

# Management Chronicle

NEWS LETTER

DEPARTMENT OF MBA

Volume 3

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## Vision, Mission and Objectives of the Institute

### VISION

- To be one of the premier Institutes of Engineering and Management Education in the country.

### MISSION

- To provide Engineering and Management Education that meets the needs of human resource in the country.
- To develop leadership qualities, team spirit and concern for the environment in students.

### OBJECTIVES

- To achieve educational goals as stated in the vision through the mission statements which depicts the distinctive characteristics of the Institution.
- To make teaching-learning process an enjoyable pursuit for the students and teachers.

## Vision, Mission and Objectives of the Department

### VISION

- To be a preferred destination for management education and entrepreneurship development.

### MISSION

- To provide contextually relevant management education with learner centric pedagogies.
- To develop skilled, competent and socially conscious managers.
- To cultivate entrepreneurial culture among the students.

### OBJECTIVES

- To achieve faculty development and effectiveness through training and research.
- To inculcate concern for society and nature as a guiding spirit among the students.
- To provide integrated, classroom and experiential learning opportunities for managers and entrepreneurs.

## Faculty Development Programme

Faculty Development Programme on Econometrics for Financial Research was organised from January 29th to 31st, 2018. The purpose of FDP was to provide a platform for research scholars, faculty members and corporate researchers to get familiarized with the various fundamental aspects of Financial Econometrics.

Dr. V Rajesh Kumar, Founder, Vittam Pravina Gurushala, Bangalore, Dr. Mani K P, Adjunct faculty, Xavier Institute of Management and Entrepreneurship (XIME), Kochi, Dr. Manu K.S, Assistant Professor, Department of Management Studies, Christ University, Bangalore, were the three resource



*Dignitaries along with the participants of FDP* persons for the programme. Around 27 participants from across Karnataka and other states participated in the FDP.



*B. N. M. Institute of Technology*

(Approved by AICTE, Affiliated to VTU, ISO 9001:2008 certified and NAAC grade A accredited Institution)

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## From the Editors's Desk

The team of 'Management Chronicle', the bi-annual newsletter of MBA Department-BNMIT is pleased to present the June 2018 issue, an accumulation of informative articles and activities of the department to our readers. Management Chronicle provides a platform for the students to express their views. The present second and fourth semester students have contributed articles of business relevance such as "Digital Marketing: A Business Innovation to overcome Global Business Crisis", "Data Envelopment Analysis, Disruption in Entrepreneurship" and "Blooming Belarus". We would like to express our appreciation to all those who have contributed articles in this issue. The issue also records the major events and Programmes conducted by the Department.

## Profile of the MBA Department

Established in 2006, Department of MBA-BNMIT has recorded consistently excellent academic performance by securing top ranks in VTU. The department is served by highly qualified and experienced faculty members with an average experience of 16 years in industry and academics. International and national level faculty research contributions, Memorandums of Understanding with RIPO, Belarus, University of Alabama in Huntsville, USA, Fidelity National Financial Ltd., Learnito Edu Pvt. Ltd., and IIMBx, and National level student fests, conferences, online courses, industry interface programs are the prominent features of the Department.

## Achievements



Dr. L. Vijayashree receiving the award from representative of Weleed

Dr. L. Vijayashree, Prof. & Head, has received the "Women Achiever's Award for Excellence in Academics" by Weleed on March 31, 2018



Ms. Amulya B, fourth semester MBA won the Best paper award for the paper entitled "Organisation Culture and its Impact on Job Satisfaction" in the National Conference on 'Digitalization of HR Practices' organised by SJBIT, Bangalore held on May 3, 2018.

### Overseas Internship at Republican Institute for Vocational Education, RIPO, Belarus

Around 15 students of third semester MBA have completed their internship at Republican Institute for Vocational Education RIPO, Belarus from 18th January 2018 to 31st March 2018. The team enjoyed a grand welcome by the RIPO University Rector Dr. Valery Golubovsky duly accompanied by Hon'ble Minister for Education of the Republic of Belarus and Indian Ambassador at the Republic of Belarus for the Inaugural programme. The Vice Rector Dr. Elena Kasyanik and other invited dignitaries were present and the event was recorded by the local Government TV Channel, BelarusOne.

The Industry internship was organized at Minsk Tractor Works, Adani, Amkodor, Niva Holding and Atlant, Minsk, Belarus.

Dr. Vijayashree Lakshman delivered the vote of thanks address in the presence of RIPO Rector Dr. Golubovsky, Former Rector Dr. Arkady, Vice Rector Prof. Elena Kasyanik and students of MBA BNMIT.



