

## Gear up Youth for Technology

IT ISN'T JUST ANOTHER BIT OF JARGON. It's real and happening and enterprises are seeing the value of trying to reach the goal of becoming a Real Time Enterprise (RTE). Why is RTE relevant for Indian companies to become globally competitive? How is RTE relevant in today's global business environment?

Mohanbir Singh Sawhney, McCormick Tribune Professor of Technology and the Director of the Centre for Research in Technology and Innovation at Kellogg School of Management, was in Bangalore last month to explain the subject and its relevance to CXOs. This preview brings some of his insights on the topic for readers.

Over to Sawhney: "There are various ways in which enterprises need to get competitive advantage. Some realise that **time to market** can be a great advantage others are very agile. How quickly companies can react and respond to the market, be adaptive can determine whether they are successful or not. Why is there this great need for adaptability? Because today's world is increasingly unpredictable. It is getting harder and harder to plan for the long term. Peter Drucker and others have talked about the death of traditional planning. Such ideas have been around for a while. But now it's really possible for companies to be agile."

And why is that?

Because of advances in technology. Open standards, enhanced connectivity, web services, all of this allow legacy systems to exist along with new technology. This means that an enterprise can be connected to its suppliers, customers, employees, making the extended enterprise a reality. Technology and business acumen can together create great value for the customer.

With recent development in standards-based collaboration technologies and business process automation, leading companies are achieving dramatic improvements in the speed and effectiveness of their business process. We are seeing the emergence of the Real Time Enterprise (RTE) – an enterprise that competes by using up-to-date information to make faster and better business decisions. Companies, like Dell, WalMart, Zara, and Cisco are exploiting RTE capabilities to achieve dramatic increases in employee productivity, return on assets, customer service and operating margins.

A bit of background. ERP, supply chain system and data warehouses speeded up things for companies but they still required planning and analysis on a periodic (say monthly, or sometimes weekly) basis. Many organisations follow this procedure, and executives are making key decisions based on batches of sales, manufacturing, and other data that is days, week, or even months old. In an information-driven economy, where competitors are acting on what's happening now and not what happened last month, the batch approach can lead to disaster.

But "straight-through processing" and real-time applications are becoming more affordable and pervasive. Web services promise to have a dramatic impact by easing application integration and delivering real-time information to places that batch data couldn't reach. In the meantime, technologies for connecting applications, data, and users – and technologies for monitoring, analysing, and optimising real-time business process have already made major strides.

Some of the major principles of the Real Time Enterprise.

- Recoup revenues lost to lack of coordination across customer channels. In a Real Time Enterprise, companies use every opportunity for improved service, cross-sell and up-sell.
- Business management makes and deploys business decisions in real time. The Real Time Enterprise enables executives to directly control the operation of their business system without requiring the intervention of programming staff.
- Derive maximum value from existing systems. The Real Time Enterprise does not require a massive re-engineering of the existing computing infrastructure. Rather, it federates and coordinates very disparate systems and applications together in such a way as to extract maximum value from them.
- Act as one company. A customer or trading partner should see the same offers, the same contracts, the same business arrangements no matter what the channel or application.
- Entirety of computing infrastructure responds, as appropriate, to business events. When an important event happens, every system that can utilise the knowledge of the event, or respond in some way, is informed.
- Heterogeneous applications, legacy systems coordinate to appear as one. Existing siloed enterprise applications should function as an organic whole, reflecting the business requirements and initiatives put in place by management.  
\* Information systems always up to date. With stringent internal and external reporting requirements, the need for accurate and up-to-date information has never been greater.
- Extend intranet seamlessly to extranet. In today's connected world, suppliers must connect with buyers who must connect with customers; system and applications barriers must give way to support rapid coordination.
- **Incremental deployment.** The Real Time Enterprise supports system-by-system deployment, thus giving business managers complete control over process, costs and affording them the opportunity of targeting applications with the richest ROI first.

Says Sawhney, "A real-time enterprise progressively works towards eliminating delays. Although the theory is abstract and not to be taken literally, because there are always some elements which will need time to fulfill."

However, there are examples where it can be achieved almost to its full extent. For instance, Cisco closes its books on the same day as its quarter ends. "It's possible in the area of finance. But there are also very agile players in the retail market such as Walmart which is able to respond to trends within two hours. It has a real-time supply chain. Dell can deliver computers within a couple of days if not hours. In the area of services, airlines can deliver on a real time basis because they can have organic integration with the customer – if they are connected and know what the customer wants, they can react immediately and offer it. Delta Airlines and American Airlines are already doing it," explains Sawhney.

