Samua Igniting Thoughts of Tomorrow

INFORMATION TECHNOLOGY MANAGEMENT

WeChat

Mr. Bhavesh Bhagat Chairman EnCrisp LLC



How IT has changed HR Practices



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SMAC: A new Buzzword in IT



About WeSchool





OUR VISION

"To nurture thought leaders and practitioners through inventive education"

CORE VALUES

Breakthrough Thinking and Breakthrough Execution

Result Oriented, Process Driven Work Ethic

We Link and Care

Passion

"The illiterate of this century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn." - Alvin Toffler

At WeSchool, we are deeply inspired by these words of this great American writer and futurist. Undoubtedly, being convinced of the need for a radical change in management education, we decided to tread the path that leads to corporate revolution.

Emerging unarticulated needs and realities need a new approach both in terms of thought as well as action. Cross disciplinary learning, discovering, scrutinizing, prototyping, learning to create and destroy-the mind's eye needs to be nurtured and differently so.

WeSchool has chosen the 'design thinking' approach towards management education. All our efforts and manifestations as a result stem from the integration of design thinking into management education. We dream to create an environment conducive to experiential learning.





Dear Readers,

It gives me great pride to introduce Samvad issues every month. Our Samvad team's efforts seem to be paying off and our readers seem to be hooked onto our magazine. At WeSchool we try to acquire as much knowledge as we can and we try and share it with everyone. I sincerely hope that Samvad will reach new heights with the unmatched enthusiasm and talent of the entire Samvad Team.



Prof. Dr. Uday Salunkhe, Group Director

Here at WeSchool, we believe in the concept of AAA: Acquire Apply and Assimilate. The knowledge that you have acquired over the last couple of months will be applied somewhere down the line. When you carry out a process repeatedly it becomes ingrained in you and eventually tends to come out effortlessly. This is when you have really assimilated all the knowledge that you have gathered.

At WeSchool, we aspire to be the best and to be unique, and we expect nothing but the extraordinary from all those who join our college. From the point of view of our magazine, we look forward to having more readers and having more contributions from our new readers.

Samvad is a platform to share and acquire knowledge and develop ourselves into integrative managers. It is our earnest desire to disseminate our knowledge and experience with not only WeSchool students, but also the society at large.

Prof. Dr. Uday Salunkhe, Group Director



About Samvad





Prof. Dr. Uday Salunkhe introducing the first issue of Samvad

OUR VISION

"To facilitate exchange of ideas that inspire innovative thought culture"

MISSION

To Dialogue To Deliberate To Develop To Differentiate

As the student magazine of WeSchool, Samvad is greatly inspired by the words of Alvin Toffler backed by a strong vision of facilitating exchange of ideas that inspire innovative thought culture. Samvad is a platform for the next generation leaders to bring forth their perspective on management to the world and gives the readers an opportunity to learn, unlearn and relearn on a continuous basis.

The team of Samvad is driven by a set of strong WeSchool values which enable us to create a dialogue leading to knowledge gaining and sharing, to deliberate on the information, to develop a sense of creativity and differentiate our minds with innovative thoughts of tomorrow; today.







Dearest Readers,

Greetings from Team Samvad!

It gives me and the entire Samvad Team immense satisfaction to bring to you the latest issue of Samvad on the theme "Information Technology Management".

In this month's issue we focus on the Information Technology sector. It's extremely rare for us to find any industry where information technology has not made an impact. Information Technology is used everywhere but now with technology itself changing at a rapid pace, Should we view the space of Information Technology differently? In this issue, we focus on the changing face of Technology and how the future of technology is going to change the face of today's business

To give you more insights on a career in this sector, we have Mr. Bhavesh Bhagat (Chairman, EnCrisp LLC), a distinguished personality in the field of IT Risk Management and Governance. Hope the interview adds lot of value to your reading. The featured article gives an insight on the new buzzword in today's technology driven industry called SMAC. The article talks about how technology would be seen in times to come.

We are thankful for all the wonderful comments, compliments and suggestions for improvisation by you all and we are striving for the best. We hope with this issue we provide you with different per- spectives on this sector. We will be happy to hear if you personally wish to enter this sector or have a vision to bring about a disruptive change at the grassroots level. It's time we ignite our thoughts in to actions for a better tomorrow.

Hope you will like reading this issue. Feel free to give us your feedback. The new Team will strive hard to make your readership experience more worthwhile.

Read Better to know Better...!!! Best Regards, Anurag Chatterjee Editor Samvad - Igniting Thoughts of Tomorrow





Team Samvad would like to extend its heartfelt thanks to certain key members of the WeSchool family for their special efforts towards the making of this magazine.

We deeply appreciate the constant motivation & encouragement that our beloved **Group Director Prof. Dr. Uday Salunkhe** has always given us. His vision & result orientation has been the driving force in creating brilliant leaders and making WeSchool a name to reckon with, not only in India but also globally. His focus on the core values of Passion, We Link & Care, Result Oriented Process Driven Work Ethic and Breakthrough Thinking has formed the foundation of all the activities that we undertake as students of this esteemed institute.

