

Case Study : Change is the Need of the Hour

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Sunday 19th May morning, "Ohh no... one more blunder in reporting & printing in Gwalior edition? Now I need to seriously look into the Gwalior office" Mr. Anand Das said to himself. It was not a good news for his Gwalior office. There is a complaint filed by some social activist against the newspaper for publishing a factually incorrect news in 18th May edition. This was the 2nd incidence of negligence & careless behavior on the reporter's & editorial team in 2016. Mr. Anand Das, Head- HRA, Bhopal was having the responsibility for the Bhopal (BHP) & Gwalior (GWA) office of MP Express (MPE- BHP & GWA), a leading Hindi daily newspaper in Madhya Pradesh. MP Express with its two other regional offices at Ujjain & Indore, is owned by a key real estate group in the state. Gwalior regional office led by GM- Mr. Mitesh Arora, has a total strength of 30 employees. Mr. Mitesh has worked with MPE- Indore (MPE-IND) edition right from its inception in 2006 & had taken over MPE- Gwalior (MPE-GWA) edition from 2009.

Currently his GWA team comprises 4 employees in the finance dept., 5 administrative staff, 8 marketing and sales resource persons, 6 reporters & balance from the editorial team. Finance, admin department & marketing and sales team report directly to Mr. Arora. Because of the increased complaints filed by various entities against the newspaper from last couple of years, the head office has set up this central editorial desk and the regional editorial teams report and work closely with the central team. The central editorial desk screens, edits and creates the final copy of the newspaper which directly goes for printing. The marketing and sales team reported to the GM- Gwalior. The marketing and sales targets are centrally decided by the Bhopal corporate office & not by the Gwalior office.

Employees from finance & admin department are working there for more than a decade while marketing & sales team is with the MPE for about 6-7 years. Most of the employees

at MPE- Gwalior office were recruited through referrals during the initial period of MPE-GWA and they are on contractual basis till date.

As GM- GWA edition, Mr. Arora has seen the good old days of MPE- Gwalior edition till 2012 when it had almost 50000 plus subscription base, a good reputation for doing social journalism & a large advertiser base. Other editions like Bhopal, Ujjain & Indore were also doing well till 2012 as compared to the tough competitors Dainik Bhaskar & Patrika. Financial crisis at the head office (Bhopal) had forced all the 4 offices to cut down their manpower and forced the newspaper size cut as a matter of cost cutting. MPE-GWA witnessed dramatic downfall in the subscription base & subsequently advertisers' number also dipped.

Mr. Anand had come to know through his reliable sources that Mr. Arora may leave the organization if he gets better offer from elsewhere in the industry. Mr. Arora had constantly complained about the reporters & editorial team working closely but not reporting him. The reporters & almost the sales team members had their parallel personal engagements citing contractual appointments and low pay packages. Constant revenue generation pressures & long working hours had always been the pain areas of the marketing team whose goals were actually set by Bhopal office centrally.

Petty efforts of the reporters for the local "Breaking News" had landed the newspaper into legal complications. GM- GWA, Mr. Arora hardly had any control over such matters, nor was he happy with the deteriorating image & reputation of the newspaper in social journalism. Mr. Arora had constantly demanded more task force in the marketing & sales area to handle the competition in the newspaper space by having wider & deeper market coverage of the advertisers & rapport building, but continuous cost cutting pressures and increased revenue demands from the corporate office had always disappointed him. Cut throat competition from Dainik Bhaskar & Patrika through their smart & creative workforce had always fuelled his worry.

As a result of the second complaint and a recent expression by the owners of the newspaper to launch the e- paper &

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own a TV channel, Mr. Anand Das thought it prudent to involve a management consultant to address the various HR issues at Gwalior office. Mr. Das has arranged a meeting with Mr. Arora (GM- GWA edition) and his team in the presence of the management consultant to discuss and address low employee motivation & performance, sort out the legal issues, and debate the future of the newspaper.

INDUSTRY BACKGROUND

Newspaper is one among those capital centric industries which needs huge capital investments in the range of 50-100 Cr Rupees. Hence the new entrants have the biggest challenge of sustaining and not getting acquired by the bigger players. Sources of revenue is another challenge for each one as selling newspaper is actually a loss making business if we compare the cost of production Vs. the selling price. There is a huge mismatch between the costs of production (Rs 10-12 per 16 page newspaper) vs. the newspaper price (2-3 Rs daily & Rs 5 of weekend edition & special occasion edition). They survive mainly on the print

advertisement space selling to the local & regional advertisers. Space selling is a part of vicious circle of voluminous circulation of the newspaper due to its good reputation among the readers, renowned columnist & authors and sales promotion schemes.

DISCUSSION QUESTIONS

1. Identify various HR & Organizational structure related issues / GAPS and suggest alternative organizational structure(s).
2. Suggest appropriate recruitment, reward, recognition & retention policies for the improvement of the revenues?
3. Suggest a mix of ATL and BTL promotional activities for widening the reach & engagement of the readers.
4. What initiatives would you take to develop a cohesive organizational culture that permeates across the various units / divisions / functions and branches as well as hierarchy of MP Express? Provide the action plan and targeted outcomes along with implementation challenges.

