

The IMIS NEWSLINE

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From the Editor's Desk...

2011 crept in while 2010 went away with stealthy steps... along with Nira Radia perhaps?! Come 2011 Bofors has yet again raised its venomous hood... lets wait and watch what this year has in store for us. Anyway here's wishing you all a prosperous year ahead.

In my pages you will find Debashis, being a very studious boy, is full of praises for Arvind Jadhav and his leadership in the revival of AIR INDIA.

Then you will find photographs of all those activities held in our campus and also outside our campus starting from 'UMANG' rural mela to Banking 2020 to Marketing Nuggets to many more.

We also had the pleasure of inviting people from various corporate sectors to grace us with their experiences and they've enlightened us.

And how could I forget SNITI, our very own modest nightingale who has sung her way to success in *Sa Re Ga Ma Pa Singing Superstar 2010* (ZEE TV). She was felicitated by Sri Prafulla Kar, an eminent oriya vocalist.

That's all for now I guess... till further happenings at our campus.





Mr. P. Acharya, IPS (IG-Prison) is donating blood in Blood Donation Camp organised by IMIS



Students are donating blood in Blood Donation Camp of IMIS



Foodie's Corner by Retail students



'I-Band' performance on Diwali Celebration



AIDS Day Celebration



Shutterz - Photography Exhibition



Santa Claus on Christmas Day Celebration



Folk Song Troupe from Rajasthan on Spicmacay

AIR INDIA- “THE REVIVAL”

Like jet blue in America, Air India in Indian context had captivated the Indian sky in its entirety. Air India, the state owned domestic and international carrier, dominated the airline market. But after decades of pampering and extravagant indulgences as a state-owned airline, India's national carrier Air India is struggling to survive the global aviation downturn. Famously known as the Maharaja or Great King after its mascot of six decades, it is now on the brink of collapse due to mounting losses and a dwindling market share.

Worse, with hardly anyone flying the airline and its net worth (assets minus liabilities) being totally wiped out, it neither had enough cash to pay its daily operating costs, nor the money to pay the salaries of over 31,000 employees. AI's financial mess could force it to lose its national carrier status.

To experts however, AI's current state is no surprise. AI's problems have been brewing for years and its present state is a result of continuous neglect for over 15 years.

The airline began facing its first competition in the early 1990s with the liberalization of the Indian economy, which opened the aviation sector to private players. Still, during the first decade of that liberalization period, with no competitors, AI continued to command a lion's share of the market.

But with the opening up of the Indian economy, competition got fierce and soon AI found its turf invaded by a plethora of foreign and local players. Suddenly, from the mid 1990s, it started losing its market. Instead of meeting competition head on though, AI allowed its decades of problems to pile up and up.

The root of the problem was its inability to perform in a competitive market. While every airline in the country calibrated their business model with appropriate cost and revenue structure to meet competition, AI failed to capitalize on its dominant position, a position any airline would give anything to have. AI also suffered from many other serious problems like a bloated workforce,

political interference, under investment in its fleet, and a weak management.

Nevertheless, the question now is, “does AI have a place to hide?”

Revival plan

The government on May 2009 appointed Arvind Jadhav, a 1978 batch Indian Administrative Service (IAS) officer, as the chairman of the state-run National Aviation Co of India Ltd (NACIL).

Under his leadership within 18 months the net loss of AI reduced 23% from ₹7189 crore in 2008-09 to ₹5551 in 2009-10. But critics say that these numbers do not reflect any fundamental change in the airline, and this has happened because of favourable circumstances — the industry is doing well, passenger numbers are growing and they are also willing to pay more.

So the question arises that does Jadhav have a turnaround plan for Air India which will get the financially-crippled airline back in the black?

So Jadhav had two strategical options-- first was to ask for government's help. The airline's survival is to a large extent dependent on the government which alone can bail it out of the financial mess.. So he asked for an infusion of ₹10000 crore in equity and another ₹10000 crore in the form of interest free loan. But his demands have not been met even halfway. The government has infused ₹800 crore in equity, but it could allow Air India to raise \$2.6 billion as external commercial borrowings with a sovereign guarantee that could help Jadhav save ₹600 crore in annual interest payout.