RIPO bids adieu to students of BNMIT after the successful completion of the first internship programme.

# Articles

## Digital Marketing: A Business innovation to overcome Global Business Crisis

In this world of digitalization, Digital marketing is a vogue that is sweeping across the world to overcome business crisis. Digital marketing forms the backbone of today's economy. It is a strategy that every company should possess irrespective of their traditional strategies. The customers prefer to buy online which in-turn influences companies to adapt Digital platform as their strategic tool where they try to understand the requirements of the large mass for a sustainable growth.

### Conceptual Framework of Digital Marketing

**(Revenue) = (Website Traffic) x (Conversion Rate) x (Customer Value).**

Digital Marketing is the process of building and maintaining customer relationships through online activities to facilitate the exchange of ideas, products and services that satisfy the goal of Consumer and Seller.

The trend of digital marketing is growing day by day with the help of electronic gadgets like Computers, laptops, phones, etc. Various Return on Investment (ROI) tools like Google analytics, Google webmaster, Basic Google search, Goggle ad words etc, are available for measurement of Digital marketing.

### Characteristics of Digital Marketing

Far Greater Exposure, Brand Development, Reduced Costs Real time analysis, Refinement of your Strategy, More Choices, Reduces Selling Cycle, Increases promotion.

Digital marketing evolved by building websites, applying the art of 'On & Off page SEO' to your website, link building, focusing on meta-tags, contents, etc. Recent study by 'Times of India' shows that by the year 2020 around 2.87 million people will be using smart phones and another study of Dainik Bhaskar says that in 2018 around 5.87 billion people will be using internet in one or another form; Google, YouTube, facebook, mails etc.

Usually it helps the crowd to browse information of new launches in markets, studies, reviews and takes decision about the product or services. With such approach to overcome various crises, marketing has shifted from traditional approach to digital approach.

Digital Marketing has an advantage over Traditional Marketing in terms of time, cost, reach, frequency and interactive ability.

Digital Marketing Trends: Viral video marketing, Localization, Online and Social Customer, Relationship Marketing, Humanization of Digital Marketing, Personalization, Content marketing

Digital channel in marketing has become essential part of strategy of many companies. Digital marketing has no boundaries. It offers an inexpensive and efficient way to market products or services even for small business owners.

Companies can use any devices such as smart phones, tablets, laptops, televisions, game consoles, digital billboards, and media such as social media, SEO (search engine optimization), videos, content, e-mail and lot more to promote company itself and its products and services.

Digital marketing may succeed better if it considers customer needs as a top priority. Companies should create innovative customer experiences and specific strategies for media to identify the best path for driving up digital marketing performance.

Amazon, UBER, Oyo Rooms, etc are proving the importance of digital marketing and making good profits & provide higher levels of customer satisfaction. Thus we can conclude that implementation of innovative Digital Marketing Strategies can play an important role in reducing the Global Business Crisis in Today's Competitive World.

Thanks to Next Generation of Marketing...!!



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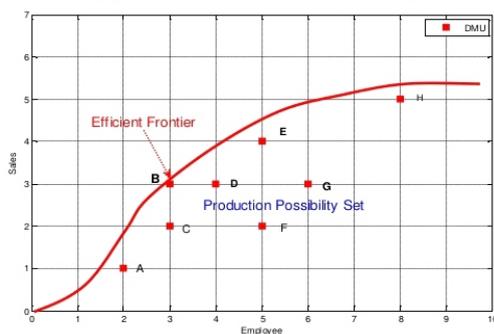
# Data Envelopment Analysis

The key activity for any of the firm is to monitor its efficiency. In our modern society, there are a number of methods based either on the traditional approach or using IT. Frontier Analyst is designed to measure and improve the performance of the organisation. The quest for greater efficiency is never ending as managers are always under pressure to improve the performance of their organisations. Frontier Analyst uses a powerful technique called Data Envelopment Analysis (DEA) to assist in doing this. Data envelopment analysis (DEA) is a nonparametric method in operations research and economics for the estimation of production frontiers.

The analysis compares the relative efficiency of organisational “units” such as bank branches, hospitals, vehicles, shops and other business units which perform similar tasks.

