The new age of innovation: Driving co-created value through global networks, by C.K.Prahlad and M.S.Krishnan, New Delhi: Tata McGraw-Hill, 2008. Price: Rs 695

'The new age of innovation: Driving co-created value through global networks' by C.K.Prahlad and M.S.Krishnan appears to be a 'hurriedly put together' assortment of a few rather simplistic assertions. Unfortunately, it neither does justice to the complex notion of 'innovation' nor to that of 'networks' – two notions that have attracted considerable attention across multiple disciplines of study and practice in our contemporary times. Let me try to summarize the argument, which is adequately captured in the introductory chapter of the book – before moving to why the argument appears weak in my reading.

The book has been written from the perspective of managers and leaders of large corporations and points out that the contemporary businesses face a unique challenge. Two facets of such a challenge are a) extreme customization, or what the authors call N=1, or a batch size of 'one' (often also termed apiece production), and b) possibilities of accessing a resource from across the globe, what they call R=G; to depict the fact that resources are globalized. These two emerging trends represent two pillars that pivot the change that corporations have to respond to. The emergence of extreme customization means that corporations can no longer assume a mass consumption space – consumption is appearing to be increasingly individuated. On the other hand, the possibility of global access to resources means that access, rather than ownership of resources becomes crucial – so corporate structures need to put mechanisms in place to retain access to resources owned by several network partners, possibly spread across geographies. The authors argue that responding to these emerging realities of the business-space would require corporations to depart from two important notions that held together much of their practice – vertically integrated ownership of crucial resources within the firm boundary as well as adhering to the image of mass market and standardized product offerings. To transform the large firm into a structure capable of embracing the two pillars, leaders would have to create a new social and technical architecture that would define the 'novel' emergent organizational capability. The technical architecture would consist of business processes and IT enabled smart (focused) analytics, while the social architecture would consist of new structures, performance management systems and so on.

Clearly, this ambitious wish list glosses over the most significant problems. The key link proposed in the transformation process to embrace extreme customization in the large corporation is business analytics and IT enabled business processes –what the authors call the technical architecture that would enable the corporation to serve the requirements of individuated consumption as well as resource access across several network partners. The social architecture of the corporation, which the introductory chapter alludes to as an integral part of the new dynamics, has been left largely undeveloped – quite in contrast to the space devoted to exploration of the technical architecture. Yet the 'black box' of social architecture is probably the key. The deployment of business analytics in large corporations has a long record of practice by now and is considerably documented in the literature – especially in avatars such as ERP, BPR or CRM. The evidence seems to suggest that the initial promise that IT tools held has been belied – and the culprit – so to say – was the black box of social architecture of the organization. It is thus not clear how the authors of the book place a renewed hope on similar tools, without engaging with the insights from the earlier practice.

If we have to open the 'black box' of social architecture, let me turn back and ask whether a large corporate organization can really embrace apiece production, fuzzy and continuously morphing product boundaries (such as a flux of products). Segments of consumption that bear these features appear to have a considerable presence of networks, freelance stars – not large corporations. If we take Herbert Simon's articulation of large organization as characterized by the administrative 'fiat' – the basic master-servant relationship within an organization, then a corporate structure seeks to smoothen opportunisms, dissent, and deploys the power of the fiat to that effect. Stable product definitions, fixed industry boundaries, the celebrated Fordist conveyor belt for that matter are primarily control tools around which the 'fiat' can be built. Would embracing extreme customization turn out to be a Greek tragedy for the large organization – as empowered front-line segment of the organization start creatively defying the 'fiat' and the organization unravels? By not addressing the crucial domain of social architecture, the book fails to provide any fresh insight.

A careful reading suggests that the agenda of the authors is far more limited – it is still bound within the internal corporate culture of standardization and simplification of tasks and IT tools are also being seen from such a perspective – to transparently open up the business process, say, to the gaze of the top management. This is a very Fordist articulation. Even within the business analytics literature, there are richer varieties of deployment (for instance the Fujitsu mode of BPR) – that attempts deploying IT as a device that empowers an actor by essentially providing a trading link rather than by opening up the process (or the actor involved in the process) to a disciplinary gaze of the organizational superiors through transparent digitization. To conclude therefore, the link between a richly varied individuated consumption space and a large dispersed pool of assets/resources distributed across several owners in shared modes cannot be an organization that still believes in the Ford/Taylor schema of standardization and task simplification.

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India's Turn: Understanding the Economic Transformation by Arvind Subramanian, New Delhi: Oxford University Press, 2008. Price: Rs. 595

This new book, by Arvind Subramanian of the Peterson Institute for International Economics in Washington DC, is a collection of articles and papers written by the author over a period of around fifteen years. The earliest work which has been incorporated in the book was written in 1992 and the latest in 2007. This is exactly not a solo effort as among the eight chapters of the book, five of them are co-authored with others. There are two broad themes running across the book. The first four chapters relate to India's current and future growth. In the first four chapters, the author has also included some of his lighter articles, written for various newspapers and journals, in the form of summaries. Rest of the chapters in this book deal with various aspects of the liberalization process, which India has gone through in the last few decades.

The first four chapters of this book are eminently readable. The author argues that the turnaround in India's fortune is not totally due the policy packages adopted in 1991 but he suggests that the benefits owed a lot to the policies adopted during the planning period and during the 1980s when it developed a broad and diversified industrial base, set up a strong set of institutions and acquired a skilled workforce. This allowed India to take advantage of the reforms undertaken during the 1990s and allowed India to follow a growth trajectory that is not typical of a country with India's level of per capita income. In this section, the author has presented the arguments quite persuasively and has provided an interesting and engrossing hypothesis about India's growth process and its future prospects.

However, the four chapters in the second section are not of uniform quality. In fact, some of these chapters are outdated and therefore, in some cases, quite misleading. Take for example, the fifth chapter of this book titled "Uruguay Round text in