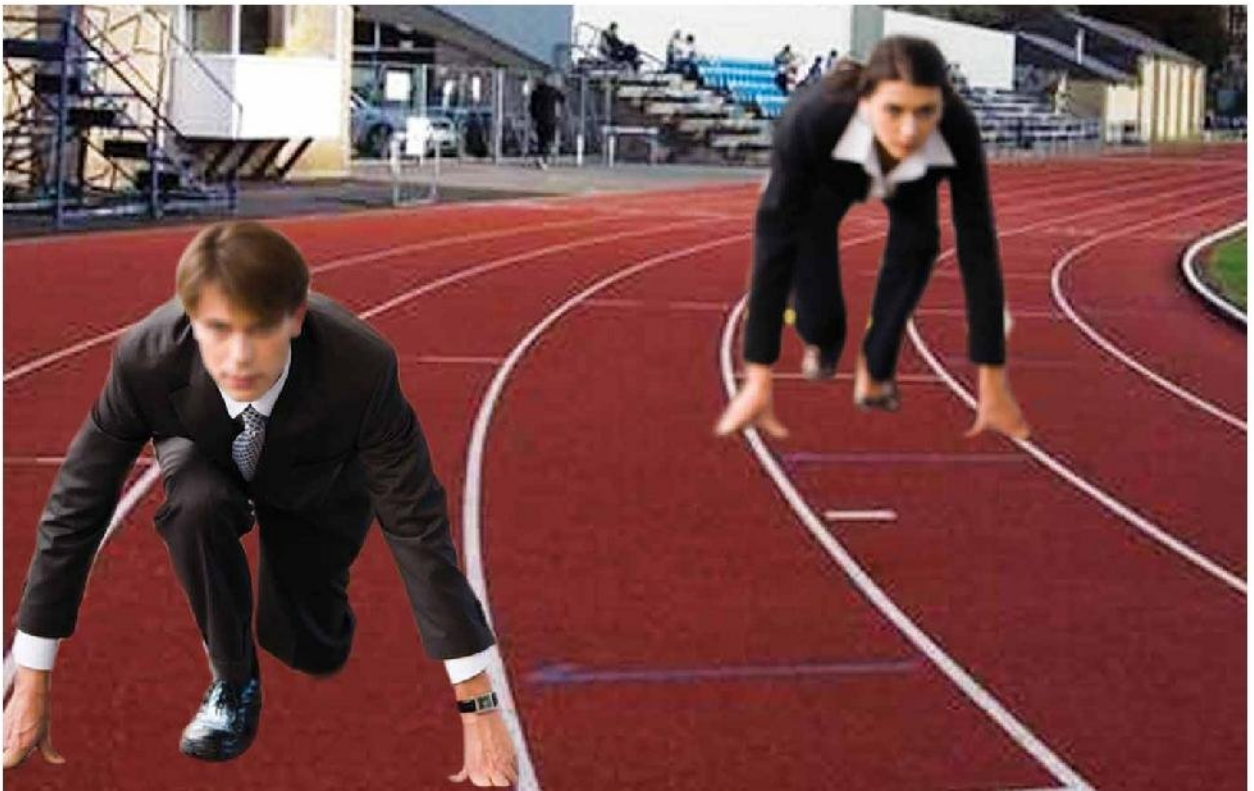


# The age of entrepreneurs



With more and more employees taking the entrepreneurial plunge, organizations are helping employees to strive innovation and take on the reins of their own careers. Discover how budding entrepreneurship is being encouraged and accepted in corporates the world over, with this month's HR Roundtable.

