



FREE HEALTH: RARE DISEASES. WHAT YOU SHOULD KNOW. 60-PAGE SUPPLEMENT

YOU CAN WIN
10 cars, LCD TVs
and prizes worth
Rs 1 crore 59 

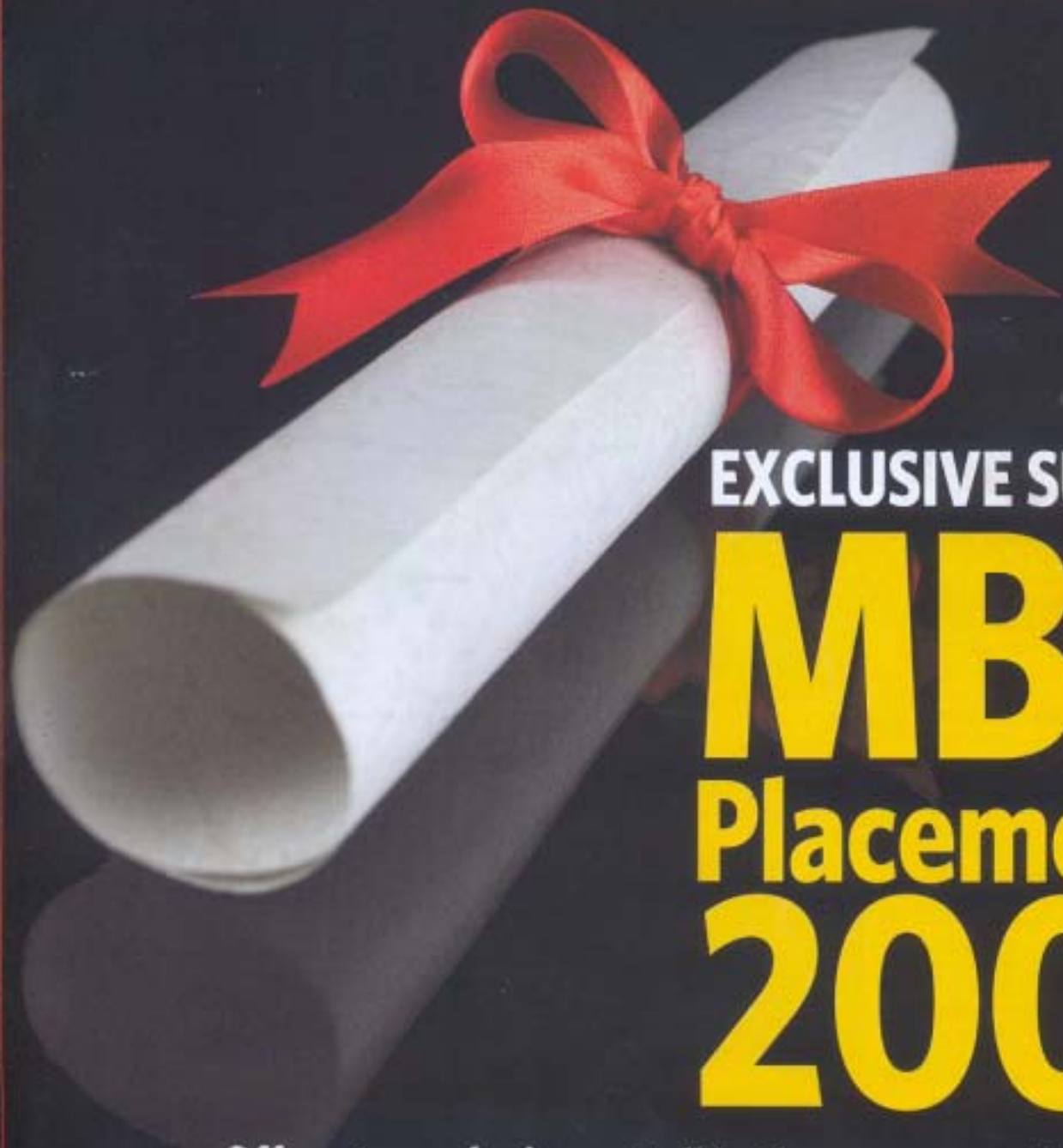
FEBRUARY 22, 2009

Rs 20

THE WEEK

JOURNALISM WITH A HUMAN TOUCH

INVESTIGATION
MOBILE PHONES A
SECURITY THREAT ON
UP-NEPAL BORDER 38



EXCLUSIVE SURVEY

MBA Placements 2009

- Offers turn elusive
- Fall in the average salary on offer
- Job profiles more important than pay package, say students

