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# Highlights.

Corporate Digital Responsibility | Social Capital & Poverty

Alleviation | COVID-19 and Work Culture | Role Readiness in

Management Education |



# About IMI Konnect

*IMI Konnect* (ISSN 2321 9378) published quarterly from International Management Institute Kolkata is an open access scholarly publication in Management. It publishes original research articles, case studies, opinion pieces and viewpoints in business and interdisciplinary areas in management by scholars, business thinkers, practitioners and academicians. The publication currently enjoys a pan India reach and a growing audience in the international markets.

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- Viewpoints firsthand perspectives of experts on pertinent issues

The manuscript should be within 2500-4000 words including an abstract of around 150 words, 3 to 5 key words and references in APA format. Any mathematical expressions or equations or technicalities of methods in the main text if required, may be explained in the Appendix. Appendix should be placed before References.

Academicians, practitioners and researchers are welcome to submit their original unpublished contributions on contemporary issues and topics related to business, viz. economics, finance, operations, strategy, OB & HR, analytics and marketing.

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# **Editorial**

his issue completes the eleventh volume of IMI Konnect. We are immensely thankful to our community of subscribers, readers, contributors and reviewers across industry and academia for their continuous support. The decade long journey for IMI Konnect has been one of transformation. The scholarly magazine is steadily maturing as a scholastic outlet that thrives to bridge the industry-academia gap by showcasing research articles, business case studies, viewpoints, etc. that are practical, contemporary and rigorous enough to suit the needs of our readers across industry and academia alike. In each issue, we bring to the table a mix of articles that could cater to delivering value for our diverse readership spanning all functions and sub-domains of management. While we remain multidisciplinary in terms of our mix, we prioritise making the content easily comprehensible for our cross functional reader segments.

This issue showcases four articles that deal with various aspects of management as businesses and markets go through unprecedented times of transformation. The opening article of this issue written by ace scholars Jochen Wirtz, Werner Kunz, Nicole Hartley and James Tarbit offers our readers invaluable perspectives on Corporate Digital Responsibility (CDR) performance that can potentially serve as a game-changer for firms competing in the evolving data-driven business landscape. The second review article by Jogeswar Mahato and Manish Kumar Jha delves into the larger canvas of society and the entrepreneurial

ecosystem to discuss the role of four forms of social capital in creating opportunities for rural women for the greater purpose of poverty alleviation in emerging nations. The third is an article by Rianka Saha that empirically revisits the effect of the pandemic on the work culture of organisations as they embrace the new normal of work mode adaptations.

Finally, the closing piece of this issue is a thought provoking viewpoint article by Soumendra Narain Bagchi, who with the seasoned eyes of an academic brings a fine ensemble of questions on the relevance of role readiness in management education. As key stakeholders in the management ecosystem of the country, we truly feel that this article should not only instil a sense of confidence among readers in the role of academics as constructive critics of their pivotal role in transforming the educational landscape in India but also serve as a timely food-forthought for the larger community of academic administrators and policy makers who could potentially take the higher education sector in the country to its next level of excellence.

As we bring in the new year with renewed hope and happiness for a better world, we wish you all a fabulous 2023. See you with the next volume of IMI Konnect.

We also look forward to receiving your manuscripts at

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Rituparna Basu Editor-in-Chief

# How Can Firms Improve their Corporate Digital Responsibility Performance?

Jochen Wirtz<sup>1</sup>, Werner Kunz<sup>2</sup>, Nicole Hartley<sup>3</sup> and James Tarbit<sup>4</sup>

### **Abstract**

The application of artificial intelligence (AI), service robots and digitisation entail significant ethical, privacy and fairness risks. We show that corporate digital responsibility (CDR) is critical because of rapidly increasing streams of customer data and the expanding omnipresence, opacity and complexity of digital technologies. We explain that the underlying causes of poor CDR performance by firms are trade-offs between good CDR practices and organisational objectives (e.g., monetisation of data and insights versus CDR risks). Here, we introduce the CDR calculus to capture these tradeoffs. We posit that external regulation will be necessitated to enforce positive CDR practices when the CDR calculus becomes too negative. Finally, we provide an outline of practices, tools and strategies to manage CDR trade-offs and balance the CDR calculus.

**Keywords:** Corporate Digital Responsibility, Ethics, Privacy, Fairness.

### 1. Introduction

The application of digital and automated technologies is known to provide an array of competitive advantages and efficiencies for service-oriented firms (Davenport *et al.*, 2020; Hogreve *et al.*, 2022). However, these technologies also inflict significant liabilities

with respect to ethical, fairness and privacy risks for the consumers of these firms. For instance, the negligible costs and increasing possibilities of capturing data, observing customers and harvesting value, a practice also referred to as *surveillance capitalism* (Zuboff, 2015, 2019), carries serious privacy and ethical implications which can be considered inconsistent with digital human rights conventions (Thomaz *et al.*, 2020; United

Note. This article is a shortened and streamlined version of an already published article (open access): Wirtz, J., Kunz, W. H., Hartley, N., & Tarbit, J. (2022). Corporate Digital Responsibility in Service Firms and Their Ecosystems. *Journal of Service Research*, Advance Online Publication, 1-18.

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Nations Human Rights Office of the High Commissioner, 2021).

Furthermore, advances in artificial intelligence (AI) and its unprecedented power of predictive analytics, automated decision making and machine learning capabilities pose critical ethical dilemmas (Belk, 2021; Breidbach & Maglio, 2020). These technologies provide large-scale capabilities for assessing, predicting, manipulating and nudging the behaviours of individuals through insights actioned from consumer data (Gao & Liu, 2022; Gawer, 2021), often conducted without sufficient oversight, accountability or recourse (Hagendorff, 2020; Hunkenschroer & Luetge, 2022). At a higher level, service robots and AI cause risks related to dehumanisation, social isolation, loss of autonomy and dignity, social engineering and more (Belk, 2021; Čaić et al., 2018; Leidner & Tona, 2021; Vandemeulebroucke *et al.*, 2021).

This article is a shortened and streamlined version of an earlier article by Wirtz *et al.* (2022) and examines these issues using the concept of corporate digital responsibility (CDR). We define CDR in the context of services as the principles underpinning a service firm's ethical, fair and protective use of data and technology when engaging with customers within their digital service ecosystem.

# 2. Why Is CDR So Important in Service?

It is widely accepted that the practices of firms toward the usage of technologies should be governed by moral norms and ethical considerations (Bailey & Shantz, 2018; Ferrell & Ferrell, 2021; Martin, 2016). These considerations are the core focus of CDR, as there is a need to make the behaviours and decisions conducted by firms accountable to moral norms and ethical considerations. These points relate to two underlying factors that intensify CDR issues for service firms. First, many of the services provided by firms are deeply ingrained in people's lives and generate a wealth of data and insights that offer exciting profit opportunities, yet often cause vulnerabilities among customers. Second, the services provided by firms increasingly involve autonomous learning AI and service robots and we do not yet have a good understanding of the potential harms associated with these technologies. We discuss both issues next.

# 2.1 A New Perspective on Data and Technology in Service

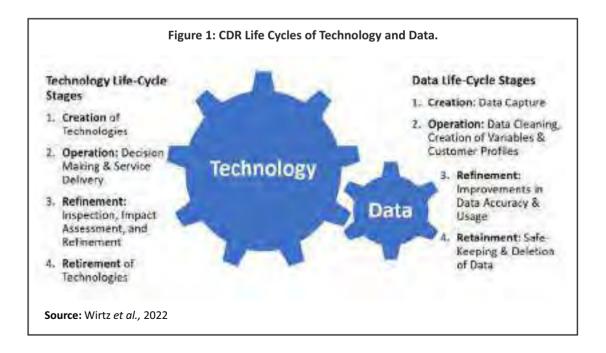
Given that new technology and AI depend heavily on large amounts of data, the use of combinations of data can offer significant profit opportunities for firms (i.e., "data are the new currency"; Quach *et al.*, 2022, p. 22). While operating in combination, these technologies provide significant value creation opportunities in the form of, for instance, enhanced productivity, cost reduction and personalised and optimised customer experiences. For these reasons, investments in data, analytics, technology and

talent (e.g., data scientists) have been a top priority for service firms (Kappelman & Sinha, 2021). Maximising these value creation opportunities increase the temptation for firms to capture and utilise data en masse, without immediate regard toward the potential risks of such actions (Bleier et al., 2020; Breidbach & Maglio, 2020). Given the vast amount of data generated and the expansive scope of rapidly advancing digital technologies and related business models, concerns pertaining to ethics, privacy and fairness are increasingly highlighted for service firms (Belk, 2021; Rahwan et al., 2019; Vandemeulebroucke et al., 2021). We, therefore, believe that the customers of firms that engage in these practices are particularly

vulnerable to poor CDR practices.

# 3. Ethics, Privacy and Fairness across the Data and Technology Lifecycle

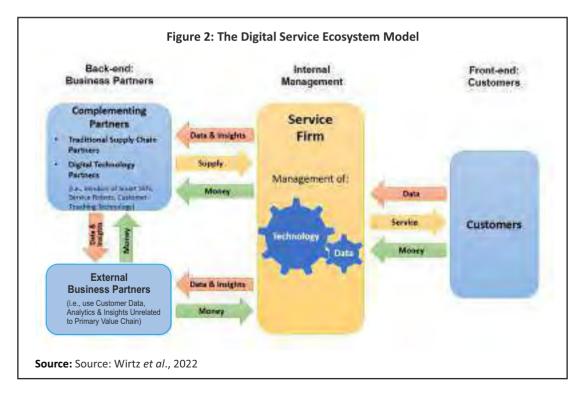
In light of these concerns, we can begin to further understand the breadth and nature of digital issues through the lens of CDR. CDR separates data and technology-related issues by distinguishing four life-cycle stages of data and technology, that is, their creation, operation, refinement and retainment (Koshiyama et al., 2021; Lobschat et al., 2021). This life cycle perspective helps to provide clarity as data and technologies face different issues in each of the stages and their life cycles tend to run at different speeds. As shown in Figure 1, the data cycle moves fast (depicted



by the small, fast-moving cog) as data is continuously captured and processed, whereas the technology cycle moves slower (depicted by the larger, slower-moving cog) as the creation and deployment of technology takes more time. When examining CDR issues related to ethics, privacy and fairness concerns across the life-cycle stages, one can pinpoint precisely where specific data and technology concerns originate. For example, the creation phase shows many violations in data management regarding privacy issues (e.g., over-collecting of data, lack of informed consent for collection). In contrast, the operation phase raises issues such as discrimination of specific customer groups, unintended errors, incorrect algorithm training and learning oversights (LeCun et al., 2015), issues with automation of decision oversight (Schildt, 2017), alongside a lack of transparency and explainability of AI outcomes (Gillis & Spiess, 2019). As such, we believe that a higher level and more integrated understanding of where exactly particular CDR issues reside in the life cycles of data and technologies enhances our understanding, management and mitigation of these issues.