We deeply appreciate the help and support given to us by both **Prof. Amarkant Jain** and **Prof. Deepa Dixit**. Their insight and expertise is our driving force to ensure the sustainability of our magazine.

We appreciate **Prof. Indu Mehta** for her help in selecting the best Marketing articles. She is a part of our core Marketing faculty at WeSchool.

The Finance articles were scrutinized by **Prof. Sapna Mallya** and we thank her for choosing the most relevant and informative articles.

We appreciate the efforts of **Prof. Jyoti Kulkarni** for selecting the most interesting articles in General Management domain.

The Human Resources articles were scrutinized by **Prof. Anjali Joshi** and Operations Section by **Prof. Kavita.** We thank them for choosing the best articles

We would like to thank **Ms. Yashodhara Katkar**, General Manager - Liaison, WeSchool and her PR team for helping us to reach out to our readers. Also, we thank **Ms. Prachi Shah** and her team for helping us out in the PR activities of Samvad

We are indebted to **Prof. Jalpa Thakker** for all her help and guidance in the making of Samvad. Her insight and suggestions have been of tremendous benefit to us. The Samvad Team would truly be incomplete without her.







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An Interview with Mr. Bhavesh Bhagat

By: Team Samvad

(Chairman, EnCrisp[®], Governance Risk Compliance for Cloud Computing and emerging technologies)

1. Could you please share with the student's fraternity your professional experience and learning's in IT Management and new Technologies?

I am an Electronics Engineer and have done my MBA in Finance and Information Technology from US about 14 years ago. I started out in the Risk Management field and now I have been an entrepreneur for the past 12 years. We have multiple start-ups and on the technology front. I am also on the board of ISACA which is an Information Systems Audit and Control Association. It has around 1 lakh 15 thousand members across the globe. It is a body which makes sure that Information technology is safe, secure and well governed. So my role in the body is to make people aware of the emerging trends and technologies and help companies and professionals adopt and benefit from such technologies. However, our company mainly focusses on Security, Risk Management, Corporate Governance, Compliance and Emerging Technologies. So be it Cloud Computing, Mobile Technology, Google Tools, Special Analytics, we create solutions for our customers and clients to meet their governance goals and compliances.

2. With new technology like big data Analytics and 3D Printing coming in this year, what will be the new uncharted risks and innovative governance strategies that would present itself with respect to these technologies?



Any new technology brings with it a lot of opportunity as well as risk. Hence, associations like the ISACA, IIA etc. essentially focus on these risks. My role as an emerging technology evangelist is to make sure that companies take maximum advantage of all these new technologies. With any new technology, there are some risks which are essentially going to evolve. For example, with Big Data, we do not know how privacy is going to be handled because the governments in US and Europe are grappling with issues in privacy and security. But on the technical side, these technologies are quite robust to use. On the other hand, on the legal and policy side, things are still evolving. So if a Big Data analytics is to be implemented, it depends how mature are the government policies and legalities are as well as how mature is the company in making decisions and how involved it is in making the technology work on the ground level. Based on



all these things, the risks come into picture in various forms. 3-D Printing on the other hand is less mature as a technology as compared to a Big Data which is main stream. 3-D printing would gain momentum in the next couple of years. The risks in case of 3-D Printing are more on the intellectual property protection side because people can print, clone and start copying things which may not be their ideas. One cannot track all of that and hence, one has to think on those terms. The advantages of 3-D Printing are in terms of medical devices and similar things which we can clone and produce. However, the bigger thing right now is Internet Opting which is trying to use and keep everything connected to the social media. And now with almost every device being connected to the cloud, businesses and companies will have to think on how would they evolve in that sphere. So all the new technologies, be it Big Data, Internet Optics or Cloud Technology are here to stay and this is how IT is going to be consumed and evolved. It is going to be used as a utility or as a mass pervasive social tool rather than simply as an information tool. So companies will have to think as to how will they manage all the privacy and other risk related constraints along with implementing these new and evolving technologies. It also depends on the risk appetite of the company.

3. According to you how important it is for SMEs to invest in ERP solutions? Or is it better to do it at a later stage of the company?

I feel in today's scenario, SMEs need not invest in anything as of now as far as technology goes. Because currently the game has changed. Hence, one need not buy an ERP solution. You can simply subscribe and invest in them as a service. It's more like buying insurance; insurance is not an investment, it's an operational cost. So the SMEs have to decide how good and efficient they want to be as far as risk management is concerned. For example, take governance as a service on the cloud. One can manage one's risk, governance and board level strategy but a SME won't be able to buy a SAP solution as it would cost a lot. But now implementing ERP has become extremely cost effective as one can implement it on the cloud. So things like Invoicing, Inventory and Accounting are all done on the cloud and hence it's not even an investment. Instead it's a decision whether the SME wants to do his business with the latest cutting edge technology. So these SMEs need not implement Oracle and SAP. They can now get the ball rolling by using the latest tools and start collaborating, start doing ERP, Risk Management, better security etc. So the subscription economy is geared to the needs of the SME and hence for such companies subscription based models is the way to go.

