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# International Innovation in the Classroom

## Professor Rajeev Kohli: Innovation in India, Global Immersion Program

MATTHEW PRICE MBA '09

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### **Innovation Means Both the Old and the New**

The notion of innovation requires both the old and the new, both that which is left behind and that which lies ahead. If anything is true about India, it is the unmistakable presence of a rich contrast between the old and the new, the advanced and the declined, technology and labor, and the rich and the poor. Each morning in New Delhi, I was awakened by the sounds of stray dogs fighting in the street outside my hotel room and a pile driver shaking the city's foundations to lay the new Delhi Metro in preparation for the 2010 Commonwealth Games. The odd combination struck me, and I will never forget it.

Such contrasts were visible hourly during our time in India, where Columbia Business School's pilot Global Immersion Program (GIP) class, Innovation in India, culminated in January 2009.

Much continues to be made of classroom innovation and its role in business education as we move further into the new century and the digital age. The GIP counterbalances such innovative measures as wiring classrooms for tech applications (or unwiring them with Wi-Fi) or using interactive simulations in the business curriculum. Unlike these efforts, the GIP class emphasizes physical presence and direct contact as the bases of learning. On the streets of Delhi and in its factories, wholesale markets, government ministries and, yes, its restaurants, Columbia Business School's pilot GIP class took learning halfway across the world, fostering impressions, insights and contacts which may last a lifetime.

Professor Rajeev Kohli, a member of the School's Marketing Division and a native of New Delhi, led the GIP's first class, which he developed in conjunction with the Chazen Institute of International Business and the Dean's Office. The class grew out of the Chazen International Study Tours, known and loved by many Columbia Business School students. The impetus was to deepen and focus the learning from these trips into a form that would more completely weave into the curriculum the international experience available to students. (Professor Kohli's pilot class has been followed by classes in the spring 2009 semester to São Paulo and Shanghai.)

The students self-selected into teams, as in most elective courses, and then set about developing their research projects on wide-open topics of their choice. The focus on open research became the key point of the class. Professor Kohli noted that this was not part of the original plan and that he was pleasantly surprised that students demonstrated this kind of initiative from the first class meeting in New York. "As it turned out," he commented, "the students in the course were more keen to dig deeply than I had expected."

During the fall term, Professor Kohli held two on-campus class meetings, which included a comprehensive introduction to current topics in India, guidance on developing research topic areas and early interaction with the government of India through its consulate general in New York. Five teams formed and self-directed their research projects over the remainder of the fall term. Part of their work entailed preparing for site visits in Delhi and its surroundings, which they organized in conjunction with the Chazen Institute. The teams' areas of focus were broadly based on sectors of the economy: alternative energy, entrepreneurship, food supply, retail and sports.

### **Life on the Ground in India**

The highlight of the course was living in India for one week in January. The days were filled with experiences. Class meetings took place nearly every day and were followed by individual team meetings in the city or its outskirts. The class appeared for its meeting with GMR, the owner/operator of the Delhi airport, in the famous thick early-morning Delhi winter fog. This was not vacation at the beach. The students studying the retail sector were at the public produce market one morning before dawn and received applause from the seasoned salesmen for their early appearance. The busy team studying alternative energy careened from one end of the city to the other, spending as much as four hours a day in the car between multiple appointments (full disclosure: the author was on this team). Students were busy during the week using prepaid cell phones to try to line up last-minute meetings, even dialing embassies in hopes of gaining access to the country managers of multinational companies.

The set of contacts and appearances pulled together by Professor Kohli, the Chazen Institute and the students were quite impressive: Kiran Karnik, the former president of Nasscom (India's industry and advocacy body for the IT industry) and recently named chairman of Satyam; the COO of the Indian Premier League, the billion-dollar private cricket league; the CEO of GE India; the Minister of State for Railways (the single largest commercial employer in the world, with 1.4 million employees); the secretary to the Department of Industrial Policy and Promotion in the Ministry of Commerce; the CEO of Yum! Brands India; and the managing director of Endeavor India. The list also included the TERI University (whose chancellor is Nobel Peace Prize winner Rajendra Pachauri), Bharti (Wal-Mart's joint-venture partner), the Confederation of Indian Industry and the Delhi Daredevils cricket team.