## Data Envelopment Analysis (DEA)

*“A Performance measurement tool”*



DEA has been used for both production and cost data. Utilizing the selected variables, such as unit cost and output, DEA software searches for the points with the lowest unit cost for any given output, connecting those points to form the efficiency frontier. Any company not on the frontier is considered inefficient. A numerical coefficient is given to each firm, defining its relative efficiency. Different variables that could be used to establish the efficiency frontier are: number of employees, service quality, environmental safety, and fuel consumption.

## APPLICATIONS OF DATA ENVELOPMENT ANALYSIS

It is used by managers in the organisations to perform a number of tasks including:

- Resource allocation: reallocating from the inefficient to the efficient
- Identification of “best practice”
- Identification of “poor practice”
- Target Setting
- Monitoring efficiency changes over time
- Rewards for good performance
- Planning site locations

## Performance Ratio

By Considering the single input and single output, out of many other inputs and outputs, the efficiency in converting their inputs and outputs of each bank is defined as following

$$\text{Efficiency} = \text{Output}/\text{Input}$$

## ADVANTAGES OF DATA ENVELOPMENT ANALYSIS

- Capable of handling multiple inputs and outputs
- Capable of being used with any input-output measurement
- The sources of inefficiency can be analyzed and quantified for every evaluated unit
- No need to explicitly specify a mathematical form for the production function
- Proven to be useful in uncovering relationships that remain hidden for other methodologies

## DISADVANTAGES OF DATA ENVELOPMENT ANALYSIS

- Results are sensitive to the selection of inputs and outputs.
- It cannot be used to test for the best specification.
- The number of efficient firms on the frontier tends to increase with the number of inputs and output variables.

## CONCLUSION

An efficiency study not only provides an efficiency score for each unit but also indicates by how much and in what areas an inefficient unit needs to improve in order to be efficient. This information can enable targets to be set which could help guide inefficient units to improve performance.



Kavya V.  
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# Disruption in Entrepreneurship

**Entrepreneurship** is the activity of setting up a business or businesses, taking on financial risks in the hope of profit.

**Disruption** is a seismic event that creates freshness of thinking that which leads to change. It is the very foundation of this country. It's the ability of a person to see new things and innovate fearlessly in their approach to business is the key to disruption. And all of it together is a key to making a lasting economic impact and creating lasting opportunities. Every start-up from every incubator claims to be disruptive nowadays, but the claim always falls apart under any close examination

## There are 2 types of disruption

**1. New Market Disruption** occurs when a product addresses non-consumption in an existing category, i.e. it is available for customers in a way the incumbents aren't. It could be cheaper, available in more places, in more countries, in more languages, etc. An Example: Ryanair, the low cost airline, created an entire new market of budget travelers, not by stealing customers from Lufthansa or KLM, but by offering routes no one else did at prices that competed with trains and bus routes.

**2. Low End Disruption** occurs when a product steals the cheapest and worst customers from the bottom of an existing market, usually by figuring out a business model that works with a lower-cost offering. This opportunity presents itself when the leaders of the market are producing products far above what the market wants or needs. It's also important to note that cost refers to "cost of use", which is not necessarily financial. For example, it's cheaper to tweet than it is to blog.

## Advantages of Disruption

### 1. Redefining subscription as its own business model

Some companies have disrupted entire business models by turning everyday necessities into subscriptions and shipping products directly to consumers.

### 2. Capitalizing on consumer demand for convenience

As the consumer definition of convenience has shifted, businesses are finding new ways to interact with and serve customers seamlessly.

For instance, anyone who has booked a hotel knows it isn't always an intuitive, cost-effective or pleasant experience. AirBnB became a disruptor in the industry by improving that experience, offering local rooms in homes or apartments at significant savings for the traveler and profit for the host. Meanwhile, ecommerce pioneer Amazon has always been focused on making shopping convenient by placing the nearly 500 million products in its marketplace at the fingertips of consumers.

### 3. Providing more efficient communication and collaboration

Business collaboration is no longer confined to mail chains and PowerPoint presentation.

Skype has innovated more personal types of communication. Beginning as a peer-to-peer internet voice platform, Skype exploded as a popular network for both individuals and businesses. It has continued to innovate, through video chat, conferencing and messaging.

### 4. Building gamification helps increase engagement

As companies both new and established look to engage consumers, gamification has entered the business lexicon. Gamification involves integrating elements of gaming into an application or interface -- like points, rewards, competition or an overall engaging experience.

Established companies, like Starbucks, have introduced rewards systems that encourage users to visit the store and buy certain items to earn points for future purchases. Target introduced its Cartwheel app as a way to engage in-store shoppers by making savings more interactive and build customer loyalty.