Popular sectors: FMCG, telecom, health care

CONTENTS

For the week February 16-February 22



16 NEWS & EVENTS

Students of Mangalore colleges feel threatened by saffron vigilantism

20 INTELLIGENCE

Clutter and turf war affect the efficiency of intelligence agencies

22 INDO-PAK

India may come up with a system to neutralise Pak nukes in a decade

24 KASHMIR

Veer-Zara story repeats whenever a separatist marries a foreigner

36 BJP

BJP finds solace in Lord Ram again; terror and economy aren't working

38 INVESTIGATION

Cell phone networks on Indo-Nepal border pose security threat

40 AVIATION

Two near misses in 28 hours. How safe is air travel in India?

42 AERO INDIA

This year's Aero India show could not escape the recession radar

66 SOCIETY

Ashodaya in Mysore is a unique restaurant; it is run by sex workers

72 FASHION

Meet the Recessionistas, whose designs flow with the slowdown

NEXT WEEK

Cricket in the time of recession. Who is hit by shrinking revenues?

44 COVER STORY

MBA PLACEMENTS

Till last year, jobs promising the best of life's luxuries came searching for MBA students. This time, hefty salaries remain a dream thanks to the recession. Job profiles have become more important for students, and quality for recruiters. B-schools devise new methods to tackle dwindling placements

Plus **THE WEEK-TMI First survey** on MBA placements tracks new trends

REGULARS

LETTERS	4
APERITIF	8
THE NONSENSE FILE	32
WICKED WORD	34
BIZ BUZZ	62
WRITERS' WORLD	68
FORECAST	70
TIME OUT	78
LAST WORD	82

EatRight

What to eat, when and why? Ask Meeta Lall, nutrition expert, all that you want to know about food and health. Lall has been associated with several health projects including those of the Unicef and is author of *The Power of N: Nutrition for Our Times*. Post your queries...