# 4. Origins of CDR Issues in Digital Service Ecosystems

While the life-cycle perspective assists to understand and categorise the nature of CDR



issues, it does not explicitly consider that other players are typically involved in the utilisation of a firm's customer data and insights and that CDR concerns can originate from different corners of a firm's digital service ecosystem. For instance, service organisations have an increasing number of touchpoints in a customer's journey with vast opportunities to capture data, deploy technology and generate insights. These capabilities have led to the formation of new digital service ecosystems with the service firm in the centre orchestrating value creation, exchange and capture and governing the ecosystem of customers, complementors and external business partners. This ecosystem depicts the service firm's business model from two sides: a frontend and back-end with related flows of money, service, data, insights and technologies. The dynamics within this ecosystem are fundamental to understanding the origins of CDR issues.

The front-end of the digital service ecosystem model shows the customer interface, illustrating the value exchanges between customers and the service firm. Customers pay money for the service and allow capturing of their data by the service firm, receiving value through digitally-optimised service delivery via, for instance, customisation, personalisation and enhanced convenience (Huang & Rust, 2018; Rangaswamy *et al.*, 2020). This captured data can be re-purposed for various outputs (e.g., predictive analytics) unrelated to the service transaction they are based on (Andrew &

Baker, 2021). These practices lead directly to CDR risks as customers find it increasingly difficult to opt out and not be subjected to potential ethical, privacy and fairness risks (Puntoni *et al.*, 2021; Rahwan *et al.*, 2019).

The back end of the digital service ecosystem covers two main groups of business partners and their interactions with the focal firm. Two types of complementors exist that support the back-end ecosystem. First, traditional supply chain partners complement and provide needed services and goods as contributions to the service firm's value chain (e.g., vendors who supply drinks, food and equipment to a fast-food chain) and receive important market information and money for their goods and services. However, this exchange is also subject to CDR concerns related to data capture, consumer privacy and algorithmic biases (Hermann, 2022; Martin, 2015). Second, digital technology partners provide services and technologies (such as AI and robots) that are typically trained with and powered by service firm-provided data. Service firms need to work closely with these vendors to not only ensure that technologies and equipment deliver on quality and budget, but also that they mitigate potential CDR risks as illustrated in the exchange pathways in Figure 2.

The captured consumer insights are frequently repackaged and integrated into new service offers, frequently for entities outside of the service delivery supply chain (Leidner & Tona, 2021). Zuboff (2019) calls

these practices "surveillance capitalism" and defines it as "a new economic order that claims human experience as free raw material for hidden commercial practices of extraction, prediction, and sales" (p. 8). The issue with surveillance capitalism is not just associated with privacy concerns, but this new market is based on the monitoring and surveillance of consumers and often leads to manipulating their perceptions, beliefs and behaviours (frequently in the secondary markets of the ecosystem) for the economic gain of those in control (Zuboff, 2015).

In sum, these interactions within the digital service ecosystem show that service firms will face CDR issues not only through interactions with customers (front-end), but also in the back-end with flows of data and resources between supply chain, technology and other business partners.

# 5. Why Do Firms Engage in Poor CDR Practices?

To illustrate the factors motivating service firms to engage in poor CDR practices, we deducted four distinct categories of motivations for poor CDR behaviours. First, a sales and profit opportunity for service firms are present in capturing and utilising consumer data and embedding technology into supply chains. For example, the application of technology and data allows for enhanced consumer targeting, price discrimination and personalised pricing (Martin *et al.*, 2017), improved customer

churn prediction and prevention (Beke et al., 2018), competitive advantages for firms through possession of deeper customer insights and development of new services (Huang & Rust, 2018) and added revenues through selling data, analytics and insights to third parties (Breidbach & Maglio, 2020). Although, greater sales and profits can be attained with data and analytics, these are also susceptible to ethical, privacy and fairness risks (Mihale-Wilson et al. 2021; Puntoni et al. 2021). Following good CDR practices often does not allow service firms to maximise sales and profits from their core business (Bleier et al., 2020; Hagendorff, 2020; Puntoni et al., 2021) and limits the harvesting of additional revenue streams and business opportunities (Fainmesser et al., 2022; Zuboff, 2015).

Second, the customer experience process can be enhanced through customisation, personalisation, convenience, enhanced accessibility and speed of service (Wirtz & Zeithaml, 2018). However, while customers receive direct benefits, each of these practices can have CDR-related issues such as coercion, privacy concerns, lack of autonomy, fairness and discrimination issues, amongst others (Hagendorff, 2020). In addition, good CDR practices do not allow the use of all available data and analytics if customer wellbeing is to be prioritised (Thomaz et al., 2020).

Third, service firms are interested in deriving cost savings from optimising and automating customer service processes (Davenport *et al.*, 2020; Wirtz *et al.*, 2018). These practices can

include cost savings through optimisation and automation of service processes (Davenport et al., 2020; Wirtz & Zeithaml, 2018), enhanced compliance with service processes and policies (Koshiyama et al., 2021), faster customer risk assessments (e.g., loan defaults) (Elliott et al., 2021) and fraud detection and prevention (e.g., credit card fraud) (Athey, 2020; Bornet et al., 2021). Further, cost savings in the supply chain may also be realised through enhanced agility, adaptability, performance and productivity (Lee et al., 2000; Wamba et al., 2020). While these objectives are frequently aligned with customer needs, they can also carry CDR risks related to privacy, fairness, transparency and discrimination (Bock et al., 2020; Breidbach & Maglio, 2020; Hagendorff, 2020).

Finally, service firms may be reluctant (or unable) to spend the necessary resources to build and maintain a strong CDR culture. This reluctance can arise from firm-specific factors including avoidance of costs related to the development of a strong CDR culture, management support structure and digital governance (Lobschat et al., 2021); insufficient investment in technical capabilities (Vandemeulebroucke et al., 2021) and human resource procedures (e.g., in training and development on CDR issues) to provide human oversight and refinement of data capture and digital technologies (Ferrell & Ferrell, 2021); and insufficient oversight and alignment of external business partners who buy data, analytics and insights from the

service firm (Someh et al., 2019). Other factors include internal complacency and reluctance to challenge the status quo (Breidbach & Maglio, 2020), a corporate culture that neglects CDR, lack of organisational awareness toward the need for CDR-positive practices (Dörr, 2020) and a low level of technical sophistication. Prioritising CDR within a firm requires organisational buy-in to account for the revenue and cost trade-offs involved (Bleier et al., 2020; Hagendorff, 2020; Mihale-Wilson et al., 2021) to provide uncertain ROI outcomes (e.g., risk avoidance and potential long-term enhanced brand trust) (Lobschat et al., 2021). These types of barriers and costs may further discourage firms from undertaking positive CDR practices.

#### 5.1 A Service Firm's CDR Calculus

It is evident from the previous discussion that organisational objectives are often opposed to the adoption of good CDR practices. The resultant tensions can be viewed as trade-offs that service firms need to navigate in order to be profitable yet ethical or as a "utilitarian perspective weighing the benefits and costs" (Hermann, 2022, p. 44). The "privacy calculus" has been developed to address such trade-offs from the consumer perspective and suggests that consumers weigh the benefits and costs, which then determine their privacy responses (Gouthier *et al.*, 2022; Smith *et al.*, 2011). Likewise, we argue that firms weigh the benefits and costs of good CDR to determine

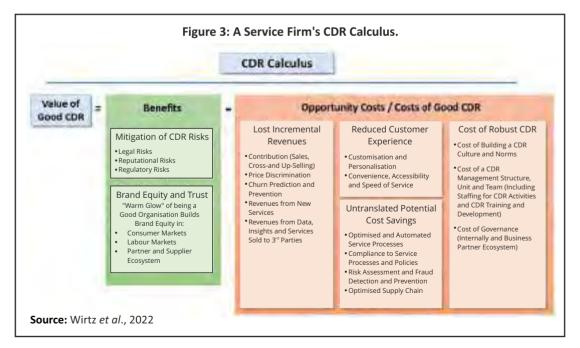
how much they will engage in CDR-positive practices. We show that positive CDR practices often come at a cost that requires service managers to navigate challenging trade-offs between profit impact (i.e., 'doing well') and customer wellbeing (i.e., 'doing good'). These costs can be summarised as opportunity costs (e.g., lost incremental revenues, reduced customer experience, and untranslated potential cost savings) and the costs of setting up and operating good CDR (e.g., cost of building a CDR culture, the management structure and team and the cost of CDR governance). Figure 3 provides an overview of these costs.

We expect CDR behaviours to be positive if firms are willing to forgo profits in order to

maintain CDR compliance. However, if the forgone profits become too high, good CDR behaviours seem less likely and action by external regulators is required in order to balance the calculus (Floridi, 2021).

# 6. How Can Firms Build a Strong CDR Culture?

Building on the digital service ecosystem model, we propose that a service firm's CDR behaviours can be shaped and enhanced by addressing CDR tensions that arise from factors related to customers on the ecosystem front end and business partners at the back end. Figure 4 provides an overview of these factors, while Table 1 offers service managers an array of strategies, practices and tools to



assist service firms in building and sustaining robust CDR. Some CDR practices can be implemented quickly and easily because they do not inflict significant (opportunity) costs in terms of forgone sales and profits. In contrast, others involve serious trade-offs that require strategic consideration, as outlined in the CDR calculus.