4. One of the biggest problems facing IT organizations is the change in the requirements specifications, causing project delays and budget overruns. Is there any specific thing that we as IT managers should do to avoid this at the planning stage?

IT managers should all be business managers. Now with the subscription base, with cloud delivery, governance, software or CRM as a service, the IT managers don't do much besides facilitating business requirements, helping the business select the right solution. So they are more into solution and implementation role instead of setting up servers, installation etc. So the focus needs to be more on an AGILE based approach because with cloud and Software as a Service, AGILE becomes the most cost effective solution which IT companies need to implement which they however, more often than not choose to ignore. So basically, if IT managers could focus more on the business aspect of their work rather than their own Information Technology



expertise, they would help the company and the business grow more effectively.



5. The IT sector is currently booming across the globe compared to any other sector, do you think it will reach to its saturation stage / will slow down any time soon?

No, because I think the word Information Technology is irrelevant now. Now the buzz word is Technology. Information is everywhere and readily available but it is the technology which is dynamic and changing every day. So if you are abreast with the latest and evolving technology, then you will always keep yourself relevant, employable and in business. If you are stuck in some old technology and expertise only in that, then you would soon become redundant in case a new technology comes in. And technology changes every 6 months or in even lesser time, so it is how you as a company take advantage of these things and eventually minimize your risk is all that matters otherwise you just miss the boat. Blackberry for example is a classic case of a company which missed the boat and could not adapt to the latest trend. So every new business whether it be a marketing company or a small start-up, they have to use these latest tools and techniques and a lot of these are available for free. So every new business whether it be a marketing company or a small start-up, they have to

use these latest tools and techniques and a lot of these are available for free, so there is no excuse for not being relevant and up to date. Hence back to your question, I would say Technology, not necessarily Information technology will definitely play an important and critical role in our lives, society and most importantly in our Business.

6. Lastly, please share the one advice that you would like to give the young budding managers who will soon be stepping into the corporate world.

Focus, Focus and Focus. I feel that the devil lies in the Detail. I feel the Indian Students focus only on the theoretical aspect of things and most often they don't keep themselves updated on the emerging trends and technologies. Instead they only focus on their own jobs on paper and if you are good manager you need to focus on delivering the best optimal value to your customer. You have to be persistent to find the answer to every problem. So I would advise students these two things, one being able to give attention to detail and another being perseverance.

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SMAC – A new buzzword in IT

By: Vikas Kumar & T. Levin , MBA(FT), 2013-2015, FMS, Delhi

Introduction

In the fast-paced, jargon-filled world of the Indian IT industry, a new acronym "SMAC" is getting a buzz. Traditionally, Indian IT service was providing services that support clients by creating and maintaining their software and hardware but existing services are now becoming commoditized which in turn forcing companies to seek newer projects that are transformative in nature and work closer to the client's business. In 21st century, India's technology services industry is looking towards a new avenue --SMAC technologies .This is the formula for the Future of Work on one integrated platform where each function enables another to maximize their effect. This new enterprise IT model is making organizations more collaborative, connective, real-time and productive.



Source: Cognizant Technologies (From CLSA;

Experts predict that the confluence of SMAC will be a potent and leading business-technology enabler of the next decade. It is believed to be the "fifth wave of IT". Like the four waves before it — the mainframe, minicomputer, distributed PC and the Internet — It will also generate significant dislocation and wealth creation for the IT hardware, software and services sectors and drive new levels of productivity for businesses.

By 2020, the Indian IT industry is expected to collectively rake in over \$225 billion (Rs 12.5 lakh crore) in revenue, thereby riding the wave of emerging technologies and new innovations, according to Nasscom survery report.

Traditional services account for a major portion of the revenue of Indian information technology (IT) firms. Application, development and maintenance work alone accounts for 35-40% of the revenue of most IT firms. But with increased automation and platform-based services that can be replicated across segments and nonlinear initiatives, analysts agree that SMAC (social, mobility, analytics and cloud services products) will allow the IT industry to offer more value to clients.

What is SMAC ?

SMAC, which stands for Social, Mobile, Analytics and Cloud, is the result of the congruence of technology to drive new business models through customer engagement. Let us look in detail what each of the terms means:

Social – Social media is any site that interacts with the user while providing information. Though the technology has been around for some time, companies are leveraging this to discover new ways to interact with internal and external stakeholders.

Mobile – The keyword here is "on-the-go". Smartphones have created a new path for obtaining and disseminating personalized information through apps. Apps provide a hassle-free method for companies to be connected to customers anytime, providing agility to your model.