>>> www.the-week.com/askexpert

THEWEEK

Managing Editor: Philip Mathew
Editor-in-Charge: T R Gopaalakrishnan
Senior Editors: V.S. Jayaschondran
Senior News Editor: Stanley Thomas
Deputy News Editors: Lukose Mathew, P. Sridevi
Subeditors: Diya Mathew, Renjith Leest, Mathew T. George, Pradeep Kumar G. Nair, Aparna G. Nair, Majo Abraham, Prajith N., Rani Paul, S. Neeraj Krishna, Jan Mary Varghese
Resident Editor, Delhi: K.S. Sachidananda Murthy
Chief of Bureau, Delhi: R. Prasanna
Deputy Chief of Bureau, Delhi: Vijaya Pushkarna
Chief of Bureau, Mumbai: Dnyanesh V. Jathar
Assistant Editor: B. Krishnakumar (Kochi)
Special Correspondents: Tariq Ahmad Bhat (Srinagar), K. Sunil Thomas (Delhi), N. Bharutej (Bangalore), Neeru Bhatia (Delhi)
Principal Correspondents: Karthikeya Bhelari (Patna), Nandini Ganesantra Oza (Ahmedabad), Lalita Iyer (Hyderabad), Deepak Tiwari (Bhopal), Rekha Dixit (Mumbai), Ajay Uprety (Lucknow), Nikita Dowl (Delhi), Rama Patil (Bangalore), Sori Mishra (Delhi), Anupam Dasgupta (Mumbai), Mandira Nayar (Delhi)
Senior Correspondents: Vinu Abraham (Thiruvananthapuram), Mithreyi M.R. (Bangalore), Kavitha Musaliharan (Chennai), Syed Nazakat (Delhi)
Correspondents: Kallol Bhattacharjee, Payal Savena, Monika Shinghal, Neha Sharma Bajpai, Gunjan Sharma, Prerna Uppal, Kumar Anshuman (Delhi), Jisha Krishnan, Bedisha Ghosal (Mumbai) Abhinav Singh (Bangalore), Shriya Babra (Mumbai), Rabi Banerjee (Kolkata)
Chief Reporter: U.A.E.: Vinod John, Dubai
London Contributor: Jon Stock
Chief Photographer: Arvind Jain (Delhi)
Senior Photographers: Sanjay Ahlawat (Delhi), Jeevak Bhat (Mumbai), Saji Bera (Kolkata), Bhaskar Prakash Chandra (Bangalore)
Photographer: Amey Sahas Marsabdar (Mumbai)
Picture Coordinator: Binul Nath C.
Special Designer: Ajay Pingje
Chief Layout Artist: Jayant Pithadia
Chief Illustrator: T.F. Hadimani
Senior Artists: B. Bhaskar, N.V. Jose (Infographics), T.S. Unnikrishnan
Artist: B. Manojkumar
Junior Artists: Inca Baby, Rajesh A.S., Jijo Sebastian
Research Head: K. Mancharan
Researcher: Saju C. Daniel
Research Assistant: Rani G.S.
Director: George Jacob
Chief General Manager, Marketing: T. M. Mathews
Chief General Manager, Works: P.K. Philip
Chief General Manager, Circulation: M. Rajagopal Nair
Senior General Manager, Sales: Anand Mathew
Business Representatives
Senior Resident GM, Mumbai: Shree Kumar Menon
Regional GM, Chennai: K.C. Suresh
Regional GM, New Delhi: Parraj Belwarior
Regional GM, Marketing, Bangalore: Ranjit Karim
Coimbatore: Rajesh Nair
Hyderabad: Abraham T. George
Kolkata: Manoranjan Anandan
Pune: Anamath Joshi
Publisher: Jacob Mathew
 Printed at Malayala Manorama Press, Kottayam, and published from Manorama Buildings, Panampilly Nagar, Kochi-682 036, by Jacob Mathew, on behalf of the Malayala Manorama Co. Ltd. **Editor-in-Charge:** T R Gopaalakrishnan. *Responsibility for selection of news under the FRB Act. Air surcharge 35 paise: Dimaapur, Jorhat, Tezpur, Tinsukia, Silchar and Agartala. All rights reserved. Reproduction in any form is prohibited.

Displacement

THE WEEK-TMI First survey on MBA placements tracks the emerging trends—the priorities have changed, so too the expectations of the students and the employers

By **Monika Shinghal**/DELHI, MUMBAI, KOLKATA AND HYDERABAD

Akanksha Jain believes in slow and steady growth. A management graduate from International Management Institute, New Delhi, she was keen on making a career in marketing. She accepted an offer from market research firm IMRB International though the pay package offered was nothing attractive. She knew that it was the best platform to make her career. "It would give me immense exposure to all kinds of brands. Besides, the company enjoys a great reputation in the industry. I see a safe and secure future for myself here," she said.

If 'show me the money' was the motto until last year, B-school freshers are looking beyond the pay package this time. In fact, they are not in a position to bargain. Gone are the days of endless job offers, sky-scraping packages and 100 per cent placements on day zero. With the deepening recession, the whole economic environment has undergone a radical shift and B-schools are feeling the heat. Said Prof. Saral Mukherjee, chairperson, placement committee, Indian Institute of Management, Ahmedabad: "B-schools are closely connected with the economy. Any

change in the economy will have a direct bearing on them. The economic downturn has affected us but its magnitude is not known till now."

THE WEEK-TMI First survey on

MBA placements 2009 reveals the deep sense of caution and apprehension among students. Their priorities have changed, so, too, their expectations. As money is no longer the



K.R. VINAYAN

Brand value

ADITI JAIN

Institute: IBS, ICFAI, Hyderabad

Recruiter: Bajaj Allianz

Package: Rs 5.25 lakh a year

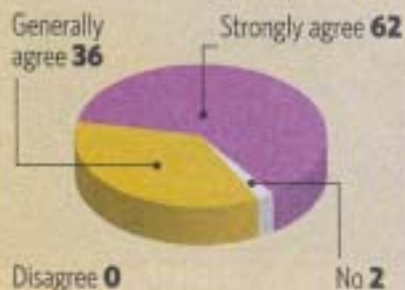
Though Aditi was not happy with the pay package, she accepted the offer from Bajaj Allianz considering the brand name and the good show by the insurance sector.

