Get More Successful' could be a career – changer book.

The author starts with the problems of success. With success coming to people, self-esteem goes up and they develop certain habits that affect the workplace and the coworkers, negatively.

As Peter Drucker noted, "We spend a lot of time teaching leaders what to do. We don't spend enough time teaching leaders what to stop. Half the leaders I have met don't need to learn what to do. They need to learn what to stop."

Marshall Goldsmith identifies 20 habits that can annoy your co-workers and build negativity around you. These habits may look trivial but they really are 'the challenges' of interpersonal behavior. The 21st habit he says, is Goal Obsession, which is the root cause of all the habits. This habit leads to creating disregard for everything that does not contribute to achieving the goal. He also gives the mantra to break away from the bad habits, make the change possible, involve others in the process of making the right change and make it last.

Don't wait until you become very successful and then break away from the bad habits. Start from where ever you are to have successful interpersonal relations.

Happy reading and good luck implementing!

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