Analytics – This is easily one of the most overused jargons in the technology industry. Tracing back to several years, analytics today is simply using data to generate insights. With over 70billion updates on facebook in a month, and 100million tweets a day, the amount of data on consumers is huge. And this data forms the gateway into the customer's minds.

Cloud – Cloud is the answer to the constraints of geographical boundaries. This enables access to information anytime, anywhere in the world. Cloud enables scalability enhancing the scope of businesses.

SMAC Examples

These are some of the examples where SMAC implementation has opened a new gateway for the business. It can be used in any industry ranging from agriculture, manufacturing to retail, pharmaceutical. Cropin technology, a Kolkata based startup, is aiming to empower the Indian farmer by making every crop traceable so that harvested crops can meet best global agricultural practices. My Parichay, a Bangalore based startup, is using social retargeting i.e.adding a new product to its Facebook based hiring platform that helps recruiters across the globe reach out to passive candidates on their Facebook or mobile device.

Businesses are constantly looking for data which pertains to their customers be it their interests, likes, dislikes, purchases, geographic locations, social check-ins etc. to customize and map their offerings with customer's needs as well as interests. For example, analytics engines used by online retailers such as Amazon and Netflix help recommend products in real time to their customers visiting their website.

The growing community of internet users has launched a new platform for open source technologies that have diluted the hegemony of proprietary software owned by corporations. Google is also promoting the support of more open source software like Google summer of code source projects is crowd funding which is organized over web platforms like Kickstarter, Indiegogo, or Bountysource. Revolutionary products like Pebble Smart Watch, Google Glass and Nike+ Fuelband are signs of the digital revolution the human race is witnessing. These devices work on cloud-based information that can be accessed anytime, anywhere and hence improved customer interaction with enterprises.

SMAC – The way ahead

One of the most obvious rewards of adopting SMAC technology is the competitive advantage it provides over other players. However, as Nicholas Carr pointed in the article titled "IT does not matter" in Harvard Business Review, this advantage will be for a limited period. This is a classic case of early birds catching the worm. Fast forward a few years, and the scenario takes a different shape. By then, SMAC would lose its competitive advantage and merely become a hygiene factor, as almost all the companies would have adopted the technology.

When customers are faced by several firms with similar services, he would prefer to stick to anyone. But, on the other extreme, a flaw in customer service means that the customer's initial response will be to shift company. Initially, for the next few years, SMAC will help companies attract customers, and maintain them. However, when SMAC becomes more of a utility, it will become harder for companies to attract new customers banking on technology. Then, customer retention is the less thorny path to go.







2016: A Bubble waiting to burst?

By: Vishak E.B. & Vinitha J., PGDM (2013-2015), XIME, Bengaluru

Modern economies experience significant swings in economic activity. Sometimes most industries are booming and unemployment is low; while, in other years, it is vice versa. Periods of positive growth are called booms; periods of negative growth are called recessions or depressions. The combination of expansions and recessions is called the Business Cycle.

Many economists have tried to explain occurrence of business cycles, of which two have caught our attention – Innovation theory of J. Schumpeter and Overinvestment theory of Gottfried von Haberler.

In this article we intend to address recessions that occurred in the US economy and their global impact and identify a pattern for business cycles.

Innovation Theory

In 'Theory of Economic Development' (1934), Schumpeter states that the economy which follows a circular flow is in equilibrium. However, the entrepreneur, by introducing his innovations disrupts this equilibrium, and causes business cycles to occur. Booms happen due to innovations in industry and commerce, which involve changes in methods of production, or in industrial organization, or in the production of a new article, or in the opening up of new markets. When these innovations turn out to be nonrevenue generating activities, they lead to capital blockage, resulting in reduction in output, employment and ends in the birth of a recessionary period.

Overinvestment theory

Gottfried von Haberler, in his work 'Prosperity and Depression' (1937), classifies overinvestments into three groups: Overinvestment due to a) Monetary and Credit changes;
b) Non-monetary influences such as inventions, discoveries, and the opening of new markets;
c) Changes in the demand for consumer goods—which reacts slowly but more violently upon capital goods industries.

This theory explains that there is a disparity in development, as one sector is on high growth while the other is lagging behind due to overinvestment. This growth during the boom phase is corrected by a slump, in the hope of bringing a balance in the economy.

In this article, we will focus on overinvestment arising from non-monetary influences such as patents and inventions in the field of technology. Rapid innovations in Communication and IT Systems are taking place globally. Social media has boomed and Applets are the talk of the town. Even the field of Finance hasn't been spared, such as the rise of the New Derivatives Market. Now, we shall look at the influence of these theories on the last two recessions experienced by US.



