

Management Challenges

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My concerns

- Will managers be respected and paid as much salary as today?
Will there be a need for MBAs?
- Will the world survive beyond 2050? What do we do to sustain the world before we can sustain our business and economy?
- Even if the world survives, can we live in peace, if we are going to leave out large masses of people below the subsistence levels? What do we do bridge the income disparity?

.. President John F. Kennedy in 1960s would not have seen satellites, VCRs, camcorders, photocopiers, fax machines, answering machines, digital watches, e-mail, cellular phones, and laptop computers.

Kotler on Marketing (1999)

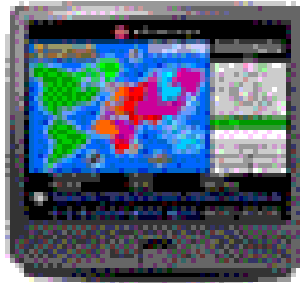


Convergence

Communication



Computing



Information Technology



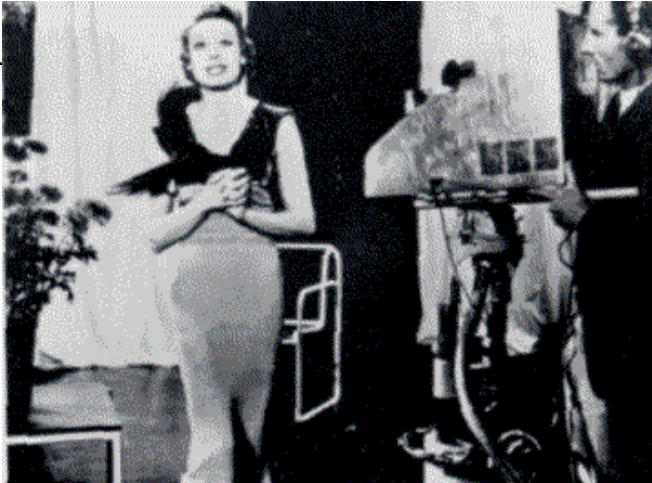
Communication



- 1876 - Telephone (wire)
- Alexander Graham Bell

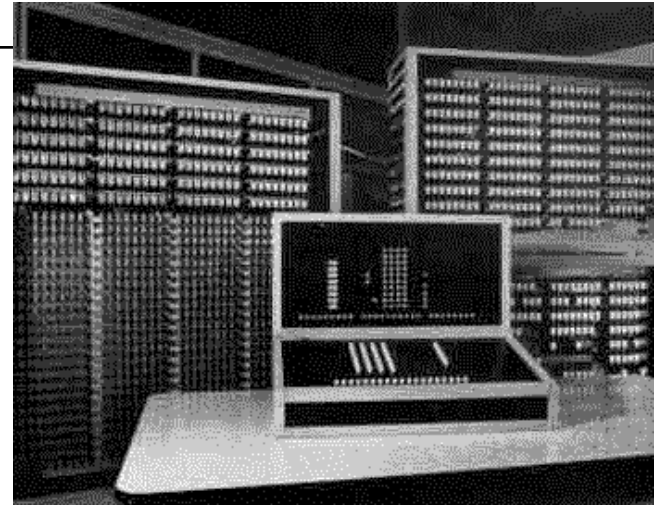
Communication / Computer

- Communication
- 1936
- Black & White Television



BBC London November

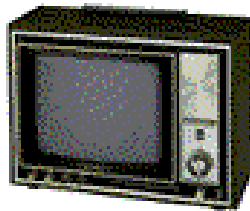
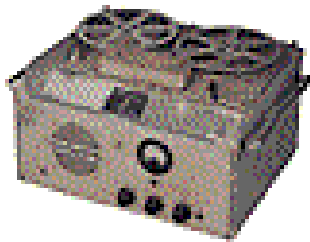
- Computer
- 1941
- Electronic Computer



Zuse Z3 (replica)