### 5. Transforming retail leads to changes in transportation

While the transportation industry is slated for huge changes with autonomous driving technologies being developed, some companies have already changed the way we think about getting around.

Through its technology, Uber has transformed the task of summoning a ride into an easy, affordable proposition.

Through its technology, Uber has transformed the task of summoning a ride into an easy, affordable proposition.

## Conclusion

The best innovation strategy for business is self-disruption.

All of these products and services are aimed at affecting the lives of consumers today but they started out as disruptive ideas that were ahead of their time.

To stay relevant, companies must adapt and evolve, which means finding new ways to disrupt the economy and recapture market share. That's why even the biggest companies like Apple, Amazon and Google are focused on self-disruption.



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## Blooming Belarus

The Republic of Belarus is situated in Europe, shares borders with Poland, Lithuania, Latvia, Russia and Ukraine. It is said that, every second the state border of Belarus is crossed by one person. Belarus has prominent regions like Brest, Vitebsk, Gomel, Grodno, Mogilev, Minsk, which are divided into 118 districts. The population of the Republic of Belarus at the beginning of 2017 was about 9 million people, 77.6% of which is concentrated in cities.

Minsk, the capital of Belarus has a population of around 2 million people which is one fifth of the country's total population. 42% of Belarus is agricultural land, 42% is forest, 6% lakes, rivers and marshes, 10% other lands. The total spread of rivers of Belarus is 91000 kms. Belarusian region witnesses large seasonal temperature differences ranging from 27° to -27° Celsius.

Local time is +3 hours from GMT (GMT + 3), for a layman when it's noon in Minsk it is 2:30 PM in India. The monetary unit is Belarusian Ruble (BYN), 1 BYN is equivalent to 34 INR approximately. Languages spoken in the country are Belarusian and Russian.

The Republic of Belarus ranks 6th among the Commonwealth of Independent States, 13th among European countries and 84th in the world. It is an export-oriented economy with a developed industrial, service and agricultural sector. The country is a pioneer in exporting potash fertilizers, trucks, tractors and road construction equipment.

In 1990s, with the disintegration of USSR, Belarus started transitioning gradually from a planned economy to a market economy. At present, Belarus adheres to the socialistic model of the market economy while sustaining precise state control over certain sectors of economic activity. Their approach has led to spurt in the annual economic growth of from 5.8% in the year 2000 to 11.4% currently, which is a substantial amount for a developing country like Belarus.

The economic potential of Belarus is based on industries which account for almost 40% of the basic production. There are more than 2300 businesses in the country, which contributes to 30% of the country's gross domestic product (GDP). The key industries are machine building, metal works, chemical, petrochemical, light, food, forestry, woodwork, production of building materials, pharmaceuticals and microbiology.

Many Belarusian enterprises are currently in the process of modernization, aimed at reducing energy-intensity and increasing automation. By 2020, it is planned that the updated lines will focus on knowledge-intensive sectors of the economy. In addition, a holding model of business organization is being formed in Belarus. The enterprises

of the most important segments become the unifying core for sectoral holdings.

The largest business holdings of Belarus are joint-stock companies owned by the state. At present, holdings such as Horizont, BelOMO, BelavtoMAZ, Avtokomponenty, Belstankoinstrument, Belorussian Metallurgical Company Amkodor are registered. The registration of two more holdings - BELAZ and Lidselmash are to be terminated. The creation of the Belcererika holding is planned, including the Minsk Building Materials Plant, the Radoshkovichi Ceramic Factory, Keramin and Berezastroymaterialy, and the glass company Belsteklo - Gomelsteklo, Grodno Glassworks and Glassworks Niemen.

The agro-industrial complex of Belarus is also one of the most important segments of the economy, the basis of the country's food industry. The leading directions of the agro-industrial complex are livestock and crop production. Belarus supplies agricultural products to 35 countries. The export potential of Belarus is dependent on trucks, tractors, televisions, refrigerators, chemical fibres, potash fertilizers, textile, lighting and food products.

In the Commonwealth of Independent States (CIS) region, Belarus holds leading positions in the field of chemistry and petro-chemistry, agricultural and automotive engineering, agro-industrial complex, light industry, and in certain areas of information and communication technologies. Belarus exports more IT services per capita among the 10 CIS countries. There are significant developments in the field of advanced technology, such as manufacture of optical and laser instruments and automated control systems.

Belarus is moving towards becoming an open economy. The country is now open to tourism and collaborations with other countries in various sectors. One of the collaborations with India was between RIPO and BNMIT, because of which the students of BNMIT got international internship opportunity and exposure to the blooming economy of Belarus.