## 6.1 Internal Service Firm Design

First, firms need to focus on building company-wide norms where ethical practices are paramount (Bailey & Shantz, 2018). For this, organisational stakeholders, particularly employees, must fully understand the practices they need to uphold and be rewarded and motivated to commit to them (Bailey &

Shantz, 2018) as outlined in Table 1. For instance, digital governance practices should be formalised and embedded across organisational units and roles and include the practices and systems as outlined in Table 1 (Dyché & Levy, 2011; Kluiters *et al.*, 2022; Lacity, 2018; Mueller, 2022; Someh *et al.*, 2020; Wixom *et al.*, 2020). These practices must go beyond box checking, window dressing and even worse, machinewashing (i.e., intentionally misleading behaviours and communications about a firm's ethical AI practices) (Seele & Schultz, 2022).

## 6.2 Customer Interface

As Table 1 illustrates, the ethical and fair application of digital technologies and data is

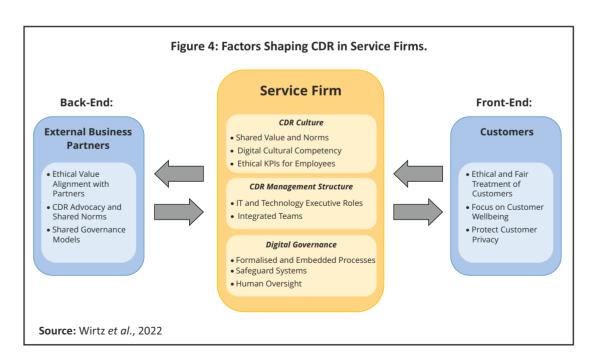


Table 1: Building a CDR Strong Service Firm

CDR Factors	CDR Strategies	CDR Tools and Practices		
Service Firm-Internal				
CDR Culture	<ul> <li>Develop and implement shared CDR values, norms, artifacts, and behaviours; CDR is the responsibility of all employees (Bailey &amp; Shantz, 2018; Dörr, 2020; Mihale-Wilson et al., 2021)</li> <li>Acknowledge ambiguities and clarify trade-offs related to CDR and have a culture of transparency so that employees understand the rationale for decisions (Akter et al., 2021)</li> <li>CDR practices are embedded in employee training, KPIs, and incentives (Wixom et al., 2020)</li> </ul>	<ul> <li>Demonstrate top management commitment to CDR; senior management must drive a positive CDR culture, make positive CDR a strategic imperative within the firm and role model the desired behaviours (Bailey &amp; Shantz, 2018; Trittin-Ulbrich &amp; Böckel, 2022)</li> <li>Develop specific norms that provide an expression of the higher-level culture. That is, specific norms need to make shared CDR values specific and tangible (e.g., through consistent executive messaging) (Mueller, 2022)</li> <li>CDR artifacts should be used to clarify CDR-related ambiguity and tradeoffs. These include corporate guidelines, documentation, process models, and standard operating procedures to specify good CDR practices and behaviours (Martin, 2015; Mihale-Wilson et al., 2022)</li> <li>Empower employees to handle ethical breaches and establish norms of challenging decisions (Hagendorff, 2020)</li> <li>Train and develop core competencies for employees at all levels on digital literacy and CDR (Dörr, 2020; Hermann, 2021)</li> <li>Link and telegraph positive CDR behaviours and outcomes toward rewards and recognition embed CDR metrics in KPIs and performance reporting (Wixom et al., 2020)</li> </ul>		
CDR Management Structure	Introduce dedicated technology and data roles within the organisational structure with authority to administer CDR measures (e.g., ethics officers, committees, panels) (Kelley, 2022)     Integrate digital roles into teams and units	Create dedicated CDR roles and committees for managing technology and data in service processes     Integrate digital roles (i.e., data scientists, analysts) across teams and units, particularly in service development and consumer-facing teams (Wixom et al., 2020)		
Digital Governance	Create and administrate a formalised digital governance structure within the firm (Kluiters <i>et al.</i> , 2022; Lacity, 2018)  Digital governance embedded across roles and organisational units (Dyché & Levy, 2011; Someh <i>et al.</i> , 2020)	<ul> <li>Develop and enforce explicit and transparent codes of CDR policies, practices and procedures (robust codes of conduct, enforcement of codes and transparency of consequences for breaches) (Bailey &amp; Shantz, 2018; Floridi, 2021; Mueller, 2022; Someh et al., 2019)</li> <li>Ensure human oversight is embedded into algorithmic decision-making and deployment of bias mitigation strategies (Elliott et al., 2021; van Giffen et al., 2022; Wixom et al., 2020)</li> <li>Conduct routine and random data privacy, algorithm, technology and ethical audits related to CDR policies (Dyché &amp; Levy, 2011)</li> <li>Support execution of CDR policies by employing new technological solutions within firms (e.g. confidential computing, data encryption, programmes as closed loops, blockchain technologies) (Wixom et al., 2020)</li> </ul>		

Table 1: Building a CDR Strong Service Firm (Continued)

CDR Factors	CDR Strategies	CDR Tools and Practices		
Customer Interface				
Ethical	Reduce and eliminate opportunities for consumer coercion, provide consumers with agency and alternatives to access services (Rahwan et al., 2019)  Focus on consumer wellbeing in the operation of technologies and within data collection or sharing practices (Du & Xie, 2021)	<ul> <li>Provide informed consumer consent for data collection practices and the utilisation of technologies with risk potential (Quach et al. 2022)</li> <li>Prohibit coercive practices within customer-facing digital interfaces (Thomaz et al., 2020) and deploy non-blocking tactics, non-automated opt-in and clear opt-out tracking features (Puntoni et al., 2021)</li> </ul>		
Protects Consumer Privacy	• Ensure consumer privacy (Bleier et al., 2020; Puntoni et al., 2021) and data protection (Bleier et al., 2020) measures are upheld throughout the entire digital ecosystem supply chain	<ul> <li>Use enhanced data security policies to ensure data collection procedures are aligned with regulation (e.g., GDPR; Andrew &amp; Baker, 2021; Bleier et al., 2020) and continually evaluate such policies</li> <li>Develop consumer privacy policies that are transparent and comprehensive (Smith et al., 2011) that clearly and plainly outline all intended use of data and technology (Du &amp;Xie, 2021)</li> <li>Limit the use of cookies and tracking features (Wirtz &amp; Lwin, 2009)</li> <li>Audit service design against internal and external transparency standards (Koshiyama et al., 2021)</li> <li>Limit or restrict employee access to consumer data (Athey, 2020), continually evaluate security measures and monitor potential threats, follow digital security guidance provided by law enforcement and defence organisations</li> </ul>		
Fair Treatment of Consumers	Ensure fair treatment across segments and non-discrimination against certain groups of consumers (Breidbach & Maglio, 2020)     Ensure usage of customergenerated digital assets (e.g. data) are transparent and nonmisleading within digital supply chains (Zuboff, 2015)	<ul> <li>Use accreditation, auditing and verification of digital service processes by independent third-party organisations (Koshiyama et al., 2021)</li> <li>Conduct in-house consumer research to ensure the needs and rights of consumers are being upheld at the customer interface</li> <li>Ensure employee diversity in data science teams to reduce the likelihood of algorithmic biases (Kelley, 2022)</li> <li>Formalise compensation to affected consumers when ethics, privacy, or fairness violations occur (Beke et al., 2018)</li> </ul>		

Table 1: Building a CDR Strong Service Firm (Continued)

CDR Factors	CDR Strategies	CDR Tools and Practices		
Business Partner Ecosystem				
Partner Value Alignment	Select ethical and compliant service business partners (Martin, 2015), incorporate CDR-specific metrics into business contracts	<ul> <li>Adopt industry best CDR practices (Martin, 2015; Mihale-Wilson et al., 2022)</li> <li>Run due diligence audits on all business partners for illegal or CDR non-compliant practices (Hermann, 2021)</li> <li>Incorporate poor CDR compliance as a contract clause to release bad-actor partners or prevent data from being utilised for malicious uses</li> </ul>		
CDR Advocacy	<ul> <li>Advocate for the collective need for CDR within ecosystems (Gawer, 2021)</li> <li>Using CDR as a value statement for branding (Bleier <i>et al.</i>, 2020; Martin, 2015; Martin &amp; Murphy, 2017)</li> </ul>	Tansparent shared policies on CDR responsibilities need to be disseminated across the ecosystem (Lobschat et al., 2021) Transfer 'best practice' knowledge and insights through industry associations and consumer groups (Martin, 2015)		
Shared Governance	<ul> <li>Bilateral sharing of digital governance between partners (Lobschat et al., 2021; Mihale-Wilson et al., 2021)</li> <li>Agreed on shared code of conduct (Martin, 2015; Tóth et al., 2022)</li> </ul>	<ul> <li>Attain membership with industry standards and third-party accreditation for the organisation toward data collection (Koshiyama et al., 2021; Lobschat et al., 2021)</li> <li>Follow shared governance protocols and practices between service ecosystem partners (Mitchell et al., 1997)</li> <li>Audit business partners for data and digital compliance (Koshiyama et al., 2021)</li> </ul>		

Source: Wirtz et al., 2022

increasingly viewed as a fundamental human rights concern (Floridi, 2021; World Health Organisation, 2017). Therefore, a focus on customer wellbeing (Du & Xie, 2021) and non-discrimination (Breidbach & Maglio, 2020) should be applied to the design and integration of digital services. Further,

consumer privacy and customer data protection are core principles of good CDR. To address violations of consumer data integrity (e.g., Amazon's Ring providing private camera footage to public authorities; Facebook's WhatsApp sharing user data with advertising partners; personal data of Optus

customers stolen and sold by criminal entities), service organisations must align their privacy policies against (and above) industry standards and regulation [e.g., General Data Protection Regulation (GDPR)] and ensure their robust execution over the entire data and technology life-cycle. Finally, organisational transparency toward business models and usage of customer data is essential (Bleier *et al.*, 2020). In the future, firms may require external auditing of service design characteristics against industry standards and regulatory requirements of CDR (Koshiyama *et al.*, 2021; Martin & Murphy, 2017).