Communication / Computer

- Communication
- 1950
- Tape recorder / Colour TV

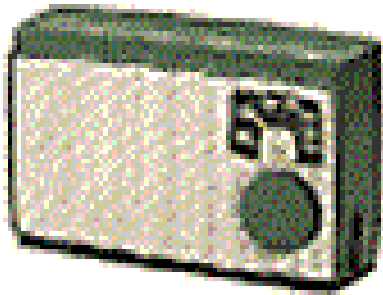


- Computer
- 1950
- First Commercial Computer (Leo 1)



Communication / Computer

- Communication
- 1960
- Transistor Radio



- Computer
- 1960
- Electronic Calculator



■ IT

■ Word Processing

Bild: Xerox PARC -

Copyright: ACM

**Magiska linser - verktyg
i form av genomskinliga
fönster Framtidens
fönsterverktyg kommer
att vara**

**"genomskinliga" om det
går som forskarna vid
det amerikanska
forskningscentret Xerox
Parc vill. En
verktygslinjal**

Communication / Computer

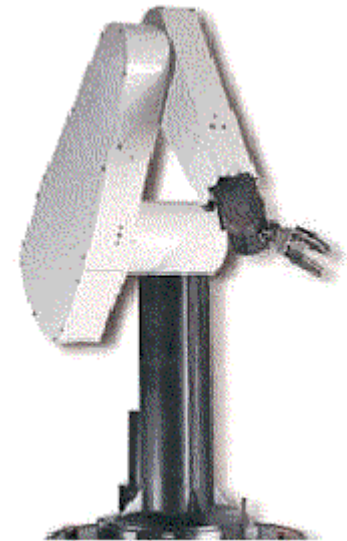
- Communication
- 1970
- Video Recorder



- Computer
- 1970
- Pocket Calculator

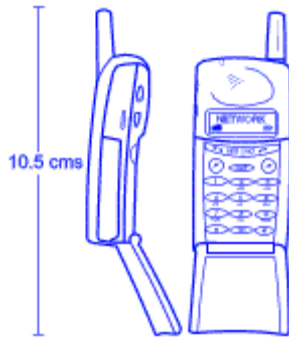


- **IT**
- **1970**
- **Robots**



Communication / Computer

- Communication
- 1980
- Mobile Phone / Personal Stereo / Video Camera / CD



- Computer
- 1980
- VLSI Micros



- **IT**
- **1980**
- **E-Mail / Internet**

Communication / Computer

- Communication
- 1990
- MiniDisc / Playstation / Digital Camcorder



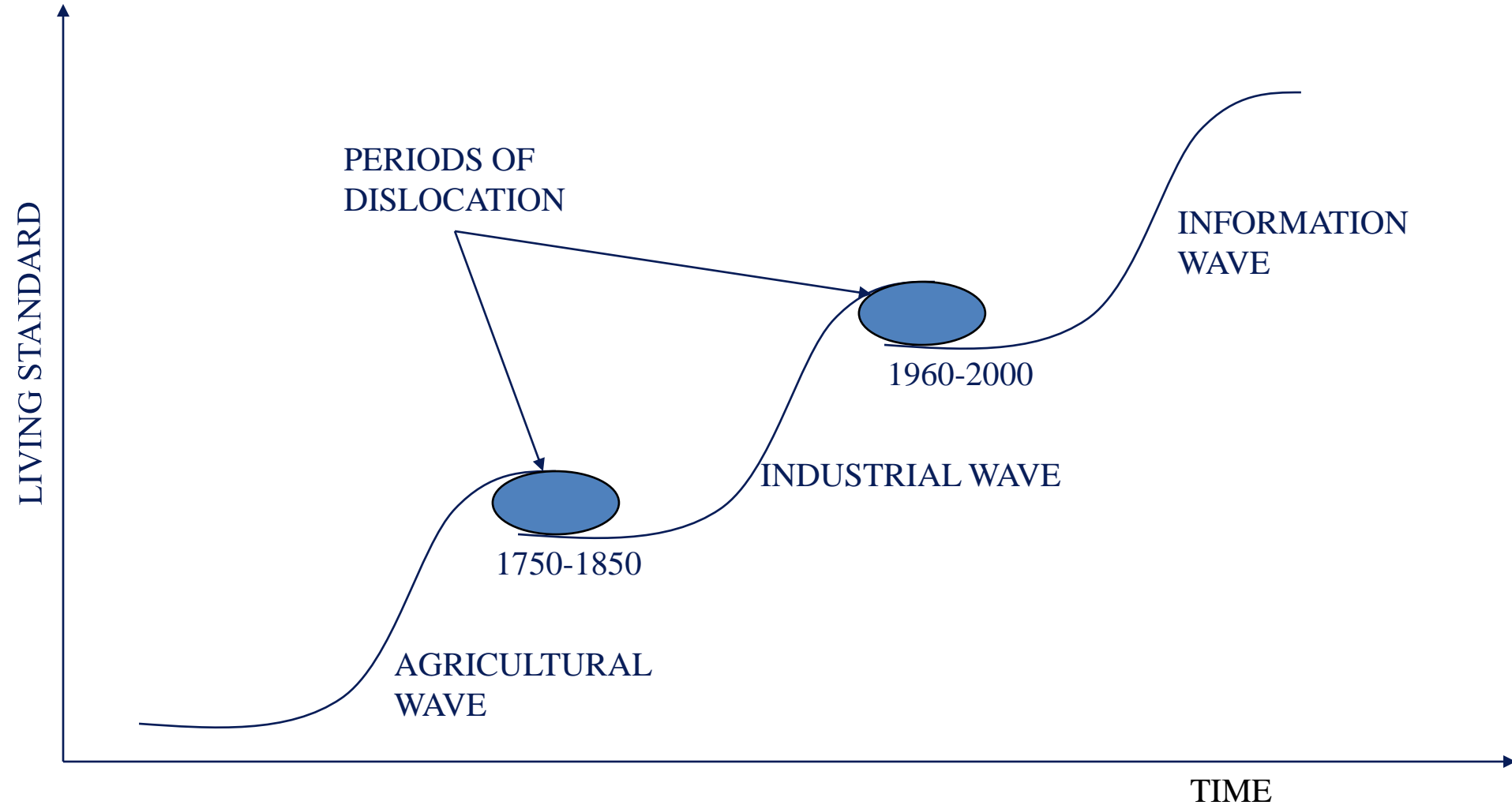
- Computer
- 1990
- Lap Top / PalmTop



- **IT**
- **1990**
- **Mobile Word Processing**



THE THREE WAVES OF ECONOMIC CHANGE



Industrial Revolution Freed Our Bodies

From Physical Labour

Information Revolution Would Free Our Minds.

What is the future of management?

- IT has automated all the functions.
- Only strategists and analysts will be needed.
- We are producing far too many MBAs than needed.
- Consequently the salaries will come down.
- Only skilled persons will be respected and not those who manage them.

Agrarian
Economy

Industrial
Economy

Service
Economy

Experience
Economy

Las Vegas and Experience

Virtually everything about Vegas is a designed experience, from the slot machines at the air-port to the gambling casinos that line the Strip; from the themed hotels and restaurants to the singing, circus, and magic shows; and the forum shops mall that recreate ancient Rome to the amusement parks, thrill rides, video arcades, and carnival-style games that attract the twentysomethings and the older parents a reason to bring their kids in tow.

Of course, there is another side to the Vegas experience: the readily available alcohol, drugs, nudity-filled nightclubs, and prostitution.

Not just homo economicus

- ***homo economicus*** - the rational utility maximizer
- ***homo sapiens*** - man the thinker and communicator
- ***homo faber*** - man the toolmaker and creative being
- ***homo ludens*** - man the player

*When the rate of change is
slower inside than
it is outside,
the end is in sight.*