Image Source: NASDAQ

2000 The Dot-com Bubble was a speculative bubble



in the shares of early internet companies called "Dot-coms." During the mid-1990s, the internet had evolved as a way for people to communicate. Almost immediately, businesses such as AOL and Yahoo saw the internet as a significant profit opportunity. As the internet became increasingly commercialized, many online businesses and their founders grew fantastically wealthy. Technology stocks soared and created a very strong incentive for more technology companies to become publicly traded. From 1996 to 2000, the NASDAQ stock index exploded from 600 to 5,000 points.

"Dot-com" companies were going public and raising millions of dollars as capital. Many of these companies lacked clear business plans and even more had no earnings whatsoever to speak By early 2000, investors realized that the of. dot-com dream had developed into a classic bubble. Within speculative months, the NASDAQ stock index crashed to 2,000 as shown in the graph. Thousands of technology professionals lost their jobs and, if they had invested in tech stocks, lost a significant portion of their life savings.

The prime reason for entrepreneurs to start tech companies was to explore new markets by innovating in the field of IT. This created imbalances in the economy due to overinvestment in IT stocks and subsequently caused a recession.

<u>2008</u>

Ironically, the end of the 2000-tech bubble was sort of a beginning for the 2008-real estate bubble. The resulting losses of the dot-com bubble had affected the broader American economy in To revive growth and increase congeneral. sumption, the then Fed Chairman Alan Greenspan lowered interest rates, flooding the market with liquidity. Unfortunately, the lower interest rates did not lead to more investment in plant and machinery. With the availability of cheap credit, Mortgage companies had pushed exotic mortgages on to millions of people many of whom did not know what they were getting into, but were reeled in with the promise of a steady stream of income and increased returns.

This crisis saw the birth of a new type of innovation – the 'financial innovation' as Stiglitz calls it in his book Free Fall (2009). These financial products were so complex that they increased risk and eventually brought down the entire US financial system. Also, the banks got directly involved in these products – that is, they weren't just acting as middlemen for the risky assets that they were creating, but they actually invested in them.



Image Source: Bloomberg

When the day of reckoning came, it turned out that the entire financial system was caught offguard as seen in the exhibit. Citizen investors had resisted investments in innovations that would have helped people and countries manage important risks, in favor of investments in collateralized-debt instruments.

Thus, America's financial markets had failed to perform their function of managing risk, allocating capital and mobilizing savings. Instead they had created risk, misallocated capital and most importantly, encouraged excessive indebtedness among laymen.

<u>Relating Overinvestment and Innovation Theo-</u> ries to significant deals in Tech Companies

Google-Motorola Deal

In May 2012, Google acquired Motorola Mobility, at a whopping \$12.5 billion! In 2014, Google divested by selling it to Lenovo forfrom this venture just \$2.9 billion.



Sure, Motorola had \$3 billion of cash on its balance sheet when it was acquired and Google later sold a set-top box division for \$2.4 billion. But that still doesn't explain why Google got only \$3 billion for the remaining net investment of \$7 billion. As Larry Page, the CEO of Google replies, "Patents".

Google made the hasty deal only to get control of Motorola's pool of about 17,000 patents. At that time, Apple and Microsoft appeared to be waging an intellectual property (IP) war to break the Android challenge. However, many of those battles continue and IP attorneys are split over whether the Motorola patents have helped Google at all. Besides the book loss of \$4 billion that Google suffered on the sale, its Motorola operations were far from successful. Google reported operating losses for Motorola as its owner, including \$800 million in 2013 and \$1.1 billion in 2012.

Overinvestment theory says that non-monetary influences such as inventions, discoveries and new markets have an impact on trade cycles. Google's justification for acquiring Motorola was its patents (inventions) and entry into new markets (smartphones). But as is obvious, the deal didn't bring success to Google. Are such overinvestment propositions building up bubbles?

Facebook-WhatsApp Deal

On 20th Feb 2014, Mark Zuckerberg announced that Facebook would acquire WhatsApp for \$19 billion, one of the biggest deals the world has ever seen. WhatsApp has around 450 million users worldwide and an interesting revenue model - it charges a one-time fee of \$0.99/iPhone user and \$0.99/year on all other platforms (with the first year being free). It reported revenues of just \$20 million in 2013 and has no plans of advertising or changing its revenue model. Although its expenses are low, there seems to be no clear way to objectively validate the \$19-billion price for the messaging company. The only justifiable method of determining the fair price for WhatsApp is by predicting its future cash flows. Even if the company targets a 100% increase in its users YoY (which is possible with strong growth markets such as India, Mexico, Brazil, and entrenched presence in Western Europe and the US), the maximum revenue that it can generate is \$900 million, but only by the end of 2015. At this rate, Facebook would take approximately 7 years to recover the price paid.

Now, for a tech company to survive for 7 years and have an exponential growth of 100% in its user base YoY is questionable. Another way of valuing this deal is by predicting the profits peruser per-year. With the current user base of 450 million and the deal size of \$19 billion, WhatsApp should generate \$42 per-user peryear. With WhatsApp not intending to change its revenue model, how will it generate an additional \$41 per-user per-year?

