



# भारतीय प्रबंध संस्थान तिरूचिरापल्ली

## INDIAN INSTITUTE OF MANAGEMENT TIRUCHIRAPPALLI

### Transcript of Interview with Prof. Padmanabhan

**Rupesh:** *Good evening Professor Padmanabhan. I hope you had a pleasant journey to Trichy. As I understood from your profile, you graduated from IIT-Madras before pursuing the MBA and Ph.D degrees from McGill University in Montreal, Canada. Now you are visiting the IIM Trichy campus to interact with faculty and doctoral students. What do you see as the major differences between premier technology and management institutions in India and in the US?*

**Prof. Padmanabhan:** This is a very interesting question. Although I believe that the focus for both groups remains the same – to impart the best management education to students – the way it is imparted may diverge considerably by institution and country in terms of course offerings and delivery. In the US, educational institutions are generally and informally divided into tiers – the research tier are labelled as A schools and train doctoral students while offering graduate and undergraduate programs. Some schools (B schools) may offer doctoral programs but focus more on graduate and undergraduate education. The third tier schools almost exclusively focus on localized undergraduate education. At this point, there is no doubt that the A schools will survive, but the road is not so clear for the others. Online education has emerged as a serious competitor to traditional schools and even top schools have started offering online classes to tap into this emerging market. I expect that many lower level schools will survive by merging with other schools, reducing degree offerings, and adopting a niche strategy to survive. All schools need to focus more on addressing the needs of the student customer. While top schools require professors to publish in quality journals, they will also need to teach well. Lower level schools need to teach really well but require some publications from their professors. To add to this turmoil, the teaching landscape is changing and will be reshaped further since artificial intelligence will force all schools to rethink their *raison de etre*. I suspect more mergers and acquisitions will occur in the future. More schools will be worried about revenue since government funding may be not so readily forthcoming.

In India, you haven't reached this stage yet. There are still currently many new business schools created, many with the profit motive in mind. Unless I am mistaken, schools still have money to pursue their objectives and unlike in the US, there is still an abundant supply of students. But I believe that eventually this will change. Artificial intelligence will be a global game changer for all educational institutions irrespective of where they are located. Online education offered from global schools is emerging as a threat to traditional education in the US, but also in India. In addition, many top global schools are setting up branch campuses in Asia. McGill University in Montreal established McGill MBA Japan almost 20 years ago. Other top tier schools have also tapped into these lucrative markets in China, Taiwan, and elsewhere in Asia. Students can then enjoy a world-class education at a fraction of the cost without leaving their countries. And this trend has not yet happened to a measurable scale in India yet, but it's going to happen. So, when you have that, you have serious competition that needs to drive whatever you do. On the other hand, I believe top Indian schools hold their own when compared to globally recognized schools. I think

you are kind of where the American model was in the 70s and 80s – comfortable, not worried about too many things. So for now, you are still somewhat protected from these threats. Enjoy the luxury while it lasts.

Still, schools need to be careful to offer their best to the customer. Each school should develop a niche strategy and develop focused expertise in a given area(s). Then it is a matter of being efficient at what you deliver to your students. And schools need to reevaluate what they are offering very frequently since the marketplace is changing rapidly. There is no room for complacency whether you are in the US or India. This is the key to survival.

**Rupesh:** *So in the past 5 years there seems to be a very visible push in India towards publishing in top-tier management journals. How should faculty and students of a young B-school like IIM Trichy approach this challenge?*

**Prof Padmanabhan:** This is a very good trend and it will continue. This is designed to elevate schools to make them elite at the global level. So what do faculty and doctoral students have to do to survive this challenge?

First, you must recognize that not all students have a comparative advantage in the academic publishing business. You have made it past the first round. Schools in India have become increasingly selective in who they admit into their doctoral programs. They can afford to be, since there is a significant supply of students who want to complete their doctorate. So, pat yourself on the back.

But then, it is no bed of roses. You are put through a rigorous dose of courses that not only teach you material you must know to survive as a professor but also examine whether you have the wherewithal to survive. You will have to read a lot of papers in your area, but you may only become excited with some sub areas. In the process of reviewing the literature in your area, you should figure out your strengths and weaknesses, not only in terms of the areas of your field, but also whether you are good at theory building, etc. The earlier you figure this out, the better off you will be. In order to publish in any good journal, but especially in a top journal, you need to have a unique idea. It could be a new theory, or a new way to test an existing theory, or a new application of an existing theory, etc. It should also make economic sense and generally answer the question: What do we know from your work that we did not know before? Your strengths may be in model building, or empirical testing of theories. Once you recognize your strengths or weaknesses, you need to use the strengths to develop your publishable ideas. Once you write a paper, check to see if an alternate set of theories or ideas can explain your findings. This is what many referees do: they play “devil’s advocate” in attempting to destroy your paper findings, and this is a good thing. If you can anticipate and include information that you have tried many of these alternate explanations and have found them deficient, then you are way ahead of the game.