"Both the profile and brand name looked attractive to me. Moreover, the profile of a management trainee would open a lot of avenues for me," she said. Her parents are also employed in the insurance sector, which further gave her the confidence to take the plunge. She sees a great future for herself in the company.

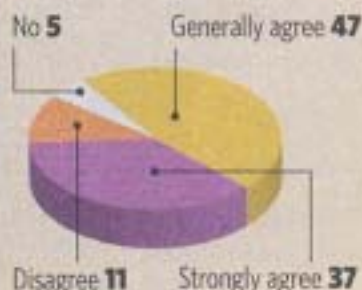
THE WEEK-TMI First SURVEY

Why are MBAs valued by corporates?

They are good in people management

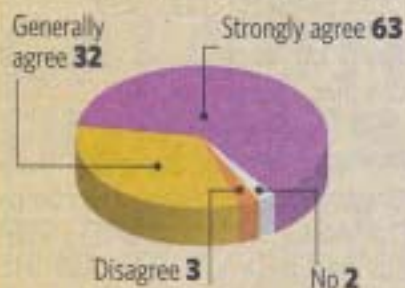


They can do things differently

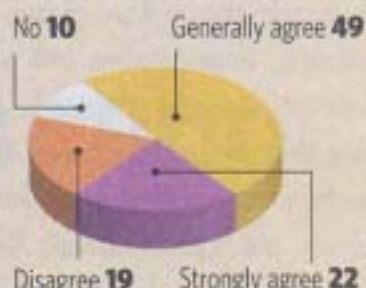


Figures in %

They have good analytical skills and make good managers



They are good at boss management



Gender: Male-71%; female-29%

Age group: 20 to 24-75%; 25 to 29-23%; 30+-2%

Participants: 1st year-57.56%; 2nd year-41.6%; faculty-0.42%; others-0.42%

Education: Engineer-56.72%; graduate-39.5%; PG-3.36%; others-0.42%

decider, some see it as an opportunity to listen to their heart.

Confronted with a crisis that is expected to only get worse, employers are tightening their belts and treading cautiously. They are engaged in a comprehensive restructuring mode and are pulling out all the stops to survive in the current market conditions. Many companies are following a wait-and-watch policy and have not made any clear manpower assessment this year. This has left many B-schools in a tough situation. "Our students are in a very desperate position this year. They are uncertain about the companies that will come down to recruit," said Subir Verma, chairperson, placement committee, Management Development Institute, Gurgaon.

Not that nobody is recruiting. Many B-schools claim that their traditional recruiters have either come

and recruited or promised to show up. Said Joseph Ike, student coordinator, placement committee, IIM, Calcutta: "Though the present scenario is bad, most of our regular recruiters will come. We are also diversifying our recruitment base."

In what has emerged as a new trend, B-schools are widening their recruitment base. Some are going all out to invite as many companies as possible for campus recruitments. The reason: banking and financial services, which hired in bulk in most B-schools until last year, have been hit badly by the crisis, and may not hire with the same vigour this year. "We will not have many of our recruiters coming down this year. Jobs available in the financial sector have shrunk drastically. But, we will have a wider recruitment base this year," said Mihir Lal of IIM-A, which is known for big-ticket recruitments