■ BY SANNITA CHAKRABORTY SAHA

**O**ur expert panelists, *Ratish Jha, Senior Vice President- HR, Raychem RPG Limited, Aparna Ballakur, Chief People Officer, Flipkart.com, and Karthik Padmanabhan, Country Manager - ISV & Developer Relations, IBM Software, India / SA at IBM India and Deodutta Kurane, President Human Capital, YES Bank Limited, discuss the role of organizations in shaping the entrepreneurial streak in employees.*

**Professor Philip Auerswald of George Mason University makes a convincing case that entrepreneurs will contribute more than we think to 'the coming prosperity', What is your organization doing to encourage entrepreneurial behavior in employees?**

**RATISH JHA:** Philip Auerswald has rightly argued that entrepreneurship will be the key to building the future of our dreams, by challenging the status quo. It is an entrepreneurial culture that will allow organizations to continue to innovate and deliver in the challenging market scenarios. In our organization, we strongly believe in the importance of promoting an entrepreneurial spirit in our employees to take the organization to the next level. Several of our business lines are a result of employee ideas that were invested in by the organization to fuel growth. In fact, our four main business lines are further divided into nine smaller business units (mini SBUs), and these are headed by young managers who are given ownership of the P&L of their mini SBU. Putting the responsibility in their hands enables them to think of the business as an entrepreneur or an owner. Further, in cases of business ideas, which come up from employees, we encourage them to incubate and demonstrate potential by heading the businesses themselves - from the conception to the commissioning.

**APARNA BALLAKUR:** Talking of entrepreneurs contributing to the prosperity of a country can be best explained when we look at Flipkart, which started five years ago with mere four lakh Rupees and is presently a \$100 million e-retailing company. And, innovation is the key to the company's success. Coming to employees, every fresher at Flipkart is encouraged to go through a boot camp where the induction process goes beyond helping one understand the values of the company and the role, to learn how each division works within the company. What

can sometimes be a year-long rigorous training leads to employees understanding how critical each business function is, working on real-life problems, and also having the option of moving across teams that offer variety in experience and learning. The idea behind this is to ensure that we encourage individuals to understand their own capabilities and identify their talent rather than simply conform to the company's way of working. This in turn grooms employees to explore the entrepreneurial path and equips them with the basic understanding of how a business functions.

**KARTHIK PADMANABHAN:** IBM holds a lot of value for entrepreneurs. If you ask me what IBM is doing to encourage entrepreneurial behavior in the marketplace in employees, and when I say employees, it is not necessarily IBM employees but employees from different industries who wants to become entrepreneurs, we have a global entrepreneurship program which has been running for close to four years worldwide, and India is a big hub and a focus area along with Silicon Valley, China. India is now the hub for IBM to focus on encouraging entrepreneurship. As part of the program, we have a lot of mentorship that we give to the budding entrepreneurs. Anybody who is in the 0-5 years of experience category of having setting up a business, can avail the mentorship from IBM by just enrolling into the global entrepreneurship program.

## FAMOUS ENTREPRENEURS

- **Mark Zuckerberg**, Co-founder, Facebook
- **Steve Jobs**, Co-founder, Apple
- **Bill Gates**, Co-founder, Microsoft
- **Jeff Bezos**, Founder, Amazon.com
- **Larry Page & Sergey Brin**, Co-founders, Google.
- **Richard Branson**, Founder, Virgin Group
- **Phil Knight**, Co-founder, Nike
- **Reid Hoffman**, Co-founder, LinkedIn
- **Oprah Winfrey**, Founder, CEO, Chair, Harpo Productions



People can register themselves as part of their start-up into the entrepreneurial program and as part of that we are able to offer a lot of advice, guidance, and mentorship for them to start shaping their business ideas into. We also offer a lot of architectural help, technology help, and business mentorship. We also work closely with incubation centers and venture capitalists to facilitate a platform or a forum for the entrepreneurs, incubators and the VC community to network and come up with possible business deals.

**DEODUTTA KURANE:** Yes Bank, an entrepreneurial kind of organization, which started about eight years ago as a green field venture, can be called a product of 'professional entrepreneurship', an outcome of the professional credentials of the people and that professionalism then demonstrated or manifested itself in an entrepreneurial venture to start a bank. This professional entrepreneurship is now a motto, religion and finally a way of life at the bank. It is communicated and articulated and inculcated in all our

