

IIM SHILLONG PGPEX 13~14 NEWSLETTER

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A RECENT SUCCESS

After rigorous studying sessions at IIM Shillong and OUC, China, all the executive participants have started their industrial internships at various MNC's in different cities of China like Shanghai, Beijing and Qingdao.

Various roles like consulting, operations, project management are being practiced by participants in both Private and Government companies of China as well as Indian companies in China

-Rohan Rane

PGPEX 13-14, IIM Shillong



Industrial Internship – PGPEX 13-14

China Module

Students of IIM Shillong PGPEX2013 arrived in Qingdao, China on 14 Sep 13, from different parts of India. Most of us visiting China for the first time, were amazed to see the infrastructure development of China with its GDP growing at a faster rate. After about 40 minutes of journey from the Qingdao airport, we reached OUC, International dormitory which houses all the international students of OUC - our home for the next 4 months.

On 16 Sep 13 the Opening Ceremony of the China module was held in OUC. Senior Faculty members from OUC, IIM Shillong and Indian Embassy of China participated in the ceremony, followed by lunch and the OUC Campus



tour.

The first few days, all the participants were busy exploring new places and gathering information on food, culture and the similar. Distinguished committees of our batch organized various events and made the most out of the days in Qingdao.

By,

Sourav Mukherjee, PGPEX13-14, IIM Shillong

@DDM Shillong PGPEX13, Nov2013

For few of the vegetarian friends the experiments had just begun as most of the restaurants did not have anything vegetarian to offer but they found their own ways of communicating learned from the Chinese language classes arranged for us. The classes for China module started from 17 Sep 2013. Chinese language, Business Management in China, Investment in China, China and World Economy and Marketing Management in China were taught by Professors from OUC and visiting faculty. It was very informative as we got to learn immensely about the Chinese Culture, people, China's economy, the ways to do business in China, which prepared us on what to expect when we start our Internship by the end of October 2013.



Industrial visits were also organized by OUC to the renowned factories in Qingdao such as the Tsingtao brewery and Huadong Vineyards. On 18 Oct 13 we completed the China module of the curriculum by giving the respective examinations. With a week's gap before we started internship, the batch headed to the capital of China – Beijing on 19 Oct. With the bullet train speeding at 310 Km/h, we arrived at the capital city. In Beijing we visited the Forbidden City, Temple of Heaven, Summer Palace, Olympic stadium and the wonder of the world – The Great Wall. On return, we started with our internship at different Companies in Qingdao, Beijing and Shanghai. The companies varied across IT, marketing, power, manufacturing and automotive sectors. The knowledge obtained from the prior expertise along with the additional learnings at IIM and OUC enabled the greater contribution during the tenure of Internship. In short, the China module was definitely the unique part of our learning and indeed the most memorable experience.

By,

Sourav Mukherjee, PGPEX13-14, IIM Shillong

Consulting! What's that...

Consulting

By,

Harshvardhan Sharma

PGPEX 13-14

IIM Shillong



Kautilya-Sun Tzu Consulting Club A.K.A the CoCo club post to its formation, made a sprint to the next zone and arranged for a little encouraging discussion for its members. Prof. Rohit Joshi graced the event by his presence and advice for the budding club members. Mr. Harshvardhan Sharma (Class of PGPEX 2013-14), who happened to be a Lead Consultant at Wipro Consulting for Luxury Brands in Automotive Sector, took the audience on the ride. The insights presented were on the consulting industry, the roles, a little dope on management consulting and the various other forms of consulting, traits required by consultants, challenges and opportunities in a consulting career so on and so forth. Members appreciated the dimensions of consulting portrayed by Harsh.

Lastly, Mr. Harsh shared a secret - "Consulting is not just about expensive suits and vintage class drinks, but an endless journey of search, analyze & present."

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–Harshvardhan Sharma



GUANXI - more than just a word...

