

From the Editorial Desk....

Innovation can lead the way:

The GDP growth of a country depends on three key factors: labour, capital and technological progress, as per the concept of production function aka the theory of the firm. In India capital has been acknowledged to be the key ingredient for growth since independence, with labour viewed as a 'surplus' for long. Around the 1980s the notion of skill development and human capital were added to policy jargon, leading to some emphasis on vocational training and professional courses in the traditional higher education system of the country.

After a half century and more of basing our production systems and processes on 'second best' technologies, received as support from the developed countries of the West, specially from the greatest innovating nation of the last century, the USA, it is time to appreciate and acknowledge our own abilities in Science and technology. We are now into the era of innovation and technology. India now believes that it is innovation led technological progress that will make us globally competitive and push us forward on the exponential growth trajectory. The R&D efforts by Indian corporate biggies and MNCs have been creating commercial innovation in the automotive, pharmaceutical and biotech sectors. Innovations by India's world class IT companies are large but unfortunately the intellectual property rights rest with their foreign client companies.

"I see startups, technology and innovation as exciting and effective instruments for India's transformation and for creating jobs for our youth." (From Speech by Prime Minister of India Shri Narendra Modi, at the Startup Event, 27 September 2015, San Jose, California). This can define India's entry into an era of innovation per se and disruptive innovation in particular.

India has moved up in the Global Competitiveness Index from rank 71, out of 148 countries in 2014-15 to rank 55, out of 140 countries, as per the Global Competitiveness Report, World Economic Forum. The index is based on a set of pillars in which India ranks third as per the market size. This is not surprising; what is heartening to note is that the second best ranking for the country is on innovation! The policies of the Modi Government are helping to increase competitiveness, though a lot of changes in labour market regulations, setting up of business and such need to be urgently addressed.

The Startup policy announced on January 16, 2016 gives the definition of a Startup as: Startup means an entity, incorporated or registered in India not prior to five years, with annual turnover not exceeding INR 25 crores in any preceding financial year, working towards innovation, development, deployment or commercialization of new products, processes or services driven by technology or intellectual property.

Intellectual Property Rights (IPR) are the backbone of innovation and are emerging as a strategic business tool for any business organization to enhance industrial competitiveness. Startups with limited resources and manpower, can sustain in the highly competitive world only through innovation led growth; for this, it is equally crucial that they protect their IPRs. The Startup policy includes several measures to facilitate filing of Patents, Trademarks and Designs by innovative Startups. The policy also, proposes schemes to encourage innovation in and by educational institutions. Joint initiatives between education-industry-government are encouraged.

The opportunities from the market and from the support of the public policy are attractive for all of us: to do or support innovations and Startups to lead India to a new, brighter tomorrow. So, go ahead and think how you can be a part of the exciting world of innovation and Startups.

The present Vo II Issue II includes paper mainly on management functions. Beura looks at the effectiveness of brand extension strategies in case of the consumer durable segment, while Misra and Singh joint paper talks about the insights of apparel quality assessments in "value" and "lifestyle" retail. Sen has compiled a comparative case study on short term fund management in Tata Steel & SAIL, while the joint paper by Seth & Sharma establishes the importance of good HR practices in ensuring business success.

Each of the papers in JRIM are subject to careful selection and review; the present collection offers interesting learning insights and we hope that you will find them useful and a good read.

Dr. Mridula Goel
Chief Editor