



EDITORIAL

P. G. Vijairaghavan

By all accounts 2009 has been a most eventful one so far, having achieved much for India and lost as much in terms of its economy and life in general. How else do we describe the really depressing forecast for 2008-09 in terms of GDP growth, with many fearing that we might consider ourselves fortunate if we are able to clock even 5% and blessed if we cross 5.5%. But, we may as well call ourselves twice blessed since we did manage to register what must be a whopping, and for some, unbelievable, 6.7% inspite of the circumstances in which we found ourselves during the financial year. While this was good news for a nation starved of smiles, it turns out the same is only helping in keeping our statistics healthy, for, the situation on the ground is not yet so positive. The simple test is whether the fall in inflation (based on WPI) has translated to prices of foodstuff, which really matters for the average citizen. This for various reasons, does not seem to be happening, atleast not yet. Added to this is the fear in many quarters of the negative inflation sliding into deflation, causing more worries for the managers of the economy.

Business has generally been supportive of the Government's efforts to steady the boat and has welcomed most of the measures announced by the Reserve Bank and other agencies to control inflation and spur growth. The downslide is the time when most businesses tend to panic and become defensive. Management and marketing experts hold an entirely different view and encourage business houses to make telling decisions that signal their confidence in themselves and the economy, thus providing a placebo effect that could, in conjunction with the efforts of the Establishment, actually

trigger a recovery of sorts, by improving demand and consumer confidence.

This issue of Indira Management Review makes a pitch for Stress tolerance by suggesting greater Emotional Intelligence and maturity among the practitioners; and examines the status of luxury marketing in India - an area of interest that is recording a rise in customer spend as the millionaires traverse the distance and morph into billionaires - a signal of the steadily growing incomes in the country. The efficacy of ERM applications in autocomp industries in the country is also extolled as an aid to cost and efficiency controls in this sector.

Plus many other articles which could help managements undertake some amount of self-examination in terms of their systems and approaches - for example, the Case study on performance appraisal systems and the article on Value Systems in Banking invite the reader to contemplate the processes that could make a qualitative difference to the way they view their employees' contribution to the top line. And some more features and articles that could help us reassess our thinking on the way we run our businesses.