Jack Welch, Chairman, GE

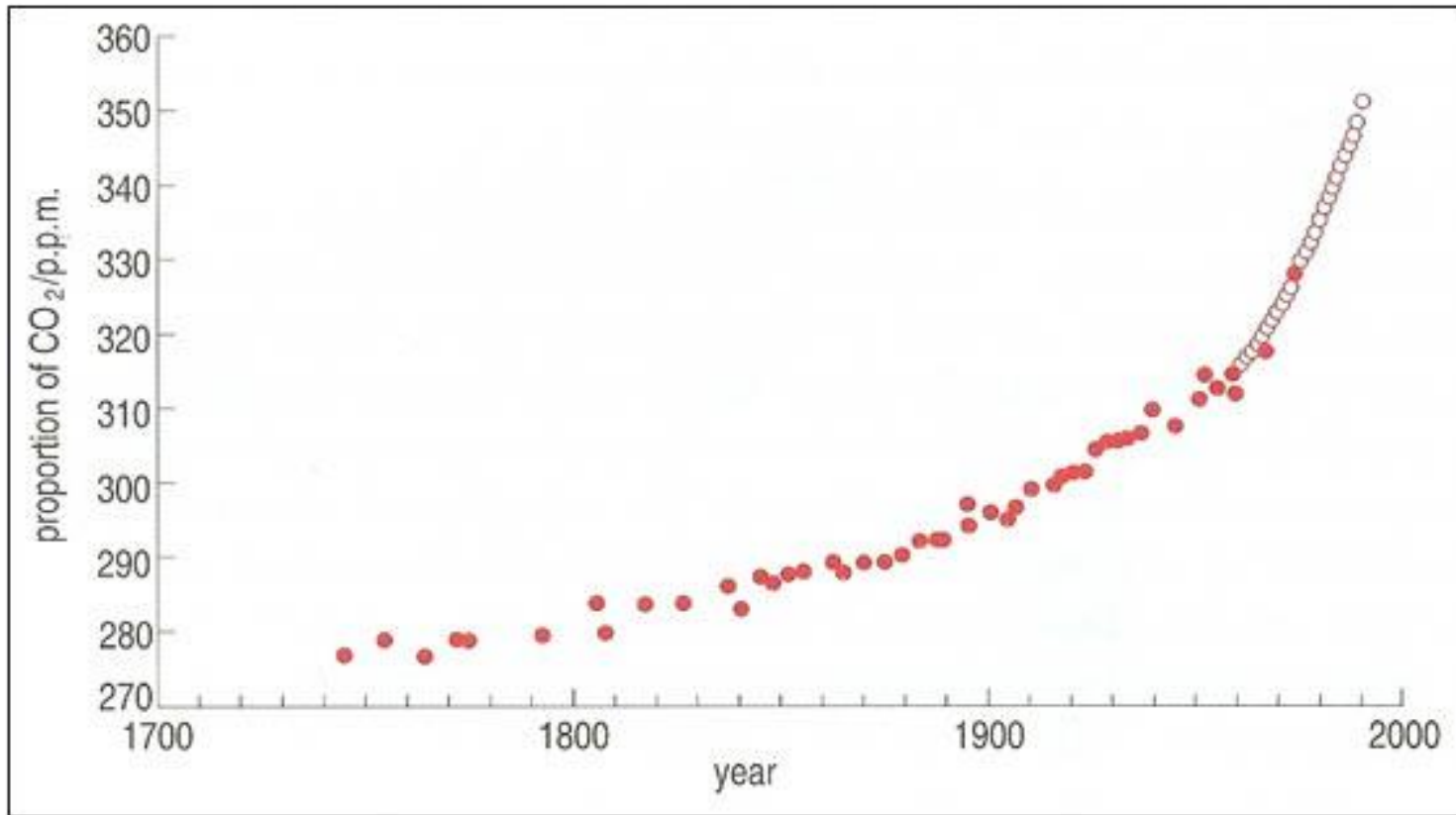
Change

- He that looks not before finds himself behind.
- It takes all the running you can do to keep in the same place. If you want to get somewhere else you must run at least twice as fast.
- There is nothing permanent except change.
- Panchatantra Story

Sustainability:

- **Accepted age for the Earth and the rest of the solar system is about 4.55 billion years. It took billion of years to produce world oil, gas and coal reserve.**
- **Recorded history of Homo Sapiens is about 5000 years old.**
- **For 5000 years, man used wood , wood charcoal , wind and water power .**
- **Since the industrial revolution, man has been using coal.**
- **Man has been using oil for one hundred years. How long would it last?**

Production of CO₂ Since 1700



Are We Racing Toward Extinction?

