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NURTURING WEALTH CREATOR SERIES

IBT, Dec 5, 2004, Page - 105



Management Thinking: An Antidote to the Scarcity Mindset - II

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In an earlier article in this series, the idea of 'AND' principle as an antidote to Scarcity thinking was introduced. A simple revelation can be credited to Japanese management. They showed that lower cost production and quality could both be had at the same time. It was a simple revelation that quality saves on otherwise wasted materials, reduces cost incurred on returned goods, and saves cost by retaining customers with repeat purchases.

Let us look carefully the field of management replete with instances of such thinking. One example from the Japanese is that of 'Just in Time' (JIT) inventory system. JIT shows that stock-out costs and stock-carrying costs need not be trade-offs as traditionally assumed. They both can be simultaneously reduced through a new conceptualisation of this issue.

Rememberable Brazilian 'Richardo Semler of 'Flavorick' fame has made us believe in a seven-day week that taking time off from work and serving the organisation may not after all be exclusive!

In an entire textbook on Strategy, titled 'Process, Content and Context' by Bob Chandler and Ron Meyer that exhorts the readers to transcend the dichotomous limitation set by 'either-or' thinking and embrace the 'and' thinking. The idea is not new. Perhaps Hegel's idea of dialectic, wherein thesis and antithesis clash to create something called synthesis, was a suggestion

towards 'AND' thinking. It is interesting to note that his ideas could so well apply to something as practical as Management, far removed from Hegel's original philosophical canopy.

The idea of positive-sum games, that most of us are keenly aware of, is a variation of the 'AND' principle. They seek to create benefits for both the parties, in any transaction. If we observe carefully, in many societies, most transactions are marked by effort by each one to outsmart the other. Ideas such as multiple stakeholder management, learning organisations, knowledge management etc. are replete with suggestions of expanding the mental canvas to play positive-sum games.

This apart scarcity mindset plays havoc particularly with intangible wealth such as trust and social capital. With scarcity mindset

Scarcity mindset may be the biggest enemy of wealth creation. Scarcity mindset plays havoc particularly with intangible wealth such as trust and social capital.

one will not be able to conceive that sharing can be mutually beneficial. After all, one's gain is only at the cost of others. All transaction would then become, at best, tactical and at

worst, a matter of snatching.

Scarcity mindset seriously erodes the power of noble thinking and action, and it sabotages co-operative behaviour. In other words, nobility would have no practical value, except for self-indulgence. Nobility would then be badmouthed as an 'excessively ambitious over-reach! Interestingly, the scarcity mindset is so ubiquitous that it does not arrest our attention. It is all over us. We have no way to step out and observe it.

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