The second part of the strategy is under Jadhav's control — he can make the airline efficient, cut costs, increase fleet usage and of course trim the wage bill and the number of employees. Last year, the government had set him a target to save ₹2,000 crore, but Jadhav fell short by over ₹800 crore because he couldn't push through a wage-reduction plan due to opposition from the unions. He also has been able to bring up the average flying time for each Air India aircraft from eight hours to nine hours a day. That in simple terms

means he can add 32 more flights between Delhi and Mumbai in a day with the same number of aircrafts. Jadhav knows that to regain its financial health, Air India needs to improve its market share. Higher business volumes alone will kick in economies of scale. So he wants to increase the airline's domestic market share to 40 per cent by 2015 from merely 18 per cent now. To achieve that, he wants to more than double his fleet to around 280 aircrafts.

He also succeeded in increasing the revenue per available seat kilometre from ₹2.50 which was the lowest during the slowdown last year to a healthy ₹3.50 currently. As a result, the gap between the cost and revenue per available seat kilometre has come up from 21 paise to 80 paise now. Clearly, Jadhav still has a lot of ground to cover. Aware of it, he has begun to prod his commercial staff to do more direct sales and save the commission paid to travel agents.

The biggest challenge for Jadhav remains the wage bill of 40,000 employees. Air India's staff is three times higher than international carriers of similar size, and as a result its wage bill (₹3,200 crore per annum) is 60 per cent more than what it should be. Jadhav wants to spin the services off into subsidiaries, sell stakes to partners and transfer the staff to the new companies

But Jadhav's game plan, apart from needing cabinet approval, has to surmount strong opposition from the new companies which are being set up. So it's a steep walk for Jadhav.

Air India is still in its early days of revival. The road ahead is with challenges. Arvind Jadhav accompanied by his team has done a commendable job as of now and we hope that days ahead will mark the glorification of Air India (The Maharaja of Indian sky).

- Debashis Paul
PGDM-II

References:

1. *Economic Times*, Nov. Issue 2010
2. *Business Standard*, Nov. Issue 2010

Umang - The Gramin Mela



Inaugurated by Smt. Pramila Mallick, Hon'ble Minister, WCD, Govt. of Orissa



Company Stalls in Umang



Dance Competition

Banking 2020 - The Banking Lecture Series



Inaugurated by Mr. C.H. Narasimha Rao, CGM, State Bank of India



Mr. P.K. Sangamkar, Zonal Mgr., BOI and Mr. M.R. Bhuyan, Reg. Manager, BOB



Mr. D.C Satpathy, DGM, UBI in Banking 2020

Marketing Nuggets - Marketing Lecture Series



Dr. Mrinal Chatterjee, Director, IIMC in Marketing Nuggets



Mr. B.S. Pani, Chief Coordinator, Span Resource Mgmt. Services



Mr. Mahendra Ku. Baid, Branch Sales Manager (East), ITC Ltd.

Health Summit



Dr. Ashok Acharya, MD Ayush Hospital Ltd.



Dr. Saheb Sahu, MD Kalinga Hospital Ltd.



Mr. Prafula Das, Chief Correspondent The Hindu



Piyali Chandra
PGDBM (2001-03)

“Never think whether to emphasise on theory or practice as both are equally crucial coz theories have been developed from practice.”

1) TELL US ABOUT YOURSELF

I am a lecturer in finance of BBA course in University of North Bengal for last 6 years. From May'08 I have taken the administrative charge of the centre. I try my best to balance my family and job. I have a daughter just six months old.

2) ABOUT YOUR SPOUSE (IF ANY) AND OTHER FAMILY MEMBERS

My husband Rupak is extremely helpful and always encourages me about everything I desire. He is working with Birla Sun Life Insurance.

3) SOME OF YOUR BEST STINTS IN THE YEARS AFTER YOU PASSED OUT FROM IMIS

Most recent one, I have qualified NET in Management, conducted by UGC. Have also completed M.Com in International Business.