Timeline for Mass Extinctions

Millions of Years Ago

- Ordovician-Silurian - 435 mya
- Late Devonian - 370 mya
- Permian-Triassic - 240 mya
- End Triassic - 205 mya
- Cretaceous-Tertiary - 65 mya

Two happened due to flooding, One due to sea-level falling and two others due to asteroid hits.

Reasons:

- Global warming
- Excessive Cooling
- Ozone depletion

Is there a potential Sixth Major Extinction?

Species are becoming extinct at a rate of about

4000/year

100/day

1species every 15 minutes

2050

- 50% of all species on the planet will be either endangered or extinct
 - Habitat destruction
 - Global Warming
- 25% mammalian species would be extinct
- 15% bird species would be extinct

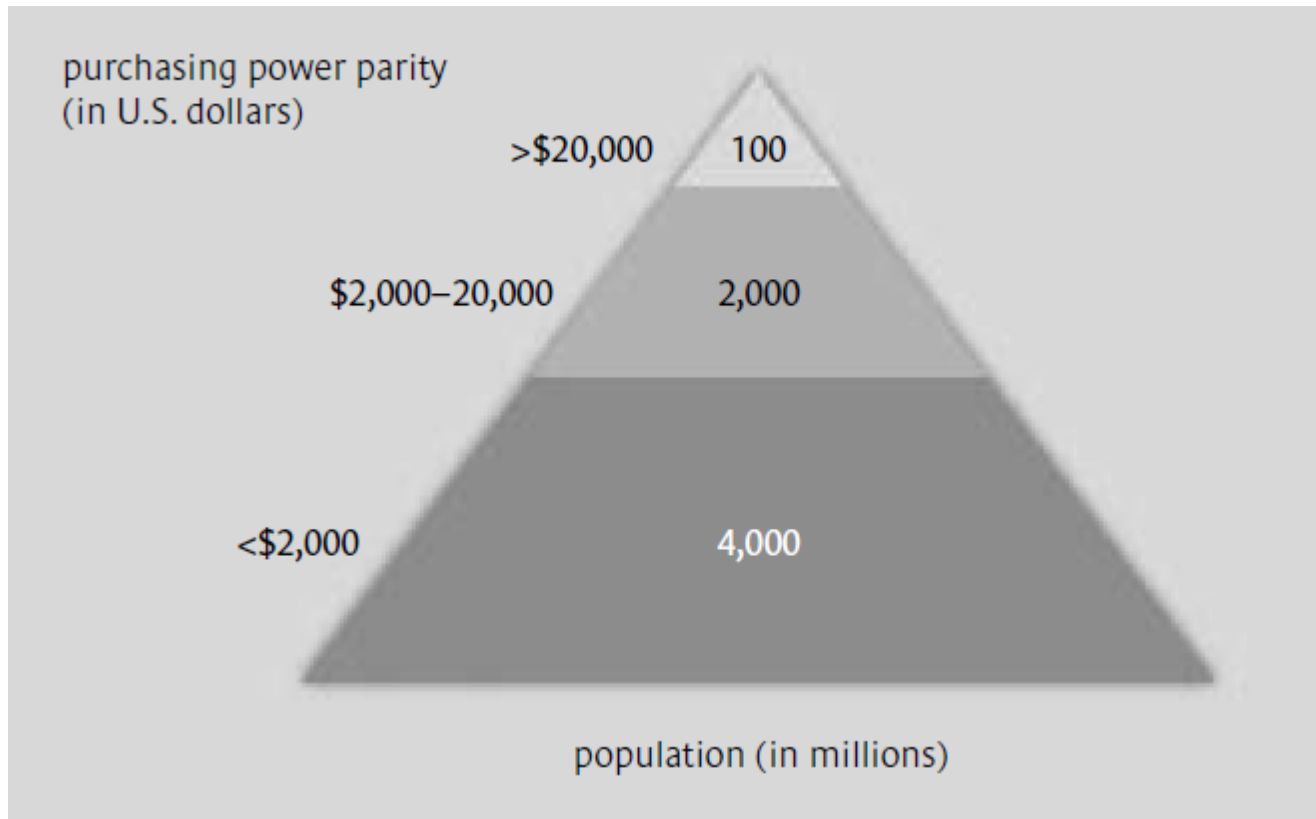
Inclusivity:

- **Rising income disparity**
- **Marginalization of poor**
- **Greed among business people**
- **Corrupt business practices**
- **Separation of business society**

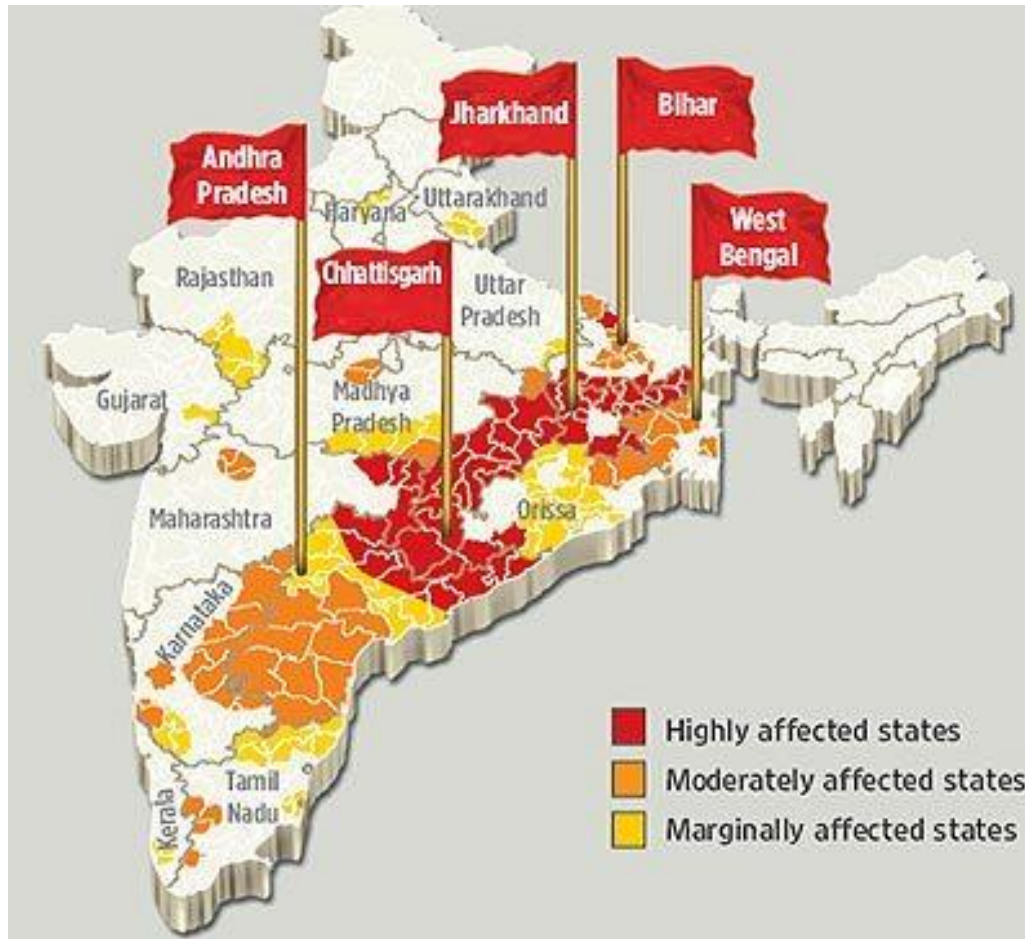
Incidence of Poverty

	People Below \$2/Day Late-1980s	People Below \$2/Day Late-1990s
China	67.4%	50.1%
India	83.2%	78.8%
Africa	76.1%	76.1%

Bottom of The Pyramid



Maoists in India



Thank You