communication and in all our generations of employees, as a way of looking at your work. Professional entrepreneurship signifies three or four clear cut things, which includes an extreme sense of ownership, focus on professionalism, which implies knowledge, ethics & integrity, and professional pride in your work. In fact, we have these different units within the bank which are exactly not pure banking because the focus of the bank has always been two areas, knowledge banking and responsible banking. We encourage our employees to own their work. In any organization, it is not possible to encourage all your employees to become entrepreneurs independently. There are two approaches to it. Some people will show the independent entrepreneur streak and how do we encourage them to do. Second, the bulk of people who has joined Yes Bank, they have to be entrepreneurial in their jobs within the bank. These are specific differentiated approach of the bank. Employees in these units, particularly because of the nature of the focus of the activity, it is almost like a consultative organization within the bank. Third, people look at their jobs and take on assignments with an entrepreneurial framework, which is the most key thing. The concept of the entrepreneurial behavior /mindset has to be taken in this context. People with entrepreneurial mindset always stretch the dimensions of their jobs. A person with an individual mindset can do a lot of entrepreneurial work which is adjacent to banking. So there are opportunities for independent entrepreneurial thinking even within the banking domain. In Yes Bank, our ethos right from day one with every employee is to encourage them to take their job as an entrepreneur, to be a professional entrepreneur. And, this concept will mean different things to different people at different levels.

**While many employees may shy away from speaking out about their intention to take the entrepreneurial plunge, what**

## PANELISTS



**RATISH JHA** holds a post graduate diploma in Personnel and Industrial Relations and in Learning and Development. He comes with rich experience in Human Resource Management spanning more than 17 years. Prior to this role, he led Human Resources at RPG Life Sciences & RPG Cables. He was also associated with Essel Propack, JSW Steel Ltd and a US multinational Britt Worldwide in his early career.



**APARNA BALLAKUR** leads the Human Resources function at Flipkart, and partners with the leadership team on all strategic aspects of HR in the company. She is part of the Executive Team and contributes to the overall management of the business. Prior to joining Flipkart, she was VP- HR at Yahoo! India, and also held the position of Director- HR, India and China for Adobe Systems.



**KARTHIK PADMANABHAN** has over 21 years of IT Industry experience in organizations such as, Wipro Infotech , Tata IBM and Microsoft. He is currently responsible for scaling the IBM Software Ecosystem in India / South Asia through developers, Students, IT Pros, Start-up entrepreneurs, Academia, ISV, SI. Prior to this, Karthik was responsible for growing the IBM Social Business and Collaboration Solution for IBM Software in India /SA. Karthik's previous assignment was in the education space.



**DEODUTTA KURANE** spearheads the Human Resources function at Yes Bank. He is responsible for implementing innovative HR practices that identifies and nurtures talent, evaluates employee contribution and establishes action plans for empowering employees across the organization. Prior to Yes Bank, he was responsible for developing and executing the HR strategy at Bajaj Allianz as the Head of HR. Prior to Bajaj Allianz, he was with Bharat Forge Ltd, Pune.

according to you, organizations can do to spot the entrepreneurial spark in employees early on?

**RATISH JHA:** Many employees can believe that talking about their intentions to become an entrepreneur can adversely impact their career and hence they would typically keep quiet about this. The key is to spot entrepreneurial spirit and help channelize this spirit. At Raychem RPG Ltd, we try and spot this by determining people who are high on innovation and creativity through scientific selection tools that we use for recruitment. We place people high on such skills into jobs where they can contribute to the growth of the organization through business development and new business ideas. Employees are also encouraged to identify new business opportunities as a part of their development action plan further motivating those who seek to challenge the status quo.

**APARNA BALLAKUR:** Flipkart is an early pioneer in the start-up space that has benefitted from the growing Indian economy and the funding ecosystem. As an entrepreneur-led company, we actively work on building and growing the entrepreneurial spirit within the company. This starts at the time of hiring, and is driven, encouraged and recognized within the organization. Given the fact that we are the result of two young minds that dreamt big, we are very particular about keeping the entrepreneurial spirit alive at all times. From the ambience within the office to the dress code and facilities provided to the employees, the encouragement to freely think, suggest and act upon an idea is very evident.

**DEODUTTA KURANE:** There is no perfect formula as to how this can be done, however, from my experience at Yes Bank, I can say that since the ambience at Yes Bank is highly entrepreneurial in nature, people who have an entrepreneurial mindset are able to come forward, be appreciated, get recognized faster than many other organizations. This is also because,

there are many organizations who are conservative in approach and hence do not encourage employees to think of such things. However, at Yes Bank because of the inherent nature is entrepreneurial, we encourage our people to think out of the box. So if an employee has ideas which can be taken forward, we are more than happy to encourage and participate in his idea.