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## AAROHAN 2018

The Department of MBA, BNM Institute of Technology organized AAROHAN 2018, a management fest on April 27 and 28, 2018. 172 participants representing 43 colleges across Karnataka competed in 7 events with enthusiasm and won accolades for their talents. The theme of the Management fest was “Entrepreneurship-Business Warriors”.



*Dr. M S Suresh, Dean, BNMIT, Dr. Krishnamurthy G N, Principal, BNMIT, Dr. C aganna, Chairman, BNMIT, Sri. Narayan Rao R Maanay, Secretary, BNMEI, Dr. K R qbal Ahmed, Director, Maulana Azad National Urdu University and Governing Council Member, BNMIT, Sri. Eishwar N Maanay, Dean-Administration, Dr. L Vijayashree, OD-MBA honoring the Chief Guest Dr. Som Dutta Singh, Founder & Chief- Marketing, Unspun Consulting Group, Bangalore.*



*Sri. Eishwar N Maanay, Dean-Administration, Dr. K R Iqbal Ahmed, Director, Maulana Azad National Urdu University and Governing Council Member, BNMIT, Mr. John Kuruvilla, Co-founder of CRO Kalpink Technologies Private Limited, Bangalore, Dr. L Vijayashree HOD, MBA Department handing over the overall championship trophy to students of RNSIT during the Valedictory Function.*

The fest started off with inauguration by Dr. Som Dutta Singh, Founder and Chief; Marketing at Unspun Consulting Group. The valedictory function was graced by Chief Guest Mr. John Kuruvilla, Co-founder of CRO Kalpink Technologies Private Limited, Bangalore, who congratulated the organizing team for the initiative and success of the fest. All the participants and guests have appreciated the event.



*Snapshot of Events of Aarohan 2018*

## PLACEMENT UPDATE

The placements for the current batch of MBA students is in the process. Around 70 students have been placed in reputed companies like Oyo Group, Inspirage, Optimism IT Solutions, TechCiti, Odessa, Cirrologix, Career Tree and Samastha. The average salary offered is Rs.3.5 lakh per annum and the highest package is Rs. 7 lakh per annum.

### MDP on Psychometrics and Econometrics Using R Language

The Department of MBA, BNMIT in association with CARES, Bangalore organised a Management Development Programme on **Psychometrics and Econometrics Using R Language** from May 24-26, 2018. The purpose of Management Development Programme (MDP) was to provide a platform for research scholars, faculty members and corporate researchers to get familiarized with both psychometrics and econometric framework using the open source R language. The resource person for the three day MDP was Mr. Shankar M M, CARES – **Mentor – Research and Training**. Around 12 participants from Bangalore participated in the MDP.



*Participants of MDP along with Dr. L Vijayashree, Prof. & Head, Dept. of MBA, BNMIT & Mr. Shankar M M, CARES – Mentor – Research and Training*

### Guest lecture series from January 2018 to June 2018

Date	Topic	Resource Person
10/01/18	Digital Marketing - The next Marketing Era	Mr. Dayal Jha CTS
03/03/18	GST and its implications on the Indian Economy	CMA Raveendranath Kaushik, Member of ICAI
17/03/18	Human Engineering in Different Industrial Context	Mr. Ravi, Associate Manager, Accenture, Bangalore
07/04/18	Corporate perception of candidate's behaviour during an interview	Mr. Santosh M Sakhare, Assistant Manager, Herbalife International India Pvt. Ltd
19/06/18	Overview of General Insurance with special reference to Fire and Medi-claim Policy.	Mr. Achutha Rao, Senior Marketing Manager, New India Assurance, Bangalore.

### Excel Training

A four-day training programme on “Advanced Excel” was organised for the fourth semester MBA students from April 17 to 25, 2018. The purpose of the training was to equip the students with features of Advanced Excel which will be beneficial for them for their projects as well as placements. Mr. Dinesh J from FACE (Focus Academy for Career Enhancement), skill development company, Bangalore was the resource person.



*Students of fourth semester MBA gaining hands-on experience from the training session on “Advanced Excel”*



### Industrial Visit

Students of second semester MBA visited UNIBIC Cookies, Bangalore on April 9 & 10, 2018 to view the manufacturing process of biscuits. The steps in manufacturing which included mixing, baking, cooling and packing were explained very clearly. The students were able to relate to many of the concepts like quality control, 7S system of good house keeping and plant layout.

### EDITORIAL TEAM

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