GUANXI

By,

Srikanth Kireeti

PGPEX 13-14

IIM Shillong

Everyone in China should know what the basic meaning of Guanxi means, but some expats may not know the deeper meaning and how it truly works in China. Guanxi is a concept of personalized networks of influence and it is a central idea in the Chinese business culture. In reality, it extends much more than that. The common English translations of Guanxi can be "connections", "associates", "relationships", "networks" etc., but none of these translations reflect the true meaning of Guanxi. In order to understand Guanxi, one must experience it for him or herself.

Have you ever gone to lunch or dinner with a fellow Chinese coworker and he or she decides to pay the entire bill? This would be quite a shock if it occurred in a foreign country, but it happens everywhere in China. In this situation, there is a personal connection between people in which



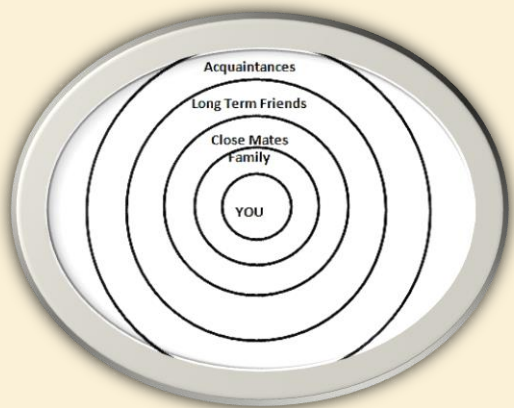
one is able to triumph over another into performing a service or favor, or be triumphed upon. Guanxi can also be defined as a network of contacts in which a call can be made to an associate or a friend when something needs to be done. Guanxi can also be described as a general understanding between two people. Let's say that a friend of yours knows that you like eating Korean food, your friend might bring you to a Korean restaurant next time for dinner without even consulting with you.

Guanxi can extend from friends to family, coworkers, and even supervisors and CEOs. It is a tradition for Chinese people to establish long Guanxi relationships because they can take people towards multiple directions, including lifelong relationships and friendships. Of course, when someone does a favor for you, you should have the logic to do the same for him or her. Reciprocal favors are the key factors to maintaining one's Guanxi relationships and friendships, and failure to do so can result in an end to one of your contacts. The more you ask someone to do a favor or service for you, the more you owe him or her. Guanxi can be a never ending cycle of favors.

On the business level, Chinese people prefer to do business with people they know and trust. It might not seem much of a difference compared to doing business in the Western world, but in reality it means that people will have to make themselves known to the company before any business can take place, and this can sometimes be extremely difficult for Westerners. In other words, this relationship is not simply between companies, but also between individuals at a personal level. This relationship is an ongoing process, so the company has to maintain Guanxi if it wants to do more business with Chinese companies.

Guanxi doesn't have to be based on money; it is based on the sense that "You got my back, I got your back." Even treating someone fairly can result in a good Guanxi. It starts with and builds on the trustworthiness of the person or company. If a company promised to do something and it is accomplished as promised, then the company is showing trustworthiness and other companies would be more inclined to deal with that company. Being dependable and reliable definitely strengthens the relationship. Guanxi is the same thing as being friends because friends can rely on each other in good and bad times.

So it is Guanxi that has made so many businesses thrive throughout the time, and not only mainland Chinese companies, but also foreign companies like Apple, Dell, Sony etc. Perhaps it is Guanxi that so many products are made in China (apart from China's cheap labor that is).



“You got my back, I got your back.” – Guanxi



Guanxi & the IBM China Quest Lecture...

Guanxi & China Quest Lecture

By,
Jakil Dedhia
PGPEX 13-14
IIM Shillong



The CoCo Club of PGPEX- IIM Shillong, organized a Guest lecture with a Consultant from IBM China. And so called Guanxi was the prime reason behind it.

So how did Guanxi lead to a Guest Lecture? Check this out...