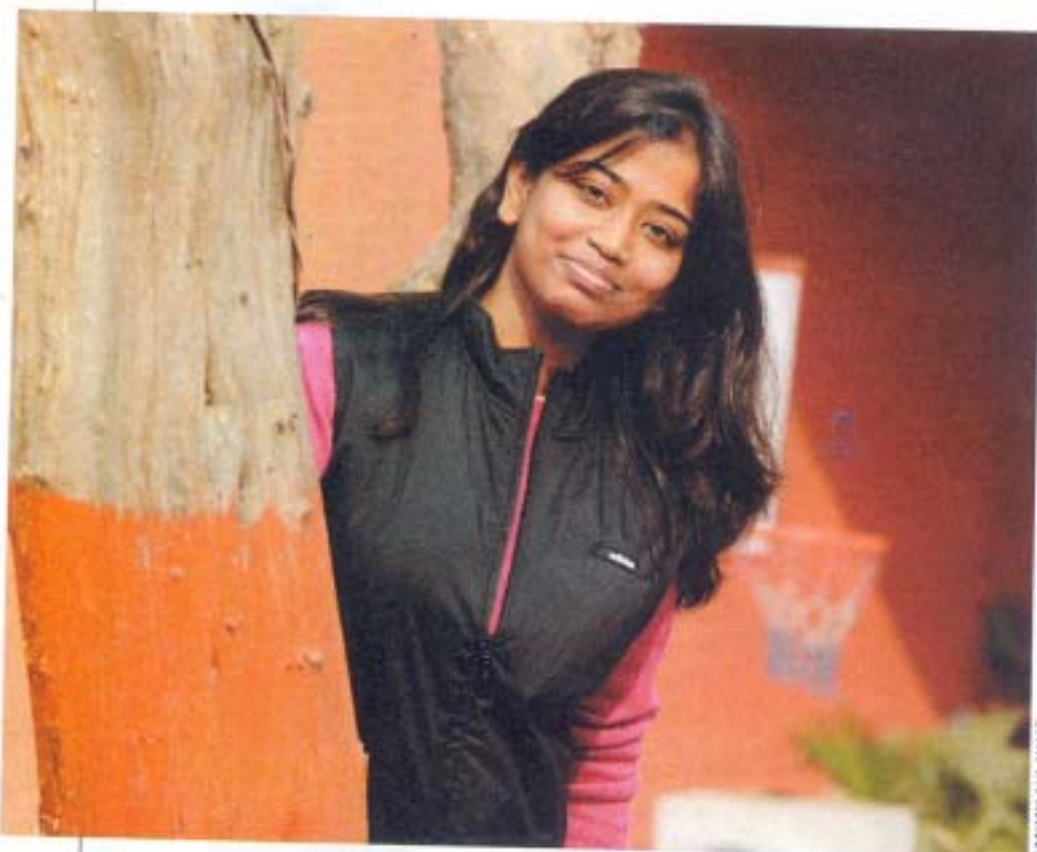
ARUN KADHARAN

Safe and sound

CHARANYA R.

Institute: Loyola Institute of Business Administration, Chennai
Recruiter: State Bank of India
Package: Rs 7.5 lakh a year

She lapped up the offer from State Bank of India during the campus recruitment. She was a major in finance, but banking was not her only choice. "They offered me a great profile and the fact that it came from SBI meant a lot. I grabbed the offer immediately. At present, I don't think any other company would offer me as much job security as SBI," she said. Charanya did her summer training with Deloitte Financial Advisory Services SpA, Milan, Italy. She also has 11 months work experience with IT consulting major Frost and Sullivan.



SARUJAY AHLAWAT

New trends

The altered economic environment has changed the priorities of the students, B-schools and recruiters:

- B-schools are increasing their recruitment base. Some are going all out to invite as many companies as possible for campus recruitments.

- Banking and financial services, a major recruiter until last year, may not hire with the same vigour this time.

- Several new sectors are gaining ground among students. Insurance, FMCG, telecom, health care, pharma, media, manufacturing and infrastructure sectors enjoy a renewed attention.

- In the absence of hefty pay packages, role preference is dominating the placement season. Also, students are getting back to their core areas of interest.

- A large chunk of jobs would come from the companies that pay less, resulting in low average salaries.

- The public sector has become very popular among students because of the stability and revised pay.

- Employers are specifically looking for people with a better understanding of the industry. This would help them cut training costs.

- B-schools are reaching out to alumni for placement assistance.

- More and more B-schools are going for staggered placement process to ensure maximum placements.

- B-schools are encouraging students to accept pre-placement offers.

by investment banking and consulting majors.

According to the survey, there has been a 300 per cent increase in the number of companies B-schools have invited for recruitment this year. "We have invited 60 per cent more companies this time to give students more options," said Prof. Rajesh Panda, chairperson, corporate interface, Symbiosis Institute of Business Management, Pune. Last year, Indian Institute of Foreign Trade, Delhi, slotted 100 companies and half of them absorbed the entire batch. The institute is more cautious this time. "This year we have reached out to 700 companies for 250 students in the batch," said Debman Mukherjee,

Akanksha Jain accepted an offer from market research firm IMRB International though the pay package offered was nothing attractive.

student coordinator, placement committee, IIFT.

