

The 'Outside-In' View of India

“India constituted as she is, cannot play a secondary part in the world. She will either count for a great deal or not count at all”- Pandit Jawaharlal Nehru.

This binary prediction of Pandit Nehru is true for India and global business. India didn't matter in sectors till a decade ago and it matters now, in automobiles, aerospace, outsourcing, and technology.

Most global executives' exposure to India comes through the rich heritage of 'Management' human capital India has produced. Every global leader you speak with quotes Ram Charan on 'execution', CK Prahalad on 'Bottom of the Pyramid', Sumantra Ghosal on 'culture' and Nitin Nohria, Shrikant Datar on 'rethinking the MBA'!! India born management gurus have helped shape India's image.

Global executives are seduced by the vitality of India but worried about the volatility of India. Almost every executive who visits India is amazed at the energy and the 'can do' spirit here, the willingness to stretch, the long hours and the commitment that an Indian professional puts into work. They are surprised at attrition rates and job switches for a few more dollars.

In interactions with Indian leaders, they applaud the 'critical' thinking skills, the urgency of problem solving and the strong bias for action.

They would like to see more creative skills, more design thinking, a more holistic approach to problem solving.

Global executives want to see a smart fusion of 'process' and 'bias for action'. A bias for action without process is viewed as 'thoughtless action'.

A watch-out is when Indian executives stress the "India is different" theme. In their work, global executives are trained and disciplined to seek commonality between countries to leverage and maximize a common global asset and the 'India is different' argument draws a smile. So, agreeing on what's common could help Indian leaders influence better.

Global executives aren't sure how to read the information or signals they get from the senior management teams in India. Global executives feel that information, emotions, opinions, arguments and conclusions flow 'circularly' in a meeting. And hence no one goes out with a clear set of agreed actions from a meeting.

Every person seems to have a different and strong view of the challenge and half the views are expressed socially outside of the official meeting. This is true in countries with hierarchical societies and high power distance.

Senior management teams in India are good at projecting good news while artfully camouflaging the not so good news, which gets postponed to another day or more likely an e - mail. Global executives are paid to appreciate good work in countries and fix the challenges. A global executive is helpless if he/she is unaware of a challenge.

Many global executives feel that Indian leaders could be externalizing the results on the economy, on seasonality, on policy, on unfair moves by competition etc. They appreciate a robust approach with assumptions and risks placed on the table pretty transparently at the start. Global executives often joke that discussions in India are full of “ifs’ and ‘Buts” and an accountability chat starts with ‘it depends on...”

These characteristics of Indian managers are not to be seen as negative traits, rather these can be easily addressed with a few adaptive moves.

One view most global executives take back after an India trip is how everyone seems to know every one else in business circles in India. At one level this speaks well for building close ties in an industry and eco system, and that’s appreciated and admired, at another level, the information security worries them as company confidential material seems to be more in the public domain!

All said and done, Global executives agree that India is a market that a Fortune 500 company cannot ignore. The attractiveness of the domestic consumption market valued at \$3.5 Trillion in 2020 is the reason for India investment, manufacturing follows because of the lower cost base; they then realize that this lower cost delivers great quality and that combination pushes to them to think of innovation from India. The software prowess, the Outsourcing industry, the telecom revolution, UID, the Nano car, the small pack revolution and the quality of managerial talent is hugely talked about. The volatility in terms of rules, regulations, taxes, negative media and policy is an area that global executives seek more consistency. India is not emerging, it is a blossoming market.

Most global companies have an India strategy and value winning in India as important. They realize that India is a long haul market and it takes a decade to be profitable. Indian leaders have to move the country from the current structural low cost image to a value added, innovative image. Then as Pandit Nehru said, India will count for a great deal!!