## 6.3 Business Partner Ecosystem

Firms play a critical role in advocating for the collective need for CDR across and within their ecosystems. They need to maintain due diligence in selecting ethical and compliant service technology partners and govern the ecosystem with aligned values and norms, focusing on the risks surrounding data misappropriation, exploitation and unintended use and analytics (Lacity, 2018). Table 1 outlines a multitude of CDR tools and practices to address these issues. For instance, firms should transfer knowledge regarding responsible CDR practices and take a leading role in advocating ecosystem and industry norms and expectations (Martin, 2015) to encourage far-reaching adoption and acceptance of standardised practice that values CDR at the organisational, industry and societal level. Likewise, to ensure a

representative and fair power dynamics between service firms and their business partners and to reduce the likelihood of accidental or coerced CDR issues, external industry practice guidelines and mutual internal regulation systems should be adopted to govern their interactions (Koshiyama *et al.*, 2021). Shared governance models may be based on existing regulations, external non-profit auditing organisations and industry codes of conduct to reduce managerial friction and potential conflicts of interest between partnering organisations (Mitchell *et al.*, 1997).

Finally, the CDR orientation of a service firm can be placed on a continuum from an extreme profit orientation (and neglect of CDR) to a strong CDR orientation (relinquishing of significant profit potential). Research suggests that at present, maintaining a profit-first orientation is overly prioritised by firms in comparison to maintaining positive CDR practices (Dörr, 2020; Mueller, 2022). Maintaining robust CDR frameworks (i.e., culture, management structure and governance) and visibly addressing CDR issues are likely to be perceived as a competitive point of difference by customers and ecosystem partners (Elliott et al., 2021).

#### 7. Conclusions

This article illustrates that digital service technologies carry serious CDR risks due to the vast streams of customer data involved and the expansive scope of rapidly advancing

technologies utilised by service firms (e.g., Wixom & Ross, 2017) and offers several contributions. First, the life-cycle perspective provides researchers and practitioners alike with a framework for organising the many CDR-related risks and helps to understand "what" (i.e., data and technologies and whether the type of risk involved relates to ethics, privacy or fairness) and "when" (i.e., the stage in the life-cycle from creation all the way to retainment) issues need to be addressed.

Second, we explain the flows of money, service, data, insights and technologies in the digital service ecosystem model. These flows are at the centre of value creation, exchange and capture in the ecosystem of service firms, customers, complementors and external business partners (Rangaswamy et al., 2020; Wirtz et al., 2019) and answer the "where" CDR issues originate - internally, at the customer interface, with their supply chain and technology partners (Martin, 2015) and with external partners (Beke et al., 2018; Breidbach & Maglio, 2020). Although value is created for all stakeholders, it is not always clear if customers receive a fair share of that value created through the data and insights they contribute (Gawer, 2021).

Finally, we advance that service firms face trade-offs between good CDR practices and organisational objectives. We introduce the CDR calculus to formally acknowledge these value trade-offs whereby it weighs the benefits and costs of good CDR. The CDR calculus

makes the trade-offs explicit and answers the "why" service firms engage in poor CDR practices.

## 8. Further Research

Given the emergent nature of CDR in the service domain, we propose multiple areas for future research. First, the trade-offs between conflicting goals have not received much attention in the literature (Mihale-Wilson et al., 2022) despite being a key underlying reason for poor CDR practices. We believe that research on CDR-related tensions and the potential role of organisational ambidexterity (i.e., leadership, structural and contextual ambidexterity) can play for implementing robust CDR and offers exciting research opportunities.

Second, it is not clear how customers perceive, value and respond to a service firm's CDR performance (e.g., engagement, trust & loyalty). Third, the business partner ecosystem has attracted scarce research attention beyond data and insights being sold to third parties. For example, it would be important to understand what governance procedures are most effective in encouraging CDRcompliant practices of ecosystem business partners (Lacity, 2018). Fourth, with advancements in digital technology and increased access to data, it is essential to understand better the role AI can play in encouraging, monitoring and enforcing CDR-compliant behaviours.

Finally, it is essential to explore the impact of CDR performance on service firms' outcomes and understand better how and under what circumstances good CDR can be a competitive advantage (Martin & Murphy, 2017). However, as for greenwashing in environmental, social and governance (ESG), rather than making heavy investments in CDR, firms may be tempted to engage in "machinewashing" (Seele & Schultz, 2022). As expressed nicely by Parmar et al. (2010), "the tension between financial and normative or social demands on the firm is real and needs to be examined in greater detail" (p. 413). We concur and suggest that research on the costs and benefits of good versus poor versus 'mashinewashed' CDR is needed.

In closing, this article deals with a new but increasingly important topic for service firms' sustainability and customers' wellbeing. It contributes to understanding the importance, gamut, origins and causes of CDR risks in service, the CDR trade-offs service firms face and how firms can mitigate them. This is important, as "the future winners in business are organisations that address these topics accordingly" (Kluiters *et al.*, 2022, p. 21). We hope that our article provides a starting point for firms to engage in positive CDR practices and guide future research.

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# Social Capital and Poverty Alleviation of Rural Women: A Literature Review

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In recent times, employment is the main issue in the country due to the unavailability of job positions and population growth. Micro entrepreneurship plays a greater role in fighting unemployment issues to provide employment and make rural women self-reliant. The present study attempts to identify the role of social capital in promoting entrepreneurial activities and hence, poverty alleviation of rural women through employment creation and income upliftment. This is a systematic review paper in which the authors analysed and reviewed 64 high quality peer reviewed journal articles from the database of Scopus, Science Direct, Sage, Taylor & Francis and Springer to gain insight into the study. The study focused on micro entrepreneurship development through social capital and its impact on poverty alleviation by improving livelihood conditions, income generation, creation of a social network, socioeconomic conditions and making rural women self-reliant and self-dependent.

**Keywords:** Social Capital, Micro Entrepreneurship, Poverty Alleviation, Self Help Group

## 1. Introduction

Entrepreneurship improves economic output at the macro level, promotes efficient use of capital including both financial and human capital due to lack of resources, promotes innovative business models to challenge the existing businesses, helps in improving the regional imbalance through employment generation and creates entrepreneurial infrastructure and also boosts equal income

distributions at the locality level (Bhattacharya & Londhe, 2014). Entrepreneurship can be developed in seven hierarchical levels. They are at the universal level, multinational level, country level, regional or community based, inter institutional, group level and lastly at the sole enterprise level. Every level has its own way of developing an enterprise but developing an enterprise at the regional or community level, group level as well as individual level are the change agents in the economic development of a particular

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region and ultimately promotes nation development (Meera & Vinodan, 2019).

Social networks and innovations have a direct influence on the growth of an enterprise. It also promotes entrepreneurial infrastructure which is the basis of poverty alleviation in rural areas in developing countries (Khandker et al., 2013). Hence, social capital plays a greater role in achieving a better performance of a business by maintaining small but effective social connections within its business community (Osei & Zhuang, 2020; Basole & Chandy, 2019). A woman entrepreneur contributes towards her and her family's socio-economic conditions and creates employment opportunities as well in her locality (UNDP, 2019). Therefore, the present study focuses on micro entrepreneurship development among rural women by forming a social capital towards poverty alleviation.

#### 2. Literature Review

# $2.1.\,Concept\,and\,Creation\,of\,Social\,Capital$

Social capital is an important asset which includes one's family, friends and relatives who can be called upon to provide a support system on a voluntary basis or for personal gain during any difficult situations (Woolcock, 2001). Sharma (2014) states social capital is an individual's social connection with family, professional life, friends, business influencers

and market stakeholders of the business. Furthermore, Anderson *et al.* (2007) represent social capital as an unseen resource to be invested by entrepreneurs in order to build the foundation of the enterprises. An individual can benefit only after becoming a part of the social network (Fornoni *et al.*, 2012).

Social capital can have both structural and cognitive categories. The first can be understood based on the knowledge transfer, participatory gesture determined commitment and the qualities surcharged by ordinances, guidelines and mandates; whereas cognitive social capital constitutes the collective standards, principles, beliefs, behaviours and hopefulness in its bracket (Grootaert & Van Bastelaer, 2001). Social capital is an emerging instrument for developing countries, South Asian countries and South Asian Association for Regional Cooperation (SAARC) countries towards poverty alleviation. Many studies have been conducted in the areas of poverty alleviation through social capital (Karanda & Toledano, 2020; Ahmad & Hoffman, 2017; Hassan, 2014). Social capital has appreciably scaled up its massive promotion since its early phase of inception during the 1990s by the World Bank. Social capital is interpreted as participation and empowerment (Fine, 2007). The present study seeks to define the role of social capital on micro enterprise development and hence alleviate poverty among rural women in the Indian context. There are four forms of social capital that are

discussed in this study. They are the Self Help Group (SHG), SHG federation, Non-Government Organisations (NGOs) and Community based Organisations. The SHG and SHG federation are a group of rural women working for a common objective in developing countries (Knowles *et al.*, 2013; Basargekar, 2010). NGOs work towards training and skill upliftment of rural women in entrepreneurial activities and the community organisation brings social support to the women groups in the rural regions (Panda, 2016; Sengupta & Mitra, 2022).

# 2.2 Micro Entrepreneurship Development

As per the Micro, Small & Medium Enterprises Development (MSMED) Act, 2006, micro enterprises have investments up to ₹25 lakh in the manufacturing sector and ₹10 lakh in the service sector; small enterprises are those in which investments are within the limit of ₹25 lakh to ₹5 crores in the manufacturing sector and between ₹10 lakh to ₹2 crores in the service sector and medium enterprises are those where investment limits are ₹5 crores to ₹10 crores in manufacturing and between ₹2 crores to ₹5 crores in the service industry (MSME, 2020). Entrepreneurship is a personal activity of starting a new business or making something innovative which is livelihood supporting in nature (Das, 2004). Greater entrepreneurs are inclined towards entrepreneurship because of their willingness to implement something innovative, equipped with suitable technological skills and marketing experiences and simultaneously avail entrepreneurial support from various government agencies (Selvaraj, 2016; Ahmad & Hoffman, 2017).