Next, you need to properly market your paper: Like place it in a format that readers will be curious to read. It needs to be properly motivated so that it’ll be attractive to readers. This means having a good catchy title and excellent writing. Do not use Shakespearean English; use business English. You should be clued in on this when you read the papers in your area. How do they organize their thoughts? How do they present their findings? How do they keep the readers interested? Etc. Obviously, doctoral students and young faculty are going to take time to develop these skills. Early on, you need to write complete papers in your chosen areas. You will need to develop expertise in all aspects of publishing, but senior faculty and your committee will help you develop these attributes.

Later, you may seek co-authors from around the world to supplement your needs. So, if you're good at ideas and theory, find somebody whose empirics and writing are better. International conferences are the best places to do that. Use the social hour at these conferences to develop networks of people who can help you (and they may be doing the same thing). Efficient sharing of resources can benefit all participants and together, you are more likely to develop a good paper that will be acceptable by a top journal. Serve as each other's sounding board – play devil's advocate on each other. The most important part is that you could be good at all the required attributes, but if you don't market it properly, then it is like you are all dressed up but nowhere to go. Publishing is an art. It takes time and effort to make master this attribute if you are not good at it. Many professors from countries whose first language is not English have this problem. But time and experience can overcome all obstacles. If you develop a viable set of coauthors, experience indicates that you will collaborate for 5-10 new papers over your academic tenure.

Let me share my experiences as a reviewer for top journals. When I get papers to review, I can generally tell the nationality of the authors from the writing. I examine whether the central thesis of the idea holds water. Does it intuitively or economically make sense? Does it enhance our understanding of existing theory? Are there alternative explanations that can fit the facts better and at less cost? I don't like papers that just test a theory using new data to just confirm that a theory works in a different context. It is important that the paper enhances our understanding of the theory. It should make a unique contribution.

Having said this, let me reiterate: For the first three years young faculty need to find what they are interested in and establish themselves. If you're interested in finance, establish yourself in finance. If you're interested in accounting, establish yourself in accounting. Once you do that, you may look for other areas outside of your field that may interest you. As I said earlier, at the Ph. D level, you're probably exposed to everything, whether you like it or not. That's a good thing, but your ultimate research area should be tailored to what you are good at and what you like. You can't be good at everything. Even in finance, in a narrow field, you can't be good at everything. So make sure that you develop a solid foundation in a niche area and then expand later. Once you do that, you can borrow from other areas to make a difference in your field as value added. But don't get discouraged if you receive rejection letters from top journals. Although the success rate is less than 5% at top journals, the rejection letter generally provides guidance on how to improve the paper. Use it to enrich the paper to submit it elsewhere. Good luck!

**Rupesh:** *My next question would be, in your view, what are the avenues that management scholars have paid less attention to and where Indian scholars can explore further?*

The one advantage that Indian scholars have is that generally have unique access to Indian data. However, it is the authors' responsibility to ensure that the data they use in the paper is clean. If a paper is published and later it is detected that the data was suspect, it can permanently damage the reputation of the author(s).

So, you have a limited comparative advantage vis a vis other global academics but use it carefully. Even if you receive public data from data bases, it is your responsibility to ensure that the data is clean. Your academic future depends on it. Once you do that, Indian data can be used to test theories, maybe to supplement, upgrade and enrich models, etc. For instance, maybe agency theory works differently in India than it works in the western world. You can test it. It can be targeted to a top journal only if it enhances our understanding of agency theory. But remember! Other scholars in India will also have access to the same data! So, efficiency is important. Don't wait to write a paper – if you do so, someone else may beat

you to it! However, don't despair even if your ideas are no longer new. Use the published paper as a foundation to improve on this paper – the literature review is already done!

Alternatively, many global scholars might have ideas but they may lack data from other countries. So, this is where networking at conferences with these scholars can bring together ideas and data, molded into a paper. If you are young, a well-respected coauthor who will also carefully check data for errors, will provide the required legitimacy to publish a paper in a top journal.