4) YOUR VIEWS ON CAREER GROWTH IN YOUR PARTICULAR SECTOR

Slow but steady wins the race.

5) YOUR COMPANY'S RECRUITMENT PROCESS AND YOUR REMARKS ON IT

Advertisement in news daily like Anada Bazaar Patrika followed by personal interview and other formalities. Website to locate all academic jobs "http://www.academicjobs.in" NBU website www.nbu.ac.in.

6) YOUR SUGGESTIONS FOR JUNIORS

Choose the stream you prefer to so that you can use your potentials. Never think whether to emphasise on theory or practice as both are equally crucial coz theories have been developed from practice.

7) FOR YOUR ALMA MATER

I cannot express my feelings in few words. Thanks for all that I have received in those two years. The lessons will guide me through my life and have also helped me to shape my students.



“Students are very good. We have to inspire the students so that they work hard and achieve success.”

Prof. (Dr.) R. K. Bal
Professor, Dept. of Commerce
Utkal University
Bhubaneswar



“Nice to be with young and future executives of banks and other corporates. The interactions show the level of improvement of these guys. Wish you all success.”

Mr. S. N. Nayak
Chief Regional Manager
Indian Overseas Bank
Bhubaneswar



“I liked interacting with the HR students and all of them were quite keen on learning and have decent knowledge. I see this as a great step by institute to bridge the learning between academics & corporate world.”

Mr. Sachin Agrawal
Asst. Vice President
Religare Enterprises
Mumbai



“The surroundings is beautiful. Students are well dressed. The building is nice, I wish the institution to grow & the students to rise to greater heights in their course. Let them make their parents proud and spread happiness all around.”

Mr. N. K. Padhi
General Manager (Operations)
State Bank of Hyderabad



“It was an excellent experience to interact with the students and faculty.”

Dr. Golak C. Nath
Sr. Vice President
CCIL, Mumbai



“Excellent to come across such a lovely premises in this part of the city. As told to me, the students are really inquisitive. I wish all the students & faculties very best”

Mr. Binod B. Choudhury
Vice President & Branch Head
Axis Bank

Prof. Seshadev Sahoo, Asso. Professor (Finance)

The title “**After market pricing performance of Initial public offerings (IPOs): Indian IPO Market 2002-2006**” research articles published in Vikalpa the Journal of IIM, Ahmedabad, Volume 35, No.4, October-December’ 2010.

Prof. Sourabh Bhattacharya, Asst. Professor (Marketing)

International Conferences

1. Paper presented titled “**Mystery Shopping in the Retail Industry**” in the International Research Conference held on 9th October, 2010, at Navi Mumbai organized by Padmashree Dr. D.Y. Patil University, Mumbai.
2. Paper presented titled “**Knowledge Management**” in “Towards a Knowledge Economy” the International Workshop and Conference held on 18th-20th November 2010 at New Delhi sponsored by Department of Information Technology, Government of India and organized by IIT-Madras, IIT – Roorkee, International Management Institute and National Productivity Council.
3. Paper presented titled “**The Great Indian Retail Story**” in SIMSARC International Conference on “ The Myths and Realities of India Advantage: What needs to be done to reach the potential” held on 17th -18th December 2010 at Pune organized by Symbiosis Institute of Management Studies along with Symbiosis International University.

Book Chapter Publication

Chapter named “**The Great Indian Retail Story**” page numbers 337 to 353 in the book “Myths and Realities of India Advantage” from Symbiosis Institute of Management Studies, Pune published by Excel Books with the ISBN number 978-81-7466-906-9.

Dr. Kishore C. Padhy, Director



Chairing Session on **Innovation in Financial Services** in the Seminar organized by IIPM (Indian Institute for Production Management), Kansbahal on 23rd Oct, 2010.

Prof. (Dr.) RKS Mangesh Dash, Professor (HRM)



An one day **training program** was organised in IMIS campus for the executives of VIOM Networks by Prof. Mangesh Dash along with Prof. Abhijit Panda.



