



CHAPTER CASE

Wipro Technologies Europe (B)

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The first challenge for me in Europe has been to convince people that whatever has been our modus operandi for success in the US cannot be translated into Europe; it has got to be a different strategy.

—Sudip Nandy, July, 2001

Sudip Nandy got busy—there was work to do to grow Wipro Technologies Europe into 42 percent of the parent company's total IT business. He knew from experience that designing and implementing change had the potential to be a laborious 'on your hands and knees' kind of trip. Paul had given Nandy a whole lot of rope to make strategies that were quite contra to what the firm had successfully used before. A year after he began in the European operations, Nandy had a clearer picture of the actions, activities, and successes they had already accomplished.

Patterns, Principal Ideas, and Potholes

First Nandy decided to look for people "who have sufficient grasp of the abstract, tolerance for ambiguity, and the patience to be able to grow with us for one year." He searched for critical core personal characteristics, including some typical of people from India, "For instance, your resilience, your ability to remain calm, your ability to deal with uncertainty," such as juggling changes in schedules." Nandy added, "I think those are good things. I remember an article that was written abroad saying that Indians do very well elsewhere because they deal better with uncertainty, because people from India are used to uncertainty." Nandy also worked with his Indian team to be open to the new relationships with their European counterparts. He commented, "I know that locals will force us to think differently, do things differently, get more blatant at times, get more subtle at other times."

An early and critical step was structuring how the work would be done. In Wipro's operational model almost all sales and customer interactions involved team interactions. The sales person led Wipro into the account. A combination of one to three others, some from within Europe and some from India, would be "the core team." The sales lead followed when the contract negotiations got underway. Then the ongoing project management phase continued. "Our motto is always 30/70 percent on an average—30 percent on site with the customer and 70 percent away. Of that 30 percent I want a local to be the leader," Nandy said. In this model, however, Wipro had assumed that a single person made the initial sales calls and explored the client's needs. According to Nandy, "Our sales people are far more technical than what you normally would anticipate, so they are able to take first, second, and third level calls on their own. Only when it gets deeply technical do they call a consultant to come in with them."

Creating a proper induction program for his new European hires was critical. Nandy decided to send each new employee to India at the outset of their employment and on a regular basis—every three to four months "to recharge, not the batteries, but the contacts." Nandy continued:

And again to understand what we are. You don't get a feeling for what we are unless you go there.

We are like a factory, which is our main strength, and the factory is in India. So many things have got to be put in place for local hires to make them really become as much Wiprocentric and Wipro as possible, because I think they are excellent salesmen in their own country. They understand what the customer's need is far better. I think the only thing to do is to understand exactly what our value proposition is and how to tweak it for the local customer.

Nandy implemented numerous changes as he continued to lead. He decided to provide an early review at the three-month mark for each new hire. In these reviews Nandy solicited feedback from the European employee on what kind of company Wipro was to work for. He explicitly encouraged employees to express critical content to support improvement of Wipro's processes as they applied to European employees and business.

Nandy tightened the definition of the kinds of contracts wanted. This change assured that the new sales person avoided chasing a client and hearing the Wipro manager of that vertical say, "No, we don't want that kind of work." In addition, he had the sales people report contacts to him weekly, and he included the head of the business unit involved. Nandy also worked with Wipro's systems people to expedite the further automation of all sales information so that it could be more easily shared and to avoid any sense of there being an "old boys' network" for access to information. In all these initiatives a "culture of close monitoring and review" was being built. Nandy summarized:

I am also pushing everyone to get a quick success because everything is, you know, in a honeymoon

period until you have got the first order. Once you have the first order and you start delivering, you realize there are three hurdles you have got to cross which you did not know of and you have to fall flat. So if they get a quick order then they go through that cycle and they know how to deliver and get the revenues. I think then they have made the first break. You know, you have made your first swing so it's much easier.