Since the inner workings of Zuckerberg's mind are unknown to us, we can only guess that Facebook is looking to reclaim markets of youth users, lost to IMs (Instant Messaging) such as WhatsApp. So, to win back the lost ground, Facebook has acquired WhatsApp, but clearly, \$19 billion is an overinvestment. This may spark the rise of a bubble.

It may be a matter of time before the market does a reality check. Going by the trend of overinvestment deals in innovation-driven technology companies and correlating it to the 8 year recession cycles that we have observed, one can surely question - is 2016 a year to look out for and is enough being done?







Emerging Trends in Information Technology Management - Business Intelligence

By: Ramesh Pradhan, Symbiosis Institute Of Management Studies, Pune

So we have entered an era where data itself has not much of significance. What makes more sense is the insights that it gives us, to the businesses. The times are changing fast, faster than ever. The size of data also is increasing by leaps and bounds. The amount of daily business transactions that are taking place today , have created a monster out of it. So the questions that lies ahead is what to do with such data? According to a research conducted by the TDWI in 2009, about 59% of the data warehouses (DWs) will be over 3Terabytes by 2012 and this assumption was quite close to the size of DWs that exist today. To take some meaning out of it what is need is Business Intelligence, probably the buzzword these days along with the BI tools that are used like BigData - Hadoop.

The sole reason of Business Intelligence coming into picture cannot be attributed to the data size alone. The primary reason being the functioning of businesses have changed over the years, they are becoming more result-oriented with competition increasing like never. The client diversity is increasing, customer demands are changing and so are the perspectives of the businesses. Data virtualization to data visualization, the businesses have changed the way they used to think earlier. The questions posed by the volume, velocity and variety of data have been everchanging and multifarious.

Business Intelligence brings a lot of perspectives to the table, some of which may be faster deployment, data visualization, data integration or interactive environment. From the 2-D figures that an office tool used to give we have moved to 3-D views , heat maps etc. The tools available in the market are many. You have Micro strategy, for creating dashboards, IBM Cognos for dashboards, Informatica for ETL (Extract, Transform and Load), SPSS for data analytics etc. You name the type of analytics required and you have a tool for it.



Image source: http://blog.joelrubinson.net/wp-content/uploads/2014/04/big-

BI has been evolving since it has emerged into the picture. Gone are times when arduous preconditions were set for performing any tasks. The insights that are derived from any type of data is very dynamic per se, as customer requirements are changing so are the business specifications and targets to adhere to. And most essentially going by the current economic scenario and lot other concepts like crowd sourcing etc. coming into the picture the opportunities a plenty and the profits multi-fold. The striking fact of Business Intelligence tools is that they stay true to the original goal of ancillary decision making by turning data into insight. Business Intelligence projects in whatever verticals they might be demand faster deployment and faster results. This helps businesses to stay abreast with the competitive world and establish themselves as brands with on-time deliverability.



The other added advantage of Business Intelligence Tools is the cost-effectiveness that they bring to the table, like no other technology does. For example, a tool like Tableau Software or R-Analytics can be installed and connected directly to any data source. Thanks to its spontaneous interface, one can start the process of finding insights straight away.

The growing need for the Business Intelligence Tools is a good indicator of the impact it has made to businesses. As per the TDWI data, the number of active users of BI tools grew from 18% in 2005 to 24% in 2009 which indeed is remarkable for a new technology as this, whose functionalities has been ever-changing since its inception in the early part of the last decade. The twitter hashtag analytics for example has added a new dimension to Business Analytics by helping business managers see the market beat and strategize and plan accordingly.



Image source: http://wikibon.org/blog/big-data-changing-the-business -frontier/

Now when talking about Business Intelligence, it would be a gaffe not to give a due mention about BigData. In the last few decades in the Information Technology space if anything which has created a furore it is Big Data. The tremendous potential that this technology has got has changed the whole dimension of business like never before. Big Data as the name itself implies means data which is beyond measure, huge in

size as compared to the traditional data that we normally come across. So what has made it all that important? So important that a company like Yahoo! was the first one to use this technology then Facebook and gradually other businesses too are following the suit. Many of the social media sites are turning into mass media, the biggest of them being Facebook of course with more than 1 billion users. Certainly, as firms go about their businesses and interact with individuals around the world to contribute to the amount of digital "exhaust data" i.e, data that are generated as a result of other actions. BigData unbelievably provides staggering numbers be it on the business-side or the consumer-side. And the other huge contributor to data are the handheld devices or the smartphones. With billions of devices being used, the data being shared is also huge. So all in all the possibilities of BigData continue to evolve each and every day, thanks to the constant innovation in the underlying technology, the mechanisms of businesses and the analytics associated with it. Big-Data continues to add value to businesses daily, the only concern being how smartly or how effectively it is being used.