**Rupesh:** *Okay. The next question is sort of a personal dilemma for me as a doctoral student. Soon doctoral students from IIM Trichy would be joining other business schools as faculties. How should they balance the teaching and research responsibilities?*

**Prof Padmanabhan:** Again, that is an interesting question. Almost all faculty face this dilemma. One of the first issues you must resolve is this: Do you prefer a predominantly teaching school or a research oriented school? The choice depends on what you like. If you like to teach but want to do some research, then target teaching schools. If not, target research schools. However, both attributes are becoming important in today's educational landscape.

Once the excitement wears off after you are hired, your real work starts. You need to prepare courses and teach them. Perhaps these courses are relatively new. Maybe you are assigned some committee work. All of these places tremendous pressure on your ability to do research. My advice: don't neglect research. Find the time to do this.

When a school hires you, they will communicate their expectations related to research, teaching and service. They may also assign a faculty mentor. If they don't, use your Ph.D committee as your mentor board. They are committed to your success. Many schools have pre tenure evaluations designed to log your progress towards tenure. Follow their guidelines and suggestions wisely. Obviously, research expectations at research schools are higher than at teaching schools. Review the publication record of other tenured (and tenure track) faculty to determine the number and quality of papers needed for tenure.

Your first strategy should be to secure tenure. Whatever gets you tenure and then you can do other things. So, let's say you are at a school that requires 60% research, 40% teaching, then you should do enough teaching but focus on research. If the breakdown is: 60% teaching and 40% research, you should do enough research but focus on teaching. So, whatever gets you tenure should be a primary concern.

**Rupesh:** *Right*

The last part would be to say once you do get tenure, then you can do whatever you want and nobody cares. Of course, it doesn't mean your teaching goes to zero but having said that, often, students respect the research that you bring into the classroom and that enhances your teaching evaluations. For example, bring something from your research that is relevant to class discussions. If the class is on agency theory, and you have a paper on agency theory, bring it into the classroom. Students respect professors who do research because there is a certain legitimacy associated with that. And I'll give an example: I did research on the links between Corporate Social Responsibility (CSR) and future financial performance. If a firm undertakes CSR today, it receives benefits of future financial performance. And I inform the students that even if you are averse to CSR principles, firms should do it because it brings in more money. Students are

more attentive in class when you demonstrate your research and can lead to higher evaluations at the end of the semester.

Bringing research into the classroom also leads to other benefits. Perhaps you found a new way to teach the idea. Perhaps you can develop a case and can publish it later. You can help teaching improve your research and help research improve your teaching.

**Rupesh:** *Right, lastly as you would've noticed that IIM Trichy has shifted to its permanent campus. It would be great if you could share a few thoughts about the campus and may be offer some suggestions too.*

**Prof Padmanabhan:** I had a chance to see the finished parts of the campus. It looks very beautiful! It is very new, with houses for faculty and students on its premises. Reminds me of the beautiful IIT Madras campus from my undergraduate days. The atmosphere is very conducive to academic education. Many school campuses are noisy, but the IIM –Trichy campus is serene. It is one of the most beautiful campuses I have been to and yet it will look more beautiful once fully completed. I believe there will be more trees and shrubs planted, and there may be space for some more buildings as well.

One suggestion I would like to make is that students need a secure and separate place to relax. We had one of these at IIT- Madras, and I really appreciated that I did not have to go outside of campus to seek solace from academia. It should ideally be a lounge with access to some eats and a coffee shop. Maybe pool or ping pong tables. Students need to get away from the grind of academics, even if for only a few hours.

Thank you.

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A prolific researcher, his articles have been published in several prominent professional and academic journals including *International Business Review*, *Journal of International Business Studies*, *Management International Review*, *Journal of International Management*, *Financial Review*, *Journal of Global Business*, *Journal of Banking and Finance*, *Journal of Multinational Financial Management*, *Global Finance Journal*, *Financial Analysts Journal*, *the Journal of Cleaner Production*, and *the Journal of Information Technology, Case and Application Research (JITCAR)*. He is also the Global Associate Editor of JITCAR.

Dr. Padmanabhan is dedicated and accomplished in the classroom, specializing in teaching international finance, investments, corporate finance, financial management and international business. He has traveled to over 40 countries and taught in China, Japan, South Korea, Jamaica, Trinidad, Mexico, South Africa, Ivory Coast, Taiwan, Brazil, Germany, Austria, and Canada. He has also delivered executive training programs to groups around the world. He has served as consultant to several private global firms and to the International Finance Corporation, (a part of the World Bank Group).

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