Nandy also decided to experiment with using Six Sigma processes for his sales, marketing, and relationship management teams. Wipro was already a leader in using Six Sigma for its technology operations (see Exhibit 1). The process was developed to reduce errors in software programs, but Nandy thought Six Sigma could help deepen relationships for colleagues working together in Europe, and assure continuous improvement in the sales, contracting, and account management processes they used. As Nandy described:

I think it is a really important thing because software people are very strong individuals. Each of them thinks that their way of writing the code is the best way of writing, each of them thinks that their analysis is the best analysis and as a company, we can't be successful unless we work in teams. So I think one of the biggest tools is our Six Sigma process. Six Sigma forces people to work as a team because they have to put the criteria down for measuring the benefit in a monetary term or cycle time production term at the end of the whole process, so it has to benefit everyone as part of the team. We are using Six Sigma more and more. After the first one was pushed

EXHIBIT 1 Premji's Leadership Laws¹

1. Vision: is like a lighthouse, showing the way and pointing out hazards. It must be slightly beyond reach, but must not be an impossible dream.
2. Values: if vision gives direction, values set boundaries. Values need leaders to be absolutely transparent in whatever they do.
3. Energy: the leader must work both hard and smart, long and intensely. It's the only way to keep on top of the demands.
4. Confidence: self-confident leaders assume responsibility for their mistakes and share credit with their team members.
5. Innovation: ideas have limited shelf-life. The leader must create a culture of continuous innovation.
6. Teambuilding: the leader must attract best minds and create a sense of ownership in them. Not just by stock options but through emotional engagement.

¹Rohit Saran and Stephen David. "Azim H. Premji; The World's Richest Indian". India Today, 03 June 2000.

down people's throats—you have to come for the training—I am finding people happily coming on Saturdays for Six Sigma training. When we take on a new project, we have a Six Sigma team get together and then we go through exercises for a half day module. So it has been a great tool.

Building Cultural Competence for Indian Staff

In India, Wipro Technologies tried to build cultural understanding among the India-based staffers who worked on projects with European clients. Before anybody traveled anywhere their first time, Wipro Technologies made corporate training a prerequisite. The program consisted of one- to two-day, country-specific cross-cultural awareness courses that described business cultures by nationality. Wipro also built content based on feedback from those employees who had gone abroad without training. Returning ex-patriots shared their experiences and generally agreed they could have been much more effective had they gone through a cross-cultural program before leaving India. As senior executive trainer and designer of these courses, Bharathi Srinivason, explained:

We switched over to training before traveling because we learned that people should have this sensitivity. Our people are interacting with clients over the phone, over the mail, and other communications, so we thought it was important for any individual who joins the company. Unless our people attend the training sessions they cannot travel—they don't get their tickets if they don't enter this program, to that level it has become mandatory.

Indian employees also were enrolled in language programs. The idea was to understand what a German or French client was saying and to be able to speak a few sentences, ask a few questions. Differences between British English and U.S. English were also highlighted.

Teaching the Client How to Partner with Wipro and Work with Indians

Another plan that Nandy hoped would create success in Europe involved clients. Nandy asked his sales people to encourage clients who lacked experience working with South Asian partners to learn more about Indian culture. One strategy was to request as a term of the contract that the client pay for their own learning through use of a consultant Wipro designated. The person involved was an American cultural trainer familiar with Indian business culture. So when Wipro won the contract to provide

information systems design and management for the Scottish Parliament, the consultant's services were written into the contract. She worked with the designated internal partners at the Parliament who did most of the interacting with Wipro Technologies' India-based people during the life of the contract.

The idea that customers needed to learn about Wipro and Indian business culture was not Nandy's invention, although his way of addressing the issue was new. Ranjan Acharya, Wipro Technology's Bangalore-based vice president of corporate and human resource development, described how the company first expanded its learning circle to include the customer:

I remember there was one company in the United States that invited our people to come and talk to their people every Friday on what India was all about. In their own way they were trying to learn how to deal with us and understand us as much as we were trying to understand them and interact with them.

We decided we had to give a wider exposure to people. Get our people to stay there, get customers to come here, send some people from there to here and here to there.