With the widening recruitment base, several hitherto ignored sectors are gaining ground. As telecom, insurance, FMCG, health care, pharma, media, manufacturing and infra-

Best functional specialisations with Indian MBA programmes





PHOTOS: SANJAY AHLUWALIA

Healthy sector

NAYAN AHLUWALIA

Institution: Amity Business School, Noida

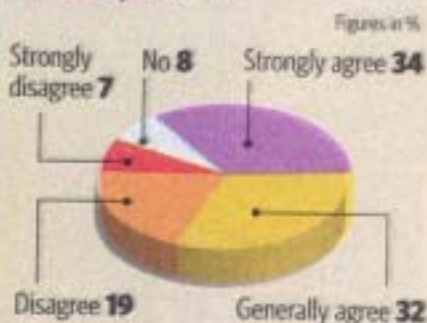
Recruiter: Lupin Pharma

Package: Rs 5.5 lakh a year

Keen on making a career in health care, Nayan Ahluwalia, 23, lapped up an offer from the pharmaceutical major Lupin Pharma during campus recruitment. A physiotherapy graduate, he did the MBA to hone his skills and tap the openings in the health care sector. He thinks that it is one of the few sectors that have not been affected by the crisis. "The health care sector is growing at a fast pace. Lupin is a big brand in the pharma space and is rapidly growing. Besides, it is a stable sector to enter at this point. Both the profile and pay package are in line with my expectations," he said. He wants to open his own consultancy after five years.

Start your own business

This is the best time to become an entrepreneur



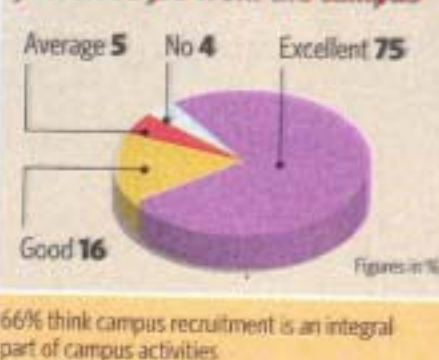
structure sectors have not been much affected by the economic downturn, there is renewed interest in them. "Insurance is a sector that has gained ground this year. People are still going in for insurance covers and therefore offers from general insurance and life insurance have gone up," said Anil Chopra, CEO, Bajaj Capital. Telecom major Bharti Airtel has taken 45 students from 15 B-schools this year, up from 32 students last year. "We believe in investing in people," said Krish Shankar, director, human resources, Bharti Airtel.

Until last year, these sectors did not get an opportunity to recruit from premium management institutes, as they did not offer hefty pay packages. B-schools, however, look at it in a different light. "There is no particular sector that is lapping up students this time. It would not be wise to put all the eggs in one basket in such mar-

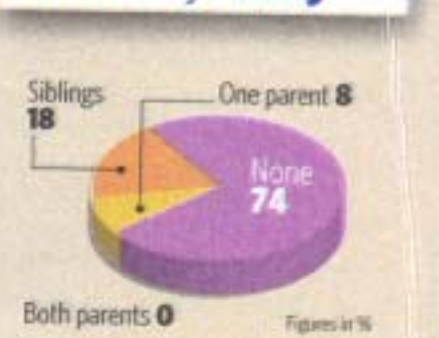


Campus recruitment

Chances of bagging my preferred job from the campus



MBA in my family



ket conditions. We are keeping ourselves open to all sectors," said Prof. Susan Thomas, chairperson, placement committee, Loyola Institute of Business Administration, Chennai.

But there is more to this trend. Until last year, pay packages were the decisive factor in evaluating and accepting an offer. Now as there are few hefty pay packages on offer, role

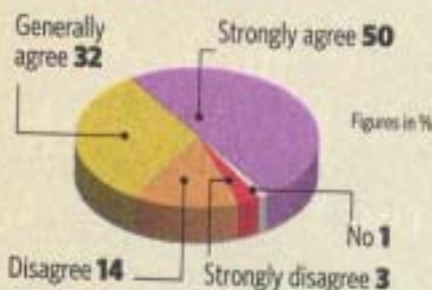
We are counselling our students to accept PPOs if they offer them their desired roles. In the current circumstances, one may not get a good chance again.