The question is, how appropriate is the idea for India, how long will it take before the idea takes hold here? “If there isn’t an earth-shattering urgency to deliver the goods, it doesn’t make sense to invest in systems that help you react real time. However, those companies focusing on supporting US operations, such as BPO firms, or even auto component makers and of course in general the software industry, will have to become real-time.

Says Sawhney, “The extent to which a company needs to adopt these ideas depends upon in strategy. Management should be clear about what they want to do.”

**Listen to Sawhney.** Those who have been listening to him include Accenture, ABN-AMRO Bank, Bank of America, Bell Canada, Boeing, Dell Computer Corporation, Deloitte Consulting, Denstu, Dow Chemical Company, Eli Lilly, Estee Lauder, General Mills, Goldman Sachs, Hallmark, Honeywell, Infosys, Kraft Foods, Microsoft, MSN, NCR Teradata, Normura Research Institute, Rockwell Automation, Sears Roebuck & Company, Stena AB, Telemar, Thomson Corporation, and USA network.



## **Calcutta’ Arvinder Pal Singh: Mixing business with mission**

### **CONTRIBUTED**

A youth of 23 had just joined the Lions Club. An eye operation camp in Ranaghat was among his first assignments as a volunteer. “There was this surgeon, Dr. Pinaki Ranjan Roy. I was told he had already done 1,50,000 operations free of cost. Before he went into the operating theatre, he performed a puja and put on a new *dhoti*.” His words and his attitude left a deep impress on the chartered accountant.

Today at 43, Arvinder Pal Singh, a chartered accountant, is one of the most active members of Lions Club, having already served as governor of his district, 322B1, and slated to take over as an international director of the organisation in 2004.

In these two decades, he has spearheaded a number of projects. Of these, eye donation camps are the closest to his heart. “It is pathetic that West Bengal ranks so low in terms of awareness in this field.” Singh accepts that it is often difficult to broach the matter when there has been a death in the family, but says persuasion is the only way. “Corneas cannot be produced in factories. If I talk to 10 families, eight will reject, but two will accept. It takes just 10 minutes to extract the eye,” says the man, whose entire family has already pledged the visual organ. Singh’s club has come into an arrangement with eye foundations in Sri Lanka and Ahmedabad (among the highest in the world and in India respectively in terms of awareness) for importing corneas. “Twenty years ago, people felt nervous about blood donation. Now, Bengal is a champion in the field,” he laughs.

Singh and his friends ushered in the new millennium with a 200-day drive – slum development, eye operations, Hepatitis B vaccination camps... The same year, he was involved in setting up a transfusion centre for thalassaemic kids at the Lions district blood bank at 27/8A, Waterloo Street. “The hospital ambience gets a child depressed. Here we even have a TV beaming cartoons.”

Another achievement he takes pride in is the mobile clinics fitted with X-rays and ECG machines that travel to rural areas. "In my initial years, I used to regularly go to the villages during the camp. So many old people came who cannot even afford Rs 400-500 required for an eye operation in state clinics. Their families often desert them, taking them to be a burden. Their joy is great on getting back their vision," the Calcutta Xaverian says. He recalls the standing ovation the volunteers got on digging shallow tube-wells in such villages. "It is quite embarrassing," he quickly adds.

The chartered accountant has managed to mix business with social work. "The corporate sector has come forward in a big way in the uplift of society. My clients have often been very helpful in providing sponsorship," he smiles.

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## **Growing with Parminder Singh**

*CONTRIBUTED\**

Today Quark's largest R&D centre worldwide is at Mohali with a strength of 1,000 intended to increase to 1,600 by 2004. We are a performance driven company that desires its task force to work in a healthy environment, we do not bind our people with a time-table, but they must perform. Performance is what has brought Quark to where it is today.

In a span of five years, from being a participant of an enterprise of 15 people, I have been successful in leading the same. This speaks volumes of the kind of growth trajectory this organisation can provide to any of its employees. In my opinion, it is crucial for any successful corporate entity to 'excite' its people – we are lucky that ours is one. The change and challenge at Quark enables its HR base to enhance the performance of the company as a whole and provide ample opportunities that drive a profession to improve your growth map.

Software development in India has more life and we have done rather well in the recession period. Figures do not determine the scale of success for us, but a satisfied and high performing people certainly does. In addition, absolute transparency is another vital element for ensuring a smooth sail and enhanced performance.

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