In our early days in Qingdao & on a wonderful evening at the famous Wu Si square, I met an entrepreneur of Indian origin Mr. Krishna Murthy, just the way it happens elsewhere in foreign lands. Mr. Murthy was an MBA graduate from Beijing's Cheung Kong Graduate School of Business, currently operating an e-commerce enterprise from mainland China and the brief intro perfectly synced the two of us. Common interests, an MBA to discuss, China connection were some of the bridges that led us to further our communication. An invitation to dinner by Mr. Murthy & the two of us built upon our pasts to futures. Over a couple of meetings I realized that this man had great insights to offer on the dynamics of business management in China.

Realizing this I got more curious and interacted at length with Mr. Murthy to understand the intricacies of doing business in China and the nuances we Indians face while working with the Chinese people. Mr. Murthy, a true Indian at heart, was happy to share his experiences and help in whatever way he could. Gauging my curiosity to learn more, he went a step further and agreed to leverage his network to connect me with people from various industries and thereby help explore more. I saw this as an opportunity and shared these developments with my fellow members at CoCo club. Then we decided to request Mr. Murthy to connect us to someone from the consulting industry, as many in the batch were interested in Consulting as a career option, and an interaction with someone from the Industry was an opportunity they could not let out of their hands. The consulting club put forward their interest to Mr. Murthy and after much deliberation, he agreed to connect them with a Consultant from IBM China. Lo! The circle of Guanxi has been created and three way interactions between Mr. Murthy – CoCo - the IBM Consultant led to a guest lecture. Eventually an insightful guest lecture on 'A Career in Consulting' was organized and the CoCo Club takes pride in the fact that its members were extremely delighted with the interaction and to have had the chance to speak with someone directly from the industry in China, to understand the operational and managerial implications of Consulting. Interestingly, I was also able to make a few more connections with experts in consulting industry and would be pursuing further, thanks to Guanxi and Mr. Krishna Murthy.

The key takeaway - Guanxi in China – a must!! Because in Confucius's words: *'I am not bothered by the fact that I am unknown. I am bothered when I do not know others.'*



Internet and Social Networking Sites in Political Arena

Influence on Politics by New age media

By,

Jayant Patel

PGPEX 13-14

IIM Shillong

New Media like Internet, Social Networking Sites, and Mobile Phones has shown its effect on the sphere of politics over the past two decades. Online social networks enable this new generation which is more commonly known as netizens to articulate, make information easily accessible, reliable and ease to permeate views among others. Since the 1992 U.S. presidential election process, candidates have gradually recognized the power of the Internet to further political ambitions of fundraising, engaging and interacting with the public, organizing and mobilizing supporters, gathering voter data, reaching the youth vote, and disseminating information. The emergence of social media in the early 2000s facilitated candidates' use of the Internet to connect with voters. Since the early 1990s, when Tim Berners Lee and a colleague designed the "World Wide Web" and a group of young university students created the Web browser "Mosaic", the Internet as a new medium has developed

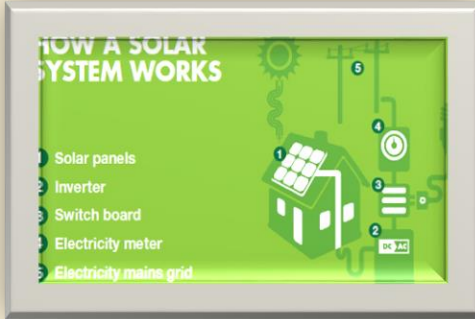
into a prominent aspect of life and a not ably important tool in presidential campaigns. In the mid-2000s, social media emerged with the appearance of LinkedIn and MySpace in 2003, the prevalence of blogs and creation of Facebook in 2004, the founding of YouTube in 2005, and the launch of Twitter in 2006, all of which further facilitated new interactions with potential voters.

