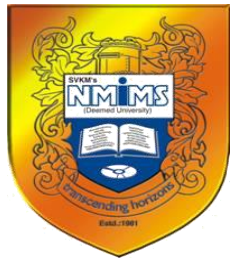


Global Consulting –

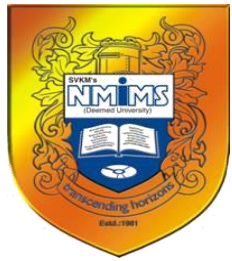
Insights for Management Consultants in Enabling
Indian and Asian Companies to go Global

Shanghai
September 17, 2005



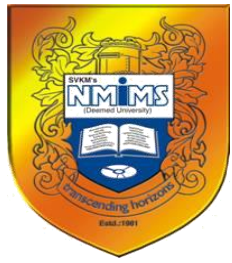
Globalisation and the Indian Economy

- India was a traditionally managed, protected economy where industrial growth was largely fueled by the government sector.
- 1991-92: first spate of economic liberalisation
- Process of adjustment to the free-market economy has been through ups and downs



Strategies Deployed in Going Global

- Organic and inorganic growth
- Adding and export component
- Moving up the value chain
- Creating niche markets
- Searching for new markets
- Global supply chaining
- Bringing foreign direct investment

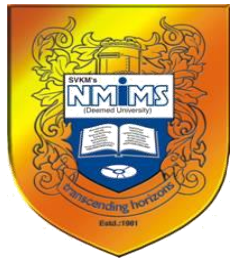


CEO Challenges

GLOBAL RATINGS OF 539 CEO'S

1. Sustained & steady top line growth
2. Speed, flexibility and adaptability to change
3. Customer loyalty

Source: Reno, Barbara; "the 2004 CEO Challenge: Views from around the world"
The Conference Board, 2004

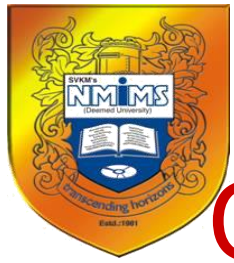


CEO Challenges

RATINGS OF INDIAN CEO'S

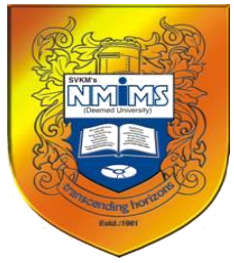
1. Sustained and steady top line growth
2. Stimulating innovation and creativity, enabling entrepreneurship
3. Cost/ability to innovate

Source: Reno, Barbara; "the 2004 CEO Challenge: Views from around the world"
The Conference Board, 2004



Our Research on Going Global

- What ground level challenges are experienced in the process of going global.
- What are the Insights for management consultants in enabling Indian and Asian companies to go global?



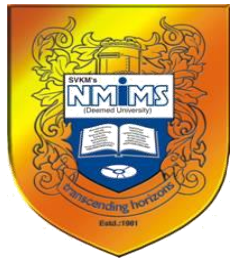
Going Global – Challenges Faced

■ Technology

- Adoption of technology developed in other countries
- Investment in bringing technology to India

■ Manpower

- Attraction of global managers
- Managing mindsets
- Retention of talented employees
- Management of diversity
- Compensation management for global careers



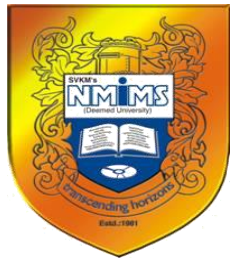
Going Global – Challenges Faced

■ Markets

- Creation of brand equity abroad
- Channel Management
- Competition from global brands
- Competition from local brands in other countries

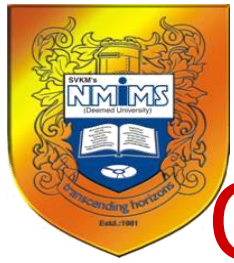
■ Quality Management

- World class business practices
- Product and process quality assurance
- Conformance with local quality standards



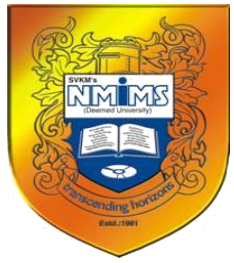
Going Global – Challenges Faced

- Management of change
 - Mindsets of existing managers
 - Bringing in flexibility
 - Changing old leadership styles
 - Aligning with world class
- Governance and Ethics
 - Conformance with legal requirements on foreign soil
 - Holding up to international scrutiny
 - Due diligence of operations abroad
 - Constitution of Boards with independent directors
- Risk Management
 - Credit/currency/financial risk
 - Market risk
 - Operational risk