# 2.3 Social Capital and Micro Entrepreneurship Development

Social network within the institutions and the social connection of the entrepreneur together generates positive dominance for the enterprise. In order to grow an enterprise on the basis of network amalgamation it is important for entrepreneurs to be involved in entrepreneurial focused supremacy (Justo et al., 2008). An individual's willingness to develop an enterprise is due to unemployment and access to financial, social and human resources (Sharma, 2014; Fortunato & Alter, 2015). There are five determinants for an enterprise to sustain in long term according to Organisation for Economic Co-operation and Development (OECD), that are favourable business conditions, training, available resources, easy regulations and personal experiences (Lunati et al., 2010). Social capitals like NGOs, SHGs, community based organisations and government agencies are working collectively in initiating developmental programmes for women entrepreneurs and encouraging them in taking up entrepreneurship as a technique of livelihood promotion and poverty alleviation (MSME, 2020; Lenka & Agarwal, 2017).

# 3. Objectives of the Study

This paper explains the role of social capital in

promoting entrepreneurial activities towards poverty alleviation through employment creation and income upliftment. The study focused on micro entrepreneurship that helps women in improving their livelihood situations, income, promotion of socioeconomic conditions and poverty alleviation. The role of SHGs, SHG federations, Non-Government Organisations and Community based Organisations are discussed in the study.

# 4. Methodology of the Study

This paper is a conceptual based review paper in which the author has reviewed peer-reviewed journal articles of highly indexed publishers. The concept of social capital and micro enterprise development have been explained. Further, the role of social capital in micro enterprise development and poverty alleviation are discussed. The four forms of social capital as SHGs, SHG federations, Non-Government Organisations and Community based Organisations are discussed. Authors have analysed how these social capitals help women in creating micro enterprises at various stages and alleviate poverty.

### 5. Results and Discussions

In this section, the roles of each form of social capital have been discussed separately to understand in what way, they promote enterprise development and help in alleviating poverty. The concept has been clearly

described so that it is easy to understand their roles towards business development. In the following section, their roles are described separately.

## 5.1. Role of SHGs in Poverty Alleviation

Swain & Varghese (2011) observed that the SHGs in the country not only facilitate financial inclusion but also help in developing skill-based training to improve human resources with the help of Self-Help Group Promoting Institution (SHPI). SHPIs are any institution i.e., NGOs or community based organisations or any government agency that helps in promoting the SHGs in order to achieve various social factors (Sharma, 2014). Group conflicts arise due to internal factors such as non-payment of individual loans, lack of commitment to group activities and sometimes, interference from family members. It hinders the basic objective of group formation i.e., social capital and joint liability (Mohapatra & Sahoo, 2016). An increase in female to male employment ratio is capable of advancing the Gross Domestic Product (GDP) by up to 34 per cent for a developing nation and production outcomes may be increased by up to 25 per cent based on the report of the United Nations Industrial Development Organisation (Nichols, 2021; Chatterjee et al., 2018). SHGs have successfully contributed to the inspiring initiatives for women entrepreneurs through increased self-esteem and knowledge by looking into their concerns (Mohapatra &

Sahoo, 2016). Rural SHGs are successful contributors to micro entrepreneurship and thereby influence the employment and lifestyle of the members (Suprabha, 2014; Kataria & Pandey, 2022).

## 5.2 SHG Federation and Poverty Alleviation

Any livelihood supporting activities that fetch economic benefits or any informal activities within their circumstances which bring positive income levels on a sustainable basis to women households are termed as income generating activities (Kirve & Kanitkar, 1993). Women based enterprises are flourishing at a higher rate than the aggregation of economic growth in many OECD countries, allowing capitalisation of the skills of educated and trained women (OECD, 1997; 2004). In India, SHGs under National Rural Livelihood Mission, form a local federation or village organisation (VO). The formation of VOs advances unity and economics of scale in group activities and facilitates developmental activities (Jakimow & Kilby, 2006). It brings all SHGs together in a locality and creates a greater space for members to contribute to socio-economic development as well as the empowerment process (NRLM, 2016). An increase in capacity building within the women's community is not sufficient to resolve the long-term problems faced by them. NGOs play a supportive role in imparting skills and knowledge that bring dynamic changes in households and society (Mathur & Agarwal, 2017; Taga, 2014). Social capital

operates through norms, values and worthiness. Social relations are essential for new age women entrepreneurs (Anderson *et al.*, 2007; Yoonyoung & Maddalena, 2013). Skill based training has better results than financial training in promoting entrepreneurship among women (Lenka & Agarwal, 2017; Solomon, 2023; Carroll, 2001).

Association of Women Entrepreneurs of Karnataka (AWAKE), an institution of women entrepreneurs, implements entrepreneurship development programs to exchange innovative business knowledge and stimulus to be a part of entrepreneurship (Preethi, 2017). Kulgo Uttari Aajeevika Mahila Gram Sangathan involves in promoting empowering activities in the health and nutrition sector and enterprise activities including stitching of uniforms for school children (NRLM, 2018). Mahila Samakhya helps them in accessing necessary particulars on their privileges and is associated with a range of awareness programmes (Sarin & Chand, 2019). Women entrepreneurs must focus on social networks in terms of marketing, finance and business connections to increase the growth and performance of the business (Osei & Zhuang, 2020).

# 5.3 Role of NGOs towards Poverty Alleviation

NGOs help in enhancing the potential and aptitude of women entrepreneurs (Lindberg & Lindgren, 2010). NGO training has a positive impact on asset creation and helps in

promoting economic activities in agriculture, livestock, art and crafts and handloom business (Swain & Varghese, 2011). Social pressure from NGOs and government agencies result in changes in attitudes and may lead to greater empowerment (Bali Swain & Wallentin, 2016). An NGO named Jnana Prabodhini organises various activities on literacy, research and development and awareness on small scaled industries (Kirve & Kanitkar, 1993). Entrepreneurship training programmes such as Development of Women and Children in Rural Areas become institutionalised at the grassroot level through skill advancement, technology acquisition and improvement and effective resource management (Nair, 1996). The Entrepreneurship Development Programme (EDP) helps in nourishing people's entrepreneurial motives and also equip them with the skills and capabilities necessary for entrepreneurship. NGOs take up rural EDP as a potential network for promoting sustainable livelihood among the rural poor (Sing, 2002). A Tamil Nadu Women's Development Project, popularly known as Mahalir Thittam helps in facilitating awareness of recent developments in dairying with the assistance of NGOs for the SHGs (Jothilakshmi et al., 2009; Karanda & Toledano, 2020).

# 5.4 Community based Organisations (CBOs) and Poverty Alleviation

Justo et al. (2008) observed that social network

has the capability in advancing the knowledge of individuals towards entrepreneurship engagement. Communities give strength to young entrepreneurs at a functional level such as access to capital, market facilities and at a relational level i.e., through social networks (Fortunato & Alter, 2015). A cooperative approach, mutual confidence and inspiration for entrepreneurial activities are developed due to the collective efforts of committed individuals within a community (Parwez, 2017). A Biz Sakhi, who is previously associated with various entrepreneurial activities trains and mentors women entrepreneurs (UNDP, 2019). Community based tourism entrepreneurship is a strong example of the collective action of the community that contributes to rural entrepreneurship development. Tourism rural entrepreneurship provides benefits to the community as well as extends economic benefits to the local populations due to a large number of footfalls in the destination (Meera & Vinodan, 2019; Tenzin et al., 2015).

Community based Entrepreneurship (CBE) is an alternative to social entrepreneurship that is geared towards the pursuit of a community's economic and social objectives (Sarreal, 2013). It provides households higher voice and participation in a wide range of social and economic activities (Grootaert & van Bastelaer, 2001). A community level enterprise named Gram Mooligai Company Limited (GMCL) in India working in the herbal sector evidenced community can

represent a suitable mechanism to promote local development in the long term. This encourages active involvement at the grassroot level and favours collective processes within the establishment (Torri, 2010). Local level institutions in rural regions should identify innovative strategies and processes for development while analysing the problems that restrict rural level development (Wallenborn, 2011). Entrepreneurship projects that are based on the community level promote a potential approach to alleviate extreme poverty by developing employment and capacity building. Community Development Project (PRODECO), a World Bank sponsored project suggested more optimistic ventures are those that use accessible local and well-known technologies in rural areas (Gallardo & Raufflet, 2014). In order to be effective, a community based entrepreneurship should consider social capital as a major determinant in promoting the sense of personal will and affiliations of people within a community to get involved in entrepreneurship (Roxas & Azmat, 2014).

#### 6. Conclusion

Social capital and innovation together increase the growth performance of an enterprise through a strong social network and impact positively on poverty alleviation. In order to increase the growth performance of women owned enterprises, it is necessary to maintain a well-established relational network. Social capital works as a facilitator in

accessing the market facility, improvement in production level through efficient use of resources, access to necessary information and financial access and impacts positively on the performance of different entrepreneurship entity (Yusuf & Omonona, 2005). In addition, social capital helps in accessing essential resources for enterprises through a network of relationships among stakeholders. Common services that women entrepreneurs require are education or knowledge on entrepreneurship, regular mentorship, suitable social networks, access to target markets and affordable financing facility that helps in building bridges with the business (UNDP, 2019). NGOs work as a mediator between the public agency and the respective women's community in order to motivate them in performing income generation activities which ultimately help in gaining confidence among individuals to be self-reliant. Micro entrepreneurship development is a new age technique for rural women towards selfemployment, income generation and hence, poverty alleviation in the long run.

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# Impact of Work Mode Changes on Work Culture during COVID-19

## Rianka Saha<sup>1</sup>

After COVID-19, many organisations which were earlier mulling closing down office spaces and going for remote working due to various reasons, realised that it may cause irreparable damage to the work culture sometimes leading to social isolation as well. In this paper, it was attempted to analyse the effect of pandemic on the work culture as well as work ethics in organisations. Specifically, the concept of social isolation and the impact of the same on the individual work performance and ethics were explored. A pilot study was conducted with a questionnaire which was shared with 100 plus individuals through various electronic modes out of which 34 responses were received. It was concluded from the study that workplace relationships are critical and pivotal for the overall well-being of individual workers and they also affect productivity. The study has a lot of scope for further future exploration.