Not for nothing, the experts have declared analytics to be the premier profession of the 21st century. The implications here are manifold, the changing face of global economy that we're witnessing is something to ponder upon. But then Business Intelligence is here to stay, if at all, it'll keep adding new dimensions with time. The Tableaus, the MicroStrategies will keep on emerging, smarter and faster with time. But then the big question that lies ahead is "to what extent? ". Will we be able to handle the tsunami of data that the unforeseen future will bring? Is it high time to switch from BigData to some other futuristic tools? Well the questions will keep tumbling upon every now and then. The onus lies on us to prove how quickly we adapt ourselves to the changing need. For time being

"Let Business Intelligence permeate everywhere...every business".

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Human Resources



How IT has changed HR Practices

By: Adhish Sinha and Rahul Jain, Welingkar Institute of Management, Bengaluru

In the current information age scenario, impact of technology can be seen in every phase of the business. Many businesses cannot even survive without the use of computer technology. This percussion can be witnessed nearly in all business areas, including HR, where technology continues to have a clamorous impact on HR practices. IT assists HR professionals in the transmission of services and impinges all HR practices.



Image Source: http://www.pmacsitsolutions.com/hris.php

Human Resource Management generally uses IT as HRIS. HRIS is a unified system of databases that allow users to store and track all types of data that are related to human capital in the company. An au courant HRIS is a dynamic employee's performance and database about demographic erudition. HRIS provides information about employee's data, employment, application requirement, job characteristics, selection and staffing, procedures of employment, corporate structure, professional and individual improvement, education costs, performance appraisal, personnel planning, organizing etc. & these data are used for many purposes.

Some modules under HRIS are :-

Recruiting

One significant manner in which human resources has been impacted by technology is in the area of recruitment. Previously, HR profesdependent on print media, such sionals were as newspapers & magazines, to post jobs and get prospects for current openings. Networking was another prominent method, but HR recruiters did not have the ability to post a job in one or more locations. Assemblage and keeping track of applications for employment or online recruiting is an application that allows candidates to apply for a certain position in the company and it's also beneficial for HR department to collect and process the received applications. Online collection of application has become standard in developed countries. After collecting applications, the company approaches the next level using the HRIS module. This includes support for the following activities: generating reports with statistics about labour market in the country (in U.S. it is called EEO Form), monitoring of job descriptions and job specifications, monitoring of interviews and the score assigned by the staff responsible for their evaluation, keeping internal statistics on employees, auto-tracking and analysis of profiles of candidates, generating a list of e-mails, making online opinion etc.

Data Storage and Retrieval

Human resources virtuoso generally process a substantial amount of paperwork. The use of electronic imaging has made it possible for companies to store and retrieve files in an electronic format . Technology also makes it possible for human resources professionals to simply print the forms that are needed for employees.



This module usually includes data for regular and emergency contact with the employee, data on all formerly received wages, data on absenteeism from work, trainings and certificates, estimates the characteristics of employees, information on possible disciplinary action, injuries at work, and data that companies can define by itself, unless they are part of a standard software package. In addition to these data, it is possible to store scanned documents (education diplomas, birth certificates, judgments, etc.).



Image Source: http://www.jobscience.com/blog/what-is-the-differencebetween-hrms-and-hris/

Training

HRIS enables human resources professionals to train new staff members in a more efficient way. The ability to access company information and training programs from remote locations eradicates the need for trainers to work directly with new hires on all training. Some interaction will always be necessary on some level, of course, but training in virtual classrooms makes it possible for the HR professionals to train a large number of employees quickly and to assess their progress through computerized testing programs.



Performance Management

Yet another very important function of HRIS for each company is performance management. Beside this it is also important to understand whether the objectives are met and which section should develop. The goal of this module is not criticism but potential updating and upgrading of the system. This module holds features for monitoring system performances, which provides beneficial information for the management of the company.

Technological development will enable the widespread use of certain functions of HRIS through web, mobile phones, WAP or PDA, with e-mail, as a key component. At the end we can point the importance of these systems with the citation of Martyn Sloman: "Professionals who deal with human resources, and who fail to realize the potential importance of HRIS system will not be able to fulfil their role in the organization. They will not be able to provide information which management need for successfully manage operating costs and development of their employees. Management of the HR department should be more ambitious in terms of their requirements and to unite with the IT sector, to enable better functioning of the system."

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OPERATIONS



Information Technology Management in Operations

By: Aakash Kumar Varma , PGDIE, 2013-15, NITIE, Mumbai

"Information technology and business are becoming inextricably interwoven. I don't think anybody can talk meaningfully about one without the talking about the other."

- Bill Gates

As rightly said by *Mr. Bill Gates* in the above lines, information technology is an important part of any business operation. In today's growing market every company has to keep up with the latest developments in the world. And this is only possible with the use of information technology and its applications. For example, every company is now a days to moving from manual record keeping to digital record keeping. There are many other examples in the market which prove this fact. This is applicable in the industry in spite of sector focused upon. So, the role of information technology can never be ignored in the Operations also.