DR SANJAY SRIVASTAVA
Amity Business School

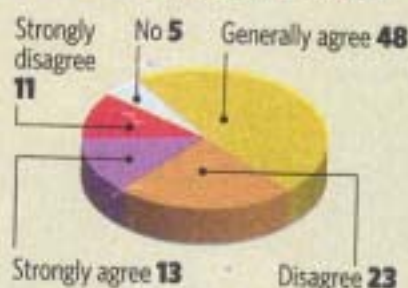


Gender parity

Men and women have equal employment options



While employing, some sectors differentiate against women



51% generally agree that women are preferred to men for some jobs
50% generally agree that men are preferred to women for some jobs

By choice

DEVESH SABOO

Institute: Symbiosis Institute of Business Management, Pune

Recruiter: Bharti Telecom

Package: Rs 9-11 lakh a year

Though a major in marketing, Devesh Saboo, 25, was open to other sectors as well when he started searching for a job. "I was looking at BFSI, FMCG and IT as well, as one can't afford to be rigid in present circumstances," he said. He accepted the offer from the telecom major Bharti Telecom. "Given the constraints this year, I thought telecom was a good option. It is growing at a good rate," he said. After corporate training, he will have stints in various departments of the company for a year. Saboo did his summer training at BNP Paribas where his role was to find prospective high-net-worth investors and build a line of contact between them and the company's relationship managers. At Bharti, it would be one of the many things that he would do.

preference is dominating the placement season. "There will be no fancy overseas recruiters this time. A large chunk of jobs would come from the companies that pay less. This will reflect on all B-schools' average salary," said Prof. C.S. Venkata Ratnam,



SANJAY AHLAWAT

A large chunk of jobs would come from the companies that pay less. This will reflect on all B-schools' average salary.

PROF. C.S. VENKATA RATNAM
Director, IMI, Delhi

director, IMI. Consequently, students have rationalised their expectations and are focusing more on job profile than on salary. "Students know that things would not be as rosy as last year. There will be no multiple offers and the job market will see some anxious moments. There will be some salary rationalisation as well," said Madhu Vij, placement convener, Faculty of Management Studies, Delhi.

Interestingly, some students believe that the crisis would prove to be a blessing in disguise. Said Vijay Mani of IIM-A: "When faced with a problem, one typically tends to think about what exactly one wants to do rather than simply following the crowd. Students will get back to their core areas of interest." In fact, some experts believe that the crisis would throw up a win-win situation for the employers and employees, as both would get the best fit for each other. Students will take up jobs that offer a steady growth, and with limited openings, companies will get quality employees.

Almost every recruiter has raised the bar this year. They are specifically looking for people who have a better understanding of the industry. This would help employers cut training costs. But, surprisingly, it has not translated into jobs for laterals. "Laterals enjoyed a preference to freshers till last year. But this year, as companies are not willing to shell out more for prior work expe-



Looking ahead

NITIN GUPTA

Institute: International Management Institute, New Delhi

Recruiter: KEC International

Package: Rs 10 lakh a year

On completion of his two-month summer training with KEC International, an RPG group company, Nitin Gupta got a pre-placement offer. He decided to grab the opportunity and opted out of the campus placements. Though he considers himself to be better off than most of his batchmates who are yet to get placed, he expected a better pay package. "Looking at the brand name and last year's scenario, I was expecting a couple of lakhs more. But as the situation has completely overturned this year, I did not want to take a risk. What I have got is the best in present circumstances," he said.

Students' expectations

Placement strategies

	Strongly disagree	Disagree	Generally agree	Strongly agree	No
Placement cells should have in place strategies for countering different market conditions	2	3	52	180	3
Alumni should be allowed to play a greater role in placements	2	5	54	176	1
Government agencies are preferred	18	109	76	14	18
Prefer to sit out of the placement programme, start own business	50	104	37	14	32
Slowdown is temporary and does not dissuade students from enrolling in an MBA programme	1	23	84	120	0

Aspects most liked by you about your MBA programme

- Flexible course content
- Emphasis on case methodology
- Good learning environment

Aspects that need to be improved in your MBA programme

- More industry exposure
- Exchange programmes
- More contemporary subjects
- Infrastructural concerns

rience, they have lost that advantage," said L.S. Ganesh, chairperson, placement committee, Department of Management Studies, Indian Institute of Technology, Madras.