**Keywords:** COVID 19, Pandemic, Work Culture, Work Ethics, Office Culture, Social Isolation

#### 1. Introduction

The COVID-19 pandemic has affected the world in a tremendous manner and in its wake also the way people work and the work culture. These changes have been swift as well as powerfully immersive in nature. The assumptions about the way the world works have changed drastically over the last two years and have also taught people one very important aspect that work can be done remotely, even from the comfort of their own homes. The lines between work and home have become blurred because of this. Also,

natural camaraderie that a workplace culture brings to the table is not really in the picture (Chattopadhyay, 2020).

When the pandemic struck, none of the businesses were actually prepared for the global lockdowns that happened. Therefore, the root of the problem is the extreme rapidity with which everything was unfolding that did not offer individuals as well as teams time to adjust to any such changes (Bhattacharya, 2020).

#### 2. Literature Review

# 2.1 Impact of the Pandemic on Work Life

In the year 2019-20, COVID-19 spread across the world and the initial confusion on

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the epidemic nature led to widespread cases and spike in death rates. Overnight the organisations and businesses across the world were hit severely and essential services were also affected. There was an immediate need to identify the measures to fight the disease at the physical level as well as recognise the need to keep the ball rolling for businesses on which the economies of the world were dependent. The need for social distancing gave rise to the concept of work from home or WFH. The concept of work from home in simple terms is the individuals completing their day-to-day office work using various digital and company initiated platforms sitting at home. Like any other new concept, WFH also has its own pros and cons and was definitely instigated by the emergency situation in which the entire remote working arrangement had to be made unexpectedly and in unplanned manner (Toscano & Zappala, 2020).

While the employees working from home were supposed to get some kind of work-life balance, it actually resulted in a blurring of the boundaries. People disconnect issues or social isolation was a very critical problem that was entrenched in the new normal. Thus, adapting to the new normal and the changed circumstances impacted the work culture in organisations across the world. Adoption of technology became the means of dealing with this uniquely ambiguous situation. Software tools such as Google Docs, MS Teams, Hangouts, Zoom and Skype to name a few helped individuals to get connected and

interact with the world outside (Singh *et al.*, 2020). The researchers warned that the organisations may be ready or preparing to handle the technical aspects but there was also a need to worry about the emotional and cultural aspects.

# 2.2 Understanding Organisation Culture

"Culture is that complex whole which includes knowledge, belief, art, morals, law, custom and any other capabilities and habits acquired by man as a member of society" as mentioned by Taylor (1871). As per Janet Watkin, the organisation's culture is shown through the leadership skills of its top executives and at the same time in their workforce's everyday behaviour (Singh *et al.*, 2020). Some researchers define organisational culture as the way in which employees interact or relate to each other.

Through various researches it has been seen that culture can both be a hindrance as well as an enabler depending on how the organisations implement cultural changes. Thus, an organisational culture that has been carefully thought of and strategically implemented may result in highest levels of productivity (Singh *et al.*, 2020).

Culture is normally steered by values and purpose. The validation of culture happens during crisis situations as seen during the COVID-19 pandemic. The researchers found that the companies that showed productivity, had a strong culture that promoted values such

as innovation, integrity, ambition, accountability and people centricity (Berman & Thurkow, 2020).

Organisational ethics has a very critical role in organisations. It can effectively counteract blatant cultural issues within an organisation (Sims, 1991). The study of ethics provides insights into workplace dilemma as well as the ethical digressions that occurred when individuals were forced to WFH.

# $2.3\,Factors\,Affecting\,Work\,Environment$

There is the concept of gendered inequality which explains how women are burdened with unpaid household work and care. It is also seen that risk perception, risk exposure and risk handling are different for women (Siriwardhane & Khan, 2021). Another important point that the researchers (Kaushik & Guleria, 2020) explored was that not every home had the setups and workspaces that could be used for WFH. The sudden change also required some amount of training in the usage of technology. The mental state of the individuals also became a very big concern here as the individual employees were trying to cope with the unique situation in all possible ways. The rapid changes in the routines had a devastating effect on the lives of the individuals. The virtual workspaces although provided a definitive solution; they did not actually assuage the atmosphere of extreme uncertainty (Kaushik & Guleria, 2020).

Based on the above discussion, there is a need

to study the implications of the concept of working from home for employees who are used to working from formal office set-ups. The concept of social isolation as defined by researchers is disengagement from social interaction, the reasons for which could be voluntary as well as involuntary (Lubkin & Larsen, 2013). Social isolation also has a significant effect on the health as well as the emotional well-being of individuals (Cacioppo *et al.*, 2011). WFH also resulted in professional isolation, breaking down of professional relationships as well as a clash in family and work priorities.

Although a lot of scientific research has highlighted the benefits of remote working, it has also resulted in professional or social isolation (Toscano & Zappala, 2020). A lot of studies clearly emphasise that COVID-19 has also resulted in increasing inequalities within organisations. These inequalities are the result of the different level of satisfaction as experienced by the employees with the remote working conditions. There have also been cases of wage inequality among workers, as was seen in the case of Italian workers (L. et al., 2020).

# 3. Research Questions

i. Has working from home or remote working during the pandemic resulted in social isolation for employees and impacted the work culture and different organisations on the whole?

ii. Has work from home or remote working

also resulted in creating organisational-level gender parity issues?

### 4. Research Methodology

A questionnaire was designed with the above research objectives in mind. There were a total of 17 questions shared with a cross-section of individuals working in IT as well as non-IT sectors across various levels of the organisations. The sample includes content editors, senior managers, proprietors etc. Out of the 34 respondents, 13 were female and rest were male. A nominal scale was used to gather responses and the same was plotted on a pie chart using Google tools.

### 5. Respondents Demographics

The data sources for this particular study were the professional at various levels working in different industries starting from public sector power plants where although, the nature of work was included in essential services and hence there was no real remote working but working with a reduced number of colleagues, to private sector executives who had to completely switch to work from home even for marketing projects that required high levels of customer interaction and interface. In order to keep the division of the highly distributed labour force in meticulous order, the sample of the population was simply divided into IT and non-IT.

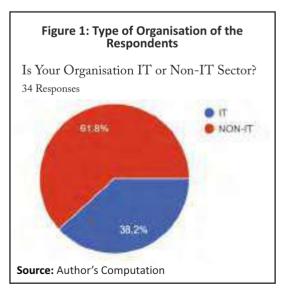
The respondents were contacted through a questionnaire designed through a Google form and floated through electronic mediums

such as emails, WhatsApp as well as other ways of messaging. Out of all the messages sent only 34 respondents filled up the form after a few reminders.

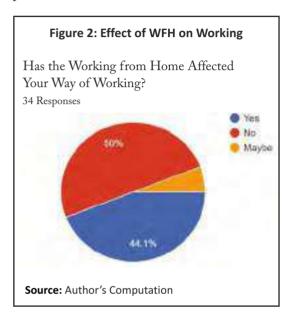
### 6. Data Analysis

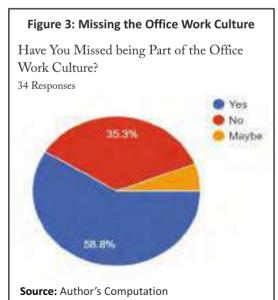
It can be seen from Figure 1 that out of the total respondents of 34, around 61.8 per cent are from non-IT and the rest are from IT. Designations of the respondents included Assistant General Manager (Human Resource), Content Editor, Human Resource Business Partner, Proprietor, Senior Architect, Senior Manager, Senior Assistant Vice President (Sales) etc.

From the pie-chart (Figure 2), it can be deciphered that irrespective of the industry as well as the level occupied in organisations almost 50 per cent of the respondents felt that it did not affect their way of working.



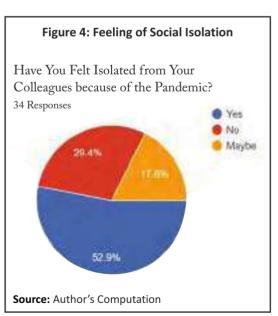
The respondents have missed out on being part of the office work culture as is evident





from the pie chart as per Figure 3. Almost 58.8 per cent felt that they missed office work culture while only 35.3 per cent felt that they did not miss the same. It is interesting that 12 respondents felt that although the pandemic has come with its own set of effects, they did not really miss the office culture but perhaps felt comfortable working from home.

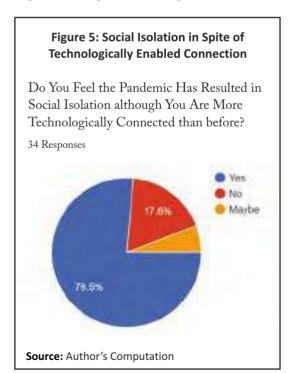
The main area of concern in this particular research was to find out if working from home or remote working has affected the work culture as well as feeling of social isolation among the respondents. Figure 4 answers the question for us. Almost 52.9 per cent said yes to the question of feeling isolated from colleagues due to the pandemic situation and 17.6 per cent also felt that maybe they felt isolated from their colleagues. It can be



deciphered from the above data that a majority of the respondents coming from different organisational backgrounds as well as different levels in the organisation have felt isolated from their colleagues.

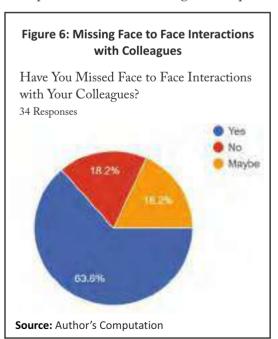
As per the pie chart in Figure 5, the respondents felt that they are much more socially isolated than before. This definitely helps to answer a research question about how the pandemic has definitely affected the work culture and in fact, resulted in social isolation in the working class.

On the question of missing face-to-face interactions with office colleagues as per Figure 6,63.6 per cent of respondents felt that



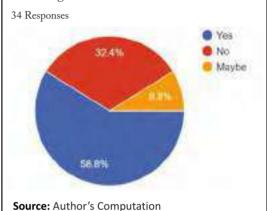
they definitely missed the same and 18.2 per cent felt that they may have missed the same. This again points to the fact that although under normal circumstances the presence or absence of certain factors is not missed, in extraordinary circumstances these become pivotal towards creating the basics of work culture. Herzberg's two-factor model can be thought of here, wherein the hygiene factors although are not noticed when they are there, their absence definitely creates a loss in work motivation and is further adding to the concept of social isolation.