An one day **training program** was organised in IMIS campus for the executives of Shree Durga Cloth Store by Prof. Mangesh Dash.

Dr. Santap Sanhari Mishra, Asso. Professor (HRM)

“Organization Development – for United Business Institutes, Brussels, Belgium, Europe – Published in October 2010 by Himalaya Publishing House, Mumbai.



Mr. Abhishek Mohanty,
Marketing Manager,
Parle Agro Pvt. Ltd.



Prof. (Dr.) B. K. Mohanty,
Professor, Decision Science
Group, IIM, Lucknow



Mr. B.P. Ray, Head Orissa
Circle, Punjab National Bank,
Bhubaneswar



Dr. D.V. Raman
Professor, XIM
Bhubaneswar



Ms. Gouri Mohanty, Head
Marketing (Orissa)
ETV Network



Mr. Hrikesh Singh, AVP,
Kotak Securities
KOLKATA



Mr. M. Madhusuthan,
Regional Manager,
Bajaj Allainz



Dr. M.K. Samal, Director,
Ravenshaw Management
Centre, Cuttack



Mr. Nishant Kumar
Regional HR (South)
SBI Life



Mr. P.K. Mohanty, AGM,
Central Bank of India



Mr. Pradeep S. Nair
Area Manager (CVBU)
Tata Motors Ltd.



Mr. Pramod Ku Panda
Chief Manager,
Oriental Bank of Commerce



Mr. Pramathesh Mohanty
Sr. Branch Manager,
Bharati Axa



Mr. Rabi Mohanty
HR Head
Reliance Industries



Mr. Rabi Sankar Ram, CA
Proprietor
R.S. Ram & Co.



Mr. Somnath Patnaik
Area Manager,
LICHFL, Bhubaneswar



Prof. (Dr.) Subhajyoti Roy
Dean, XIM
Bhubaneswar



Prof. Swapna Nayak
Professor, MCA Dept.
Utkal University, BBSR



Mr. Utpal Dey, GM (HRD)
Geetanjali Life Style Ltd.
Mumbai



Ms. Vandana M. Lal
Cluster Head (Orissa)
HDFC Bank



Felicitation to Ms. Sniti Mishra (PGDM-FC) for her achievement in *Sa Re Ga Ma Pa Singing Superstar 2010* by Chief Guest Mr. Prafulla Kar (Eminent Oriya Vocalist) conducted at IMIS Campus

Every form of addiction is bad, no matter whether it is alcohol, smoking or idealism or *Sniti*. She is making waves elsewhere. She is brand Ambassador of IMIS-is winning laurels, one after another. As famous J.P would say, much has been done at present but vastly more remains to be done.

She does not have airs of a singer. Usually; a singer accomplished or otherwise would require several requests to be made, remade time and again for making him sing. She is different, I ask her after the usual entreaties, all of a sudden, to sing. She would perform without much ado. Girls of her age and attainments are so vain. She is modest. I ask her in the presence of the whole class "*Sniti*, what would you become-Manager singer or Singer-manager. Without battling an eyelid, she would say, Singer- manager". There is no worrying, no second thought. She is a simple girl. In a complex modern world where our life is frittered

with details, she believes in Thoreau's dictum "simplify, simplify!" She has simplified her life-dedicated to the cause of music. She lives in '*riaz*', she breathes '*riaz*'. She has few friends- only one in the class-*Shabnam*, a girl quite unlike her but a bosom friend. "He has no friend who has many friends", says *Aristotle*. Her Friend was her looking glass, one before whom she can think aloud. Both of them are friends in good times, in bad times.

She walks alone and we look at her, making slow and steady strides. The woods are lovely, dark and deep. She has miles to go before she sleeps: She has promises to keep.

Sniti you've made us proud.

Dr. Kishore C. Padhy
Director, IMIS

Dear Reader,

Please enrich **IMIS Newslines** with your constructive suggestions to **Prof. (Dr.) P. A. Mohanty**, Editor
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