In 1992, it was Bill Clinton's presidential campaign that first utilized the Internet to communicate with the electorate. Clinton's campaign took advantage of the Internet by creating a website that contained candidate biographies, their positions on policies, and the full text of speeches given by candidates. He has referred to himself as "the president at the dawn of the Internet age" In 1996 Clinton campaign was one of the only campaigns to take advantage of this opportunity, and managed to raise \$10,000 through the Internet. Simple websites provided campaign material electronically that were typically been printed on leaflets. In 2000 John McCain decided to tap into the Internet and accept donations online. By using the Internet for fundraising, McCain received an average of four donations per second online— adding up to more than \$2 million in just a week. At the same time, phone campaign also brought in \$67,000. McCain's campaign also acquired volunteers over the Internet. In fact, volunteers signed up at a rate of almost three per minute for various activities.

In India 14.32 crore population is Internet users, It is growing at a rate of 22.7% CAGR. India ranks 3rd in terms of the highest number of internet users in the world after USA and China. The number is projected to grow 6-fold in 2012-17 with a CAGR of 44%. In India Internet penetration is 8.5% (World 30.2%, U.S. 80%). India is expected to have a social media audience of over 8.8 crore by 2013 with over 75% of the audience under the age of 35. India has 55.48 crore mobile owners, The mobile Internet users in the country are expected to grow from 41 lacs users in 2009 to 16.8 crore in 2015 at a CAGR of 85%.

Bharatiya Janata Party's (BJP) started internet campaign in 2009 PM elections, Veteran BJP Leader and Ex. PM of India Shri AB Vajpayee's started Mobile campaign, his famous words "*Main Atal Bihari Vajpayee bolrahahoon*" became very popular during 2009 lok sabha poll. L. K. Advani reached out to youths through live chats and his Web site. Advani is also on Facebook, Orkut and YouTube. Gujarat chief minister and BJP Prime Minister Candidate for 2014 election, Narendra Modi uses tools such as podcasts, Twitter, Google SMS and widgets. He is among India's famous social media celebrities with 4.4 million Facebook 'likes' and 2.3 million Twitter followers. New emerging party AAP leader Arvind Kejriwal gained popularity in India in very short span of time. At present he is having 6.45 lacs follower on Twitter, he is ranked 14 among all Indian in terms of followers. Gandhi family member Smt. Sonia Gandhi and Rahul Gandhi are also among top 5 politician in terms of online followers. Congress Party has introduced intranet software called Khidki (Window) for use by Congress members which will help in identifying young members who would make up a cadre of local spokespersons. The Internet, however, provides a way to attract Indian youth. Over half of India's 1.15 billion population is younger than 25 years. Many first-time voters are likely to be connected via Internet and mobile phones. Politicians like Narendra Modi, Rahul Gandhi and Arvind Kejriwal want to project themselves as progressive, and the Internet is a great medium to do that. These Politicians are investigating the medium to tap the newly emerging group called netizens.





(Photo 3:- Photo Courtesy: Energy matters, Australia)



Chinese Government has set new policy to connect solar systems that are less than 5MW to connect to national grid free of cost. Households who own these systems can sell surplus power to State Grid Corporation of China.

Xu Pengfei became the first person in Qingdao, China to install grid connected solar system. The total capacity of the system is 2Kw at 220V. He uses it for his domestic needs and sells surplus power to State Grid Corporation of China. According to him the total cost of the system was 20,000 yuan.

Testing the waters back home: Recently, Ministry of New & Renewable Energy, Government of India had successfully completed pilot installation of grid connected roof-top solar systems. Under the RPSSGP (Rooftop PV and Small Scale Generation Programme) small grid connected rooftop PV plants (2 MW or less capacity) are supported under the programme. Capital subsidy of 30% of project cost is given to the beneficiary. Central and state agencies have to work in close coordination to speed up penetration of roof top solar systems. This development will bring a revolution in the solar energy sectors. Many PV manufactures are eyeing to setup their manufacturing plants in India. Assemblers, project developers, installers, technicians and marketing companies will directly or indirectly benefit from the energy revolution.



Co-ordinated & Edited By
PR COMMITTEE



Designed By
ROHAN RANE (PGPEX13-14)

Send Articles to: pr-pgx@iimshillong.in