On the question of having dedicated office spaces in order to have the feeling of working and being productive as per Figure 7, almost 58.8 per cent felt that having office spaces



## Figure 7: Office Spaces Bringing in More Productivity

Do You Feel its Important to Have Office Spaces in Order to Have the Feel of Working and being Productive?



does add to the idea of being productive in the working population. This again can be corroborated by the two-factor theory and specifically the hygiene factors that are definitely playing a very important role in employees' motivation to work and be productive.

On being asked about the top three things that individuals missed while they worked from home, the respondents were allowed to get creative and provide answers beyond yes and no questions as per Illustration 1. It was found that the answers were quite varied and a few samples are shared here for analysis.

From the above answers, it can be seen and understood how deeply the work-from-home

### Illustration 1. The Effect of Remote Work Culture on Work Ethics

- 1. Engagement Activities, Team Lunches.
- 2. Connect with People.
- 3. Interacting with Colleagues, Sharing Ideas Personally and Office Work Culture.
- 4. Face to Face Interaction, Tea Breaks with Colleagues, Office Ambiance.
- 5. Seeing Colleagues, Playing Office Indoor Games.
- 6. Flexibility
- 7. Quick Interactions and Resolutions, Social Connect and Daily Routine.
- 8. Face to Face Interaction, Designated Meeting Area/Workspace, Engagement/Social Events.
- 9. Social Connect, Human Touch & Understanding People.
- 10 Colleagues, News Room Madness, Speaking to Team Members Face to Face.
- 11. During Big Presentations Creative Thinking and Brainstorming Together on the Same Table, Is a Miss, I Being from Advertising Industry.

**Source:** Author's Compilation

culture has impacted the working population. The common theme in every answer is the loss of human connections. Although, probably the teams are much more connected with each

other and ready to have meetings at a moment's notice, the impact has been quite strong and very much visible at the same time. Interestingly, working from home should provide flexibility but the blurring of boundaries has resulted in making work difficult.

Author also felt that the respondents need to decipher for us if ethics at work was compromised at some point due to the pandemic as per Figure 8. Out of the 34 responses that were there, 58.1 per cent of the respondents felt that work ethics has definitely been impacted by work-from-home and this is definitely worrying for the work-from-home culture especially when a lot of organisations are mulling about going for

Figure 8: Work Culture Effect on Work Ethics

Do You Think the Remote Work Culture Has Also Impacted Work Ethics?

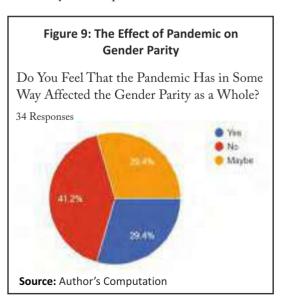
34 Responses

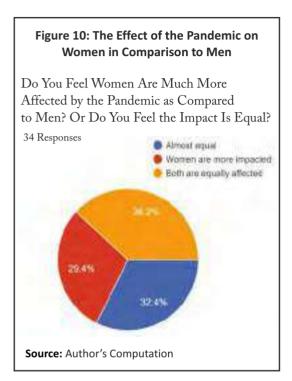
Source: Author's Computation

completely remote work setup even after the pandemic. A lot more research would be required to test the efficacy of the work from home mode.

The results from the survey, indicate that working from home or remote working during the pandemic has resulted in social isolation for employees and impacted the work culture and ethics of different organisations on the whole. The author assumed that gender parity was in some way affected due to the pandemic situation. For that, the author framed two questions to understand the impact of pandemic on the gender parity.

If one considers the 29.4 per cent of respondents answering yes and the other 29.4 per cent of respondents answering maybe, it can easily be deciphered that somewhere the





respondents have felt that gender parity has been affected as per Figure 9. In one of the studies it was found that although, the pandemic was considered a great leveler of inequality, it really was not (Kristal & Yaish, 2020).

Following up the above discussion with another question, 'What is the effect of the pandemic on women in comparison to men?', as per Figure 10, it was found that only 29.4 per cent feel that women are more impacted while, most of the respondents feel that due to the pandemic, the impact has been almost equal and both men and women have been equally impacted in some or the other way.

As the last question of the discussion, an option to respondents was provided to add

### Illustration 2. Sample Responses on Discussion Areas

- 1. Pandemic Has Caused the Scalar Chain to Break.
- 2. You Cannot Replicate Office at Home with Net Connection and Laptops. Colleagues Are Source of Inspiration. Inordinate Delay while Attempting to Complete an Assignment at Home.
- 3. For All My Positive (Yes) Responses, where the Questions Are about Impact, I Feel there Has Been a Positive Impact on the Work Culture and Ethics, Especially in a Way that Organisations Have Become More Tolerant towards New Modes of Communication, More Accepting towards New Working Policies (WFH). There Are MNCs (e.g. Google) that Have Switched to WFH as a Permanent Option based on Employee Feedback.
- 4. I Think the Impact of the Pandemic on Work Culture and on Gender Parity Has Been Both Positive and Negative. But it Surely Jolted the Entire Work Force into Relooking at "Ways of Working Efficiently" in a New Way.
- 5. Mental Health of Employees Should be Addressed by Companies by Some Initiative.

Source: Author's Compilation

anything to the discussion and 20 responses for the same were gathered. Some sample answers have been shared in illustration 2. From Illustration 2, it can be seen that the variety of answers to the question definitely adds to the discussion about the whole issue. One area that has not been explored is the mental health of employees which has definitely been affected by the pandemic. A separate study needs to be undertaken for the same.

The data analysis helps the author to understand that although our observation about the impact of the pandemic on work culture and ethics is very visible; the second observation that gender parity has been adversely affected could not be conclusively substantiated. That will definitely need a much bigger sample size and corresponding tools to understand the same.

### 7. Results and Discussion

Based on the above discussion the author can conclude that the first question with which the discussion was started, that is, pandemic has impacted the work culture and ethics and led to social isolation is true. The more the respondents felt that they are connected technologically, the more they felt social isolation. The reason is although, office spaces may not be equal for all, some of them getting larger spaces than others, it definitely proves that having an office space, working in an area earmarked for work as well as interacting with like-minded people who are also invested in

the cause, definitely increased the productivity of an employee. As per research conducted on this, the researchers argued that office spaces provided a distinctive space that definitely could not be replicated by creating smart homes or better facilities at home (Papagiannidis & Marikyan, 2020).

Workplace relationships play a very pivotal role in gaining better work attitude and therefore lead to a better work culture. Another study was aimed at finding out if senior managers promote workplace relationships and whether they are useful in the long run for productivity and it was found that although nurturing such relationships came with its own set of risks, it most definitely added to the productivity of the employees and also increased positivity (Berman et al., 2002). In one of the research projects, it was found that virtual workspaces are here to stay and many organisations would switch to virtual spaces although such decisions are backed up by business reasons, they may be offset by cultural clashes, loss of cost efficiencies, lack of trust and isolation (Cascio, 2000).

#### 8. Conclusion

The author can conclude from the discussion that workplace productivity is affected by the lack of distraction-free work environments or office spaces as well as the absence of office colleagues who form an integral part of an office. The work culture and ethics have thus taken a severe blow as can be seen in the analysis part of the study. One of the studies in this regard concluded that although, COVID-19 was termed as a great equaliser, it most definitely is not. There are rising cases of domestic violence as families are forced to stay together which is also putting a lot of women at a much greater risk than earlier imagined (Taub, 2020). One of the arguments put forth by the research done in this area argues that employment opportunities for women are much more affected by the pandemic (Alon *et al.*, 2020). Gender parity issues are definitely affected adversely by the pandemic although that needs to be substantiated through a separate study.

### 9. Implications of the Study

After the analysis of the data, it has been understood that there are certain gap areas that need to be addressed. Firstly, gender parity has been affected during the COVID-19 pandemic and it has scope for further future studies. Secondly, workplace ethics have been adversely affected by the pandemic, the same should be explored as a muchdetailed study. Thirdly, the data gathered with respect to the aspect of work culture and ethics getting affected by the pandemic is very conclusive although it would have been much more interesting if more respondents would have participated. Lastly, the study could be considered as more of a pilot study and any further research should include a much detailed questionnaire with more data points that will help to gather more.

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# Role Readiness in Management Education – Few Questions and the Way Forward?

### Soumendra Narain Bagchi<sup>1</sup>

The reputation of management institutes and their ability to attract quality students is driven by the success of the placement process. In this article, I posit that the recruiters' satisfaction is driven by the level of role-readiness displayed by the graduates of the management institute. The level of role readiness creates a positive spiral, wherein the success of the candidates as displayed in their jobs translates into more acceptance of graduates into higher roles. However, the importance of role readiness is increasingly being ignored in the majority of management institutes. Such neglect of role readiness while not impacting the quantity of the placement process, impacts the quality of the placement process, thus impacting the perception of the brand of the management institute in the minds of two critical stakeholders, the potential students and the potential recruiters.

**Keywords:** Management Education, Role Readiness, Placement, Recruiters

### 1. Introduction

That a graduate from a business school should be role ready, i.e., should be competent to take on the challenges in the corporate world from day one of her or his employment, is designated as a quaint, in some cases a utopian, idea in many faculty-debates in business schools. Among the many arguments, 'we are here to impart knowledge, and not a recruitment agency' is often the most common one, articulated in different versions. What such an argument reflects is overconfidence in the survival of the current education model

and contempt for understanding the recruiters' dilemma and the fact that recruiters have and often exercise a choice in staying away from recruiting graduates of an institute if they feel that their purpose is not being served. The traditional notions of punctuality, attendance, and performance, tests or quizzes being indicators of academic performance, runs deep in the academic fraternity. Such beliefs amount to cultural hubris (Sadler-Smith & Cojuharenco, 2021) in an institute that ignores that the recruiters nurture the very survival of institutes in India. Recruiters, especially the ones who are high paymasters, expect the newly recruited managers to start delivering from the first week of the job, if not

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the first day. While the concept of management trainee is still popular in a few organisations, many have shifted to the practice of giving actual assignments.