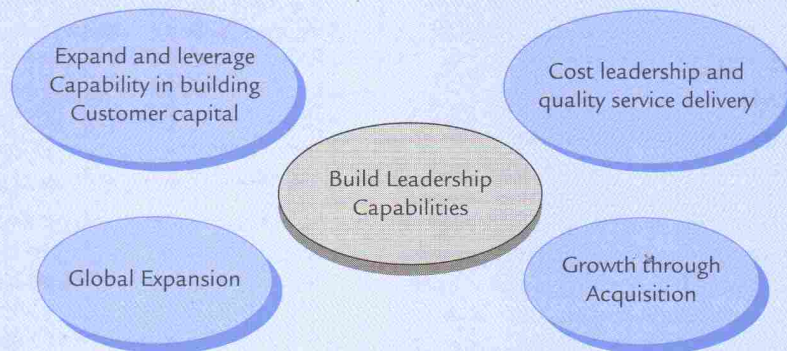
Nandy found that using the consultant really helped. While (following Premji's lead) Wipro Ltd. and Wipro Technologies adopted mostly "American-style" management, human resources, and quality processes, there were some critical cultural norms typical of Indian culture that customers needed to understand. Nandy described differences and said, "One is that the boss doesn't call all the shots, and another thing is that I think we speak of confrontation, but many, most of us, can't handle confrontation." Also, the concept of work and its relation to social time or fun was very different. In France, Wipro's Indian employees learned that it was okay to go with the client for a three-hour lunch, whereas in Germany, people tended to get down to business much more quickly. European customers and employees of all cultures faced a shock, however, when they went to Bangalore, Wipro's Learning Center and corporate headquarters, for seminars or training. Nandy described:

I had two European employees who just came back from training in India. They said, "You know there is this saying about death by a thousand cuts—Chinese torture. By the end of the first three days of training in Bangalore, it was death through a thousand PowerPoints because we had gone through training from 8:00 in the morning to late in the evening with each guy coming and giving 50 PowerPoints." If the same training was in some other country, probably they would

EXHIBIT 2 Wipro Strategy

What are Wipro's strategies?

Business Strategies



To implement business strategies we need leadership qualities

Source: Wipro Human Resources-Bangalore

combine it with an equal amount of leisure time or chit chat or speaking to people face-to-face in order to get to know each other.

Nandy realized his employees were astonished when they experienced India and so were the customers. He said, "They stay for one day and we give them at least ten presentations. Each one lasts an hour, with a short lunch, and a coffee, with no time to take a stroll or anything." So the company learned from the interactions between customers and India and employees and India. Nandy continued, "It's a two way process—therefore we are learning from that."

The First Year Results

That dreary March day in his office, Nandy felt good about what his team of Indian employees had accomplished in the first year of his leadership. He had hired locals so his group had gone from 100 percent Indian to 20 percent European employees and 80 percent Indian. This put Nandy half way to his goal on personnel balance. The business had grown 120-130 percent. But Nandy knew the next growth was going to be even harder and the next hires even more challenging. So far his team included 19 people: two French, one Dutch German to be based in Germany, one Swiss German based in Switzerland, two English, one Irish, and eleven Indians plus himself. Wipro

Technologies needed account-relationship people and employees who could follow after the sales people, particularly for accounts in Sweden, Finland, and Italy. Nandy felt very strongly that such people needed to be fully fluent, if not native speakers, in the clients' language—not simply people familiar with that business context and able to speak the language as a second language. He needed people capable of understanding a greater level of subtlety to distinguish the differences between "what the client wants and what the client needs." Nandy was unsure what additional strategies (see Exhibit 2) he was going to develop for this next phase but he had some ideas.

CASE DISCUSSION QUESTIONS

1. Review India's scores on Hofstede's cultural dimensions. Do you think that the critical personal characteristics that WIPRO is looking for will be difficult to find in the Indian context? Why or why not?
2. What are some of the key steps WIPRO has taken to enhance its effectiveness? Are these consistent with Indian culture?
3. How can you motivate workers in an emerging market characterized by low employee loyalty to companies and high competition for talent among companies?
4. Will the measures implemented at WIPRO be effective? Why or why not?