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NEWS ALERT

IDEA BULBS FLASH WITHIN ORGANIZATIONS

Maruti Suzuki, the nation's largest carmaker, JSW Steel, Max India which runs a hospital chain, and Mahindra Satyam which is emerging from a financial scandal, will tell you that their staff are not only executing what they are told to, but also feed in with ideas that help managers to achieve what they are hired for.

The growing tendency of companies' management to seek ideas from blue-collar workers to improve operational efficiency not only leads to saving money for the company, but also smoothens the relationship between the managers and staff that could avoid the kind of industrial unrest witnessed in Gurgaon last year.

Like most in the corporate world, JSW Steel saw its profitability erode when the economic cycle turned in 2008 after the credit crisis. It could not do much when it came to demand for steel. It could not do much about the fuel and raw material prices either. It did not sack people indiscriminately to cut costs. All it did was to ask its people to come with suggestions to cut costs.

Sajjan Jindal's JSW received 12,000 ideas.

These are not the days when cost cutting ideas and moves have to come from the top alone unlike in the mid 90s when Rahul Bajaj ordered monitoring of long distance STD calls at Bajaj Auto to cut costs and Ashok Leyland management nudged executives to use post cards instead of then expensive telephones to save a few crores of rupees. JSW Steel, which has now institutionalised the practice under "Mera Sujhaow", meaning my suggestion, expects to save Rs. 100 crores a year from suggestions such as cutting down use of power in the factories.

These small, but not insignificant ideas, come to the labour class who are more prudent with the money than their managerial colleagues. They mostly come up with suggestions that they practice in their day-to-day life.

Subject to Union government approval, the board of state-owned telecom company Bharat Sanchar Nigam Ltd (BSNL) today cleared a proposal for the divestment of 30 per cent government equity in it, as suggested by a committee set up under Sam Pitroda, the prime minister's telecom and infrastructure advisor.

Average domestic salary for students of the Indian Institute of Management Ahmedabad (IIM-A) rose by approximately 22.76 per cent to Rs 14.94 lakh, up from Rs 12.17 offered last year. On the concluding day of the placements, today, the average international salary also touched a high of \$110,750.

Send across your feedbacks to Dilpreet Kaur at dilpreet.kaur@jimsindia.org