Operations can be defined as processes that transform resource or data inputs into degoods, services, sired or results, and create and deliver value to the customers. The companies which operate in this type of work are referred to as Operations Company. These company deal with products which are of huge investments and to manage this kind of investments information technology tools come very handy. Apart from handling investments and records, there are many other roles in which information technology plays an important role in the working of any Operations company. There are numerous processes in any operations organization such as logistics, manufacturing,

procurement, etc. In order to make a sync between all these processes, some automated system is required which can be attained with the help of information technology only.





In the field of operations, a company requires to make and receive orders, make forecasts, analyze the various data available. These can be best done with IT. Even in warehouses, barcodes and RFID techniques used are the direct application of information technology. Nowadays even we see that many operations are moving towards more and more automation, which requires it to be integrated with IT and associated systems. The big robotics applications which is used in shop floors are IT enabled and controlled via some computer or a predefined program. Considering the example of Ford Motor Company, in which all the assembling is done by giant robotic arms. These arms are responsible for all the assembling of the various parts of cars. These are controlled by already fed programs into the system controlling the arms. Apart from all this, various analysis in the organization is also done by the help of IT programs. Various softwares and models used in the forecasting, procurement, etc. are done on computers, thereby use of IT.



Apart from the various processes in any operation, IT is useful in managing human resources as well. In maintaining a record of workers coming and leaving from the office or shop floor can easily be obtained using scanners at the doors. This helps in reducing the human effort to make note of all the movements. Also they can be checked automatically, if they would be taking any secured information out of the company's premises. Thereby, maintaining secrecy in the organization.

The growth of IT technology in the recent few years has imposed a tremendous challenge on these companies to integrate these recent developments into their system. In order to fight this growing competition companies have to keep up with the recent developments in the world which is only possible with the use of information technology. It has become an unavoidable part of any organization. Even though IT is very useful to the industry, it has few disadvantages too. It is due to the use of IT systems all the important information of the companies gets leaked to the market much more often nowadays (even though various preventive measures are being taken). The recent Apple vs Samsung patent case was a clear example of misuse of IT. In any operations industry, due to use of more and more IT infrastructure many jobs are being lost. This may be an advantage to the company but is a disadvantage to the society at large.

In a nutshell, we can say that information technology has become an integrated part of the industry and its role is everlasting. In the words of *Robert Redford*, "It's hard to pay attention these days because of multiple effects of the information technology nowadays. You tend to develop a faster, speedier mind, but I don't think it's necessarily broader or smarter."

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Fig 1. - http://www.teachthought.com/trends

As rightly said by *Peter Drucker*, "The new information technology... Internet and e-mail... have practically eliminated the physical costs of communications". This has drastically reduced the cost which was incurred by companies on communication. Now companies are focusing on these IT tools to reach the consumers. The use of IT has even made inroads into rural areas and companies are using e-kiosks aimed at reaching consumer directly. Companies in order to reach consumers residing in the remote and rural areas are generally approached via some information technology means.





We invite articles for the April 2014 Issue of Samvad.

The Theme for the next month: April 2014 - **"Logistics and Supply Chain Management"** The articles can be from Finance, Marketing, Human Resources, Operations or General Management domains.

Submission Guidelines:

- Word limit: 1000 words or a maximum of 4 pages with relevant images.
- Cover page should include your name, institute name, course details & contact no.
- The references for the images used in the article should be mentioned clearly and explicitly below the images.
- Send in your article in .doc or .docx format, Font size: 12, Font: Constantia, Line spacing: 1.05' to samvad.we@gmail.com. Deadline for submission of articles : 25th April, 2014
- Please name your file as: <YourName>_<title>_<section name e.g. Marketing/Finance>
- Subject line: <YourName>_<Course>_<Year>_<Institute Name>
- Ensure that there is no plagiarism and all references are clearly mentioned.
- Like our Fb pg: Samvad.WeSchool.Student.Magazine.

Samvad Blog

As said by Ann Morough Lindburg, "Good communication is as stimulating as black coffee and just as hard to sleep after." Samvad, which means 'to converse' in Hindi, is exactly the motive of our team Samvad. Our readers and writers are of utmost importance to us at Samvad. We don't like to interact with you only once when the issue is released. So, we thought, what next? Then came the idea of a blog - the ideal platform for meaningful discussion on a more regular basis. Hence, we present to you 'The Samvad Blog'. The Samvad Blog, as the name suggests is a blog dedicated to sharing of information, insights and opinions that allow exchange of some valuable ideas by stimulating your intellectual senses. It will include some interesting reads on management gurus, book reviews, and relevant articles among many other varieties of food for thought.

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Don't forget to comment with your opinions. Always have a healthy debate we say! As progression lies not in agreement, but debate!



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