Evenings were spent in various ways: exploring nightlife in Delhi, adding to our growing culinary experience of India or falling limply asleep after an intense day. The all-encompassing experience during the trip forged bonds that were unique and went beyond those commonly found in the normal classroom setting. As Professor Kohli commented, "One thing that a course like this does is, it brings students and instructors a lot closer. That's priceless."

### Team Findings

Some of the teams' findings were unexpected, and overall the picture of India that emerged was no less complex—or even confusing—than it might have been without direct contact. The West's consciousness is gradually being turned toward a world with multiple sets of "a billion customers" in such new markets as India and China. The Indian retail market already has the highest number of retail outlets, 12 million, of any country in the world. Its size, at \$322 billion, is expected to grow to \$595 billion by 2012. Yet it was shocking to learn that of India's youth population of 250 million (equivalent to nearly the entire U.S. population), only 2 million are considered "consumer capable" retail customers. This reflects that the organized and unorganized sectors of the economy exist alongside each other under wildly disparate conditions.

Nonetheless, the numbers of new consumers looking for Western standards in retail are, of course, growing. Yum! Brands operates 200 KFC and Pizza Hut stores in India, which are styled as up-market, sit-down restaurants. Yet with the difficulty in procuring high-quality fresh ingredients, they operate at "first-world costs and third-world profitability."

Matching the right standards and customs of the market proves vital to any company's success. The "hyper-retailer" Big Bazaar began with long aisles, high shelves and a sparkling-clean retail atmosphere, which was so foreign to its customers that it nearly failed. After lowering the shelves

to allow customers to see one another's movements and making the stores more densely packed and less obviously organized, existing customs were met and customers flowed in.

The Delhi fresh market, Mandi, is an example of an infamous fact in India: nearly 30 percent of all crop yields rot before reaching the end user. Vegetables are stacked openly on the ground under dim lighting, with no differentiation in levels of quality or between purveyors.

India's ambition to become "the food market to the world" exists alongside its palpable poverty. At the same time, India is the world's second-largest cotton producer and uses high-tech seed engineering to maximize its crop yields. The paradoxes seem endless.

While much is made of the challenges to infrastructure in India, it is fair to say all the students were amazed to see firsthand how these challenges influence every industry in the country. The same road networks that impede crop deliveries also impede the booming wind-power industry, in which India's government policies are known as the best in the world. India's Suzlon Energy is the No. 1 wind company in Asia and No. 5 in the world. Like other wind-power providers, Suzlon's economics are best with larger turbines on any given site. This trend in the industry is clear, and as a consequence, rotor blades are getting larger and larger. Suzlon's growth is now increasingly overseas. Why? It cannot physically deliver the largest blades to its development sites in India—the roads cannot accommodate the necessary vehicles.

### **In the Digital Age, Face Time = Innovation**

Innovation in the classroom, it seems, can include such traditional activities as time on the ground and face time. Yes, at times the groups used videoconferences for their meetings, but the physical experience of India, and of its people and its economy, proved far more powerful. "It is amazing to me," Professor Kohli said, "how many of the students have come back saying that for all they read about India, there was nothing that could offer the insight and feel of spending time working with and meeting people in Delhi." He would like to see every Columbia Business School student participate in one of the Global Immersion Program classes. "The world is changing fast, new markets and opportunities are being created," he said, "yet the world is not homogeneous, and you cannot simply take what works in one country to another." In a world where so much appears to be uniform, the experience of real heterogeneity is invaluable.

Innovation can certainly take unexpected forms. On our final night, we ate at a new Indian restaurant in Connaught Place in the center of New Delhi. After our collective experience not only of India's dynamism and special energy but also of its poverty and severe challenges,

the restaurant's velvet neo-baroque, very Western décor was both welcoming and bracing at the same time. It seemed that each day the food only got better, and those of us who had to leave the restaurant and race to the airport learned the bittersweet reality of having gotten to know India's true cuisine, only to leave it behind.

As we approached the airport entrance, a lone Indian soldier with a rifle sat atop a concrete barricade, ostensibly to enhance security. The measure forced the eight lanes of traffic down to one. Chaos ensued.

If you are open-minded and entrepreneurial, you can move mountains. Or perhaps you simply choose to go around them. This could be said of an economy or of a people—or for that matter, of a driving style as a reflection of culture or of innovation. Approaching the airport barricade, our Indian driver simply passed around the entire bottleneck of probably 250 cars. He saved us a 15-minute delay, and we were on our way home. Needless to say, we were mightily impressed. And he did not even get a ticket.

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