A few management institutes have included workshops to supplement the traditional courses, to be able to get the graduating students ready to handle the challenges. There are others who have taken inputs from the alumni to get an idea of the kinds of assignments the new recruits are given so that the same is included in their curriculum. Participation in these workshops, where the participants engage in real-life business problems is mandatory in such institutes.

## 2. Recruiters - Do They Deserve to be Most Influential Stakeholders in Management School's Ecosystem?

Recruiters form the most essential stakeholder in the Indian higher education landscape. The hopes and aspirations of the students are aimed at making a career and the management institute fits in the dream by offering the launch pad during the placement process. Such an aspiration is furthered by education loans, which finance the dreams of higher education for most middle-class aspirants. As compared to the elite and the upper social strata, higher education and the career opportunities that higher education opens up, are often the only way for those to socially and economically uplift themselves from their existing social strata.

Often campus recruitment is the stage where

the students get the first jolt of reality, as the situations presented by the recruiters hardly come close to what had been discussed in the classrooms by the faculty. Scenarios of problems often culled out from the many challenges the organisations have faced, are converted into cases which are then used to test the ability of the candidates in handling such situations. It has been the sad experience of many candidates where they are clueless to analyse an unstructured problem situation, for the simple reason that they have not been exposed to such an exercise. The disappointment in the minds of the candidates that they are inferior as compared to graduates of other business schools is often tempered by the fact that it is not their intelligence that has failed them, but the schools where they graduated from did not do justice to their training.

## 3. Is the Messy Reality of Complex Problem Ignored in the Classrooms?

Complex problems are significantly different from the simple question and answer based pedagogy and the accompanying evaluation common in most business schools. Representing what is known as 'wicked problems' (Earle & Leyva-de la Hiz, 2021), these problems have multiple interconnected dimensions implying multiple ways of initiating analysis and application of multiple approaches to develop a particular solution and come up with an action plan. Many of the situations often require the students to think of the business holistically in terms of

appropriate business models, with the complete development of an action plan covering multiple dimensions. Real-life challenges have little use for answers. Real-life problems require action plans - specific steps to mitigate or, control the problem, or to take advantage of the situation. For example, a strategic problem might need the student to cover the entire gamut from competitive analysis, development of relevant marketing activities, including taking care of supply chain management challenges, the questions related to human resource management, the relevant information systems that would be required and the detailed financial analysis for all the dimensions.

Implementation of solutions form a different kind of challenge. Contrasted to analysis, implementation requires the identification of critical stakeholders and obtaining their concurrence to develop a shared understanding of the problem and a collective agreement towards the proposed solution. This is hardly ever discussed in the classroom, except in rare conditions where the concept of stakeholder 'buy-in' is discussed. How does one go about getting that 'buy-in' is often left for the students to figure out. The ignorance about the challenges of implementation is often accompanied by a naiveté of the newly graduating student about the political dynamics prevailing in a situation. Trying to navigate through the different stakeholders, without being able to recognise the political dynamics between the different stakeholders,

is setting oneself up for failure in the initial part of one's career. If one is lucky, one might find a mentor in the organisation who might take him or, her under his or, her wings and guide him through. For others, they have to struggle on their own, unprepared by the management institute which was supposed to train them for a corporate career.

Unfortunately, schooled in the predominantly traditional functional and lecture-based pedagogy where each functional subject is delivered as a theoretical knowledge with its set pattern of questions and answers, students, apart from a few who have been fortunate in studying in institutes known for application-oriented pedagogy, or those who have prior experience to bank upon, flounder when faced with such challenges. This reality check often leaves many students at a distinct disadvantage as compared to students from institutes with application-oriented pedagogy.

While much has been written about the case-based method, the case-based method is not perfect. Cases are often written to fit a functional curriculum and not to reflect the multidimensional nature of managerial challenges. Real-world managerial challenges hardly fit the neat demarcation between different functions. For example, consider a new product development for the shaving market in the Indian context. Different aspects like choosing the product ingredients, the packaging, the colour combinations, the pricing, the launch of the product, whether

celebrities would be used to launch the product or it would have a non-celebrity based launch etc., are decisions which have different viewpoints. Ranging from reporting officers, peers and mentors, each stakeholder would hold an opinion about how to go about it and what ought to be the right combination and so on. Suddenly, we find that the subjects of new product development, managing stakeholders, and meeting financial targets have intertwined into a complex problem. It is doubtful that an education that does not expose the students to how to tackle such kinds of problems does justice to the expectations of the students as well as that of the businesses that hire from such institutes.

## 4. Should Institutes Target Quantity of Job-Offers or Quality of Roles Offered?

What is the consequence of ignoring role readiness? The impact is on the quality of placement - the kind of roles the graduating students obtain. So what could have been a possible thrilling scenario of obtaining a midlevel leadership role at the start of the management career has been downgraded to a lesser role, despite investing more or less a similar amount in terms of fees and time in the institute. For the institute, it would have implied the development of a reputation for the difference in terms of the quality of its graduates, as compared to its peers. Unfortunately, precious little is being done about it, as most business schools consider the success of the placement process measured in

terms of the percentage of the students placed or the ranking as validation of their internal processes. What is ignored is the quality of the placements or the kind of roles the graduates have been assigned. Roles differ from strategic roles to operational or executive roles, which are predominantly lesser down the organisational hierarchy.

It can be argued that the majority of management institutes ignore the social obligation towards their two key stakeholders - the recruiters and the students and only equip their students with theoretical knowledge without the ability to apply the same to real-life decision situations. Role readiness implies that the graduating students are good at their craft and do not just carry a mark sheet highlighting the marks they have scored in theoretical subjects. It is the superior quality of craftsmanship as a manager which distinguishes good managers from the average.

Recruiters' belief in the worthiness of the graduates of a management institute can quickly suffer a jolt if one goes by what large multi-national recruiters like Google have done to recruit IT professionals. Moving away from the traditional approach of marks-based cut-offs and then following it up with interviews, companies have shifted to their own hackathons, challenges which reflect realistic problems. Success in hackathons requires the ability to understand the problem and then apply the relevant domain

knowledge to come up with a solution. Such an approach has turned topsy-turvy on the concept of institute ranking or institute brand to help a student get a prestigious job. It is now common to hear about students from lesser-ranked institutes getting better roles than students from higher-ranked colleges.

The trend is already visible in management schools - where case competitions, summer internships and success in these have started to replace the traditional placement process, replacing the focus on academic scores with the ability to tackle real-life problems. This is an opportunity as well as a threat. Any business school or management institute that decides to reorient its pedagogy to bring reality into the classrooms will have an edge over those institutes that do not. Unfortunately, not all recruiters test for managerial capability during their on-campus recruitment and selection. Many still use course grades to short-list candidates, signalling to other stakeholders a validation of the current educational system. If the majority of the students have been offered jobs, then the education system must be on the right track. Such an argument is difficult to challenge as prima facie, the institute has fulfilled its obligation by ensuring campus job offers. However, does it imply that the management institute has made the students confidently shoulder the assignments that come their way? It has been a common phenomenon, as experienced in many Facebook groups and email groups, of receiving requests for help regarding different corporate assignments. Calling the faculty for guidance is a common behaviour among management students, both for the assignments during their summer internship as well as after taking on managerial roles post graduation.

How did the management institute reach such a state? As illustrated by Bennis & O'Toole (2005), there are two models - the model of physicists and economists where universities exist to advance the frontiers of knowledge, versus, the medical and the law schools where faculty are also first-rate practitioners. While one can partly accept the argument put forth by Bennis & O'Toole (2005) that the current situation is due to administrators of management institutes adopting the model of physicists and economists since it is easy to track performance with publications acting as tangible indicators, one can also explore the signalling effect of faculties with an admirable publishing record, the information of which is in the public domain, as contrasted to success in practice, with the knowledge of the same remaining relatively private in nature. This is also reflected in the publication record of top management journals where real-life problems have a negligible representation (Harley & Fleming, 2021).

### 5. The Way Forward

Does it imply a complete rehaul of the pedagogy? Probably not. As long as the recruiters use course marks to shortlist the

candidates and not the assessment of capabilities, many institutes can survive with the existing educational paradigm. Capability assessment requires recruiters to think beyond the box and come up with innovative tasks, assignments and simulations many of which are resource intensive. While a few recruiters have moved towards case contests and assignments (based on real problems faced by their organisation) etc., these methods are often applied at a later stage with grades still being preferred as the initial filtering mechanism to reduce the volume of candidates to manageable levels. Quite a substantial number of consultancy firms use case-based group discussions, along with initial filtering via overall grades or, marks, as it offers a way out to deal with bigger batches of applications.

However, for those institutes, who would like to treasure the goodwill of the graduating students for rendering them capable of handling complex problems and those who would look back at their institute with pride, along with a successful record of placement, one can explore combining the traditional paradigm with the real work assignments or, workshops so that there is a lesser chance of disruption. A parallel curriculum can bridge the traditional pedagogy and the new pedagogy without creating a hurried disruption and possible rejections by other stakeholders. A parallel curriculum would also serve to keep the students productively engaged while making them better prepared to face real-world challenges.

It takes time and effort to develop the content of the parallel curriculum, as institutes would have to reach out to the industry to share the problems they have faced and how such problems can be brought into the classroom. While it is tempting to bring in an industry practitioner to deliver an additional session or so, it ignores the possibility of practitioners bringing in their "war stories, cracker-barrel wisdom, and the occasional practical pointer" (Bennis & O'Toole, 2005), leading to students carrying home the idea of a subject as a collection of stories disconnected from underlying theoretical concepts. A multipronged approach, involving multiple iterations would be necessary to come up with industry-relevant modules and identify the right faculty to deliver such modules. Such efforts by management institutes to realign their courses toward corporate reality might well be a way to create a niche in management education. Such an exercise may become a strategic imperative for many smaller institutes for survival as larger institutes, both the IIMs and private institutes, keep on increasing the batch sizes.

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