Our Research on Going Global

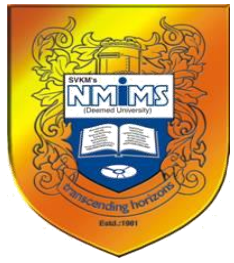
- Survey responses of 45 CEO's indicate the following rankings:
 1. Markets
 2. Manpower
 3. Technology
 4. Quality Management Systems
 5. Governance and Ethics
 6. Risk Management
 7. Management of Change and Organisation culture



CEO's expressed need for consultants (n=45)

■ Markets

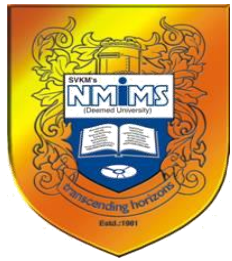
- Need for competitive intelligence
- Market research on foreign soil
- Strategy consulting on channels in other countries
- Insights on consumer psychology in alien cultures
- Advice on entry strategy
- Improvement on existing value chains



CEO's expressed need for consultants (n=45)

■ Manpower

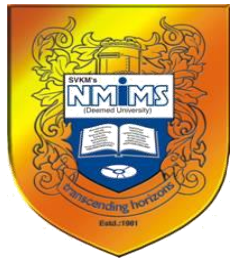
- Training for global mindset
- Talent management and retention strategies
- Global compensation strategies
- Insights into work ethic of different countries
- Competencies development
- Soft skills and domain knowledge training
- Diversity management strategies and training
- Social sensitivity training



CEO's expressed need for consultants (n=45)

■ Technology

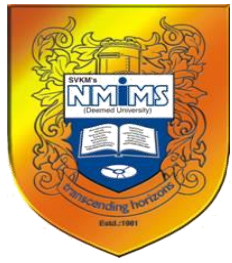
- Knowledge of technology developments
- Adaptation of existing technology to local conditions
- Sourcing of technology globally
- Technology transfer and collaboration



CEO's expressed need for consultants (n=45)

■ Quality Management Systems

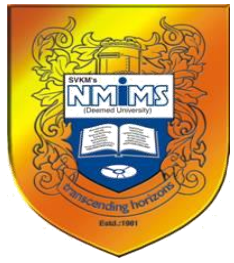
- Importance of quality management systems (eg. PCMM)
- Implementation of world class management practices
- Benchmarking studies with others in the same class
- Quality with cost control



CEO's expressed need for consultants (n=45)

■ Governance and Ethics

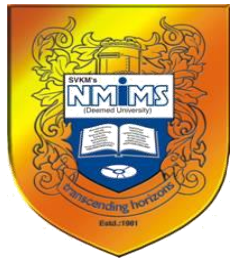
- Conduct of due diligence audits
- Advice on low cost compliance with local laws
- Meeting the international standards



CEO's expressed need for consultants (n=45)

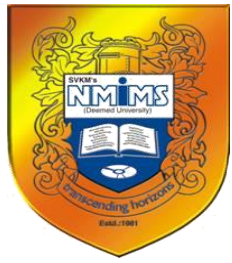
■ Risk Management

- Research on risk exposure on foreign soil
- Nature of political risk in other countries
- Intelligence on competitive strategies of business partners
- Enterprise Risk Management (ERM) solutions



CEO's expressed need for consultants (n=45)

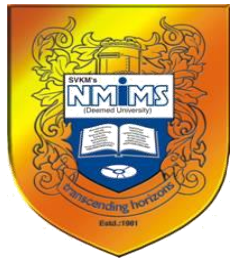
- Management of Change and Organisation Culture
 - Facilitating and communicating change
 - Attitudinal change management



Peek into the Future of Business Strategy

LOOKING INWARDS

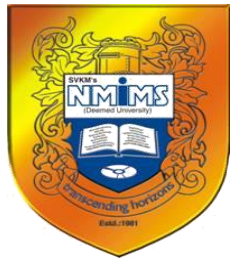
- Ethical strategy and governance
- Enterprise Risk Management practices
- Diversity management
- Talent management
- Benchmarking of operations
- Innovation and enterprise
- Away from feudal mindsets
- Measures and metrics



Peek into the Future of Business Strategy

LOOKING OUTWARDS

- Competitive intelligence
- Supply chain management
- Image management
- Investor behaviour management
- Innovations in forms of business strategy partnerships



Thank You

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