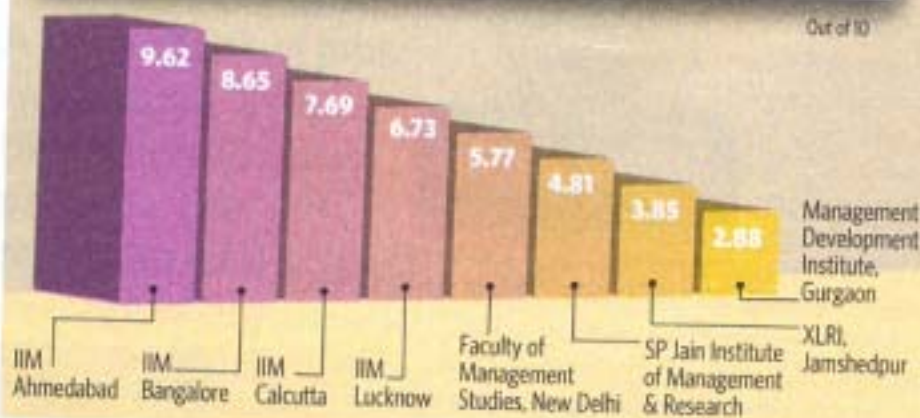
With companies rationalising manpower, there is a drastic drop in the number of jobs on offer per company. As attrition levels have gone down considerably in the last few months, companies have limited openings. They are not hiring in bulk but picking the best.

There is a visible fall in the average salary offered to B-school fresh-

ers. Industry experts attribute it to the absence of big-ticket international recruitments. Said Munish Bhargava, faculty placement adviser, IIFT: "Average salary will get affected as companies that were considered to be good pay masters have not recruited or their intake has substantially reduced this year." Besides, a large chunk of recruitments this time is by companies that pay less.

Interestingly, the public sector has become very popular among students this year. "The public sector is on the

The most prestigious B-Schools



Known for big-ticket recruitments by investment banking and consulting majors, IIM-A is going for a wider recruitment base this year to tackle the crisis.

did not match what private sector companies offered, students seldom opted for them. Another incentive is the Sixth Pay Commission recommendations. "After the upward revision of wages of government employees under the Sixth Pay Commission, the public sector is expected to follow suit. This is making the sector even more favourable among B-school graduates," said Prof. Ratnam of IIM.

Another trend that has surfaced

target list as stability has become an important factor this year," said a student of IIM-A. According to Prof. Mukherjee, several public sector companies have approached IIM-A this year. "This was a trend even in the summer training this time. This

year, we are planning to send four first-year students to the Planning Commission for their summer internship," he said.

This is not the first time that public sector companies are visiting B-schools. But, as their pay packages

PARAG PATEL





SANJAY ARIKAWAT

Cautious approach: IIFT, Delhi, has reached out to 700 companies for its 250 students.

this year is that every B-school is seeking help from its alumni for recruitment. But the extent to which the alumni can help varies from institute to institute. While the alumni of IIMs are in a position to extend support, those of the second and third rung institutes would not do much. "Unlike IIMs which can just write to their well-placed alumni and seek support, our ex-students have just risen to the middle management positions in the industry and cannot do much," said the placement head of a B-school.

Majority of the B-schools have got rid of their 'placement week' structure this year. Of 15 colleges that participated in THE WEEK-TMI First survey, only five are still sticking to placement weeks. Others have adopted a staggered placement process to ensure maximum placements. Until last year, most colleges had placement weeks during which employers came and hired students. Companies



AMEY MANDARGAR

We have invited 60 per cent more companies this time to give students more options.

PROF. RAJESH PANDA
Symbiosis Institute of Business
Management, Pune

were not allowed to recruit before or after the placement week.

B-schools have made many other changes in their placement process. None of them is encouraging students to take multiple offers this year. Some have made it mandatory for students to opt out of placements after getting their first preference. Acceptance of pre-placement offers (PPOs) has also increased. Said Dr Sanjay Srivastava of Amity Business School: "We are counselling our students to accept PPOs if they offer them their desired roles. In the current circumstances, one may not get a good chance again."

While recruitments at B-schools are in a gloomy state, industry experts are confident that the situation will get better. Said Prof. Mukherjee of IIM-A: "We are bracing for a tsunami. But, one doesn't know when will it hit. Once it hits and the water recedes, India will be one of the first economies to come out of it." ■