Coming to what organizations can do to spot the spark, all I can say is that if the organization has an entrepreneur culture, it is easy to spot the spark. The culture of the organization, the mindset it has is very critical. In addition, there are two things I can think of. One, if there is a formal idea management framework or tool, it is easy to spot people coming forward with creative ideas. They can put forward their ideas, which can then be evaluated and we can then become party or partners in the implementation. Second, if the organization has an entrepreneurial culture, it is easier to spot the people faster. Overall, the mindset and the thought process make a lot of difference.

**Do you think the growing interest in entrepreneurship among employees has developed alongside the interest in the changing role of small businesses? Please elucidate.**

**RATISH JHA:** This is absolutely true. There is a growing interest in entrepreneurship given the changing economy and the role being played by small business owners in fueling the economy's growth. There is a pivotal role that needs to be played by new entrepreneurs to meet the needs of a changing world - through new products and services, and expansion of networks. In this context, the role played by small businesses is no longer adjunct as the small businesses have the mandate to venture into newer areas of business, to prepare for the future demand. An example seen today is the development of SMEs in the Retail sector. Even in Raychem RPG

## START-UPS THAT MADE THE ONLINE WORLD TAKE NOTICE

**1 Pawngo:** An online pawn shop where in a user can place an item or object of value on the site and get small loans in lieu of that item.

**2 Pinterest:** This invite-only social discovery platform allows users to connect through images, pages, recipes, and any other thing may interest the user on the Internet.

**3 TaskRabbit:** An online task-for-pay platform has shown excellent growth since its launch in 2008. With some new funding in place, it plans to expand from five cities to twelve in 2013.

**4 Slice:** This start-up was launched with the idea to organize a user's online purchases. A free service currently, it has garnered many positive reviews from the Press.

**5 BlackLocus:** Launched in 2010, this online service helps users keep a tab on their competitors' pricing strategy.

Ltd, we have seen higher levels of risk taking and entrepreneurial spirit within the organization as we now seek to keep pace with high competition. Innovation is the only answer to this scenario as we seek to evolve as an organization.

**APARNA BALLAKUR:** The average age of an entrepreneur in our country today is quite low in comparison to what it used to be earlier. In fact, the founders of Flipkart were in their early twenties when they decided to turn entrepreneurs having quit Amazon.com. Today' Gen -Y are extremely driven and perhaps better equipped since a lot of them enter the entrepreneurial field after having gained the necessary learning and experience from their past career choices. Companies today don't look at this as a threat. In fact, intra-entrepreneurship is often encouraged in many organizations. Gone are the days when innovation was confined behind the doors and walls of multimillion dollar R&D centers. Today, companies take pride in creating workplaces that encourage employees to ideate and learn both on and outside of their jobs. They even allow them the time and adequate mentoring, in addition to investing in their ideas. While this ensures a better business environment for the company, it also instills belief amongst employees in their capability and ideas.

**KARTHIK PADMANABHAN:** Yes, we see the trend and every entrepreneur, especially

who come as part of the global entrepreneur program are all employees of companies and the number is ever increasing. The number of start-up especially in Noida and Gurgaon and Bangalore are going up by the minute and the employees belong to different sectors such as banks, IT, etc., and all of them are pursuing the entrepreneurship spirit. The reason for that is because people have now realized that innovation is key and taking some business risk is vital and they are all up for the challenge of staying in the course as an entrepreneur and driving what they need to drive to make it successful. And there has been an increase in the registrations in the program as well, last year there were 75 start-ups companies registered in the program, in 2012, there are over 150 registered companies.

**DEODUTTA KURANE:** The statement is definitely true because we see so many case studies and success stories around us, which were probably unheard of 10 years back. In fact, look at the SMEs or rather the micro SMSs or family run businesses that we have around us. Therefore, if somebody has a great idea and he or she is able to start something in that area for example, fashion, holiday planning, etc., which is because there is a push and pull, there is demand, and there is an appreciation and acceptance of such services. So it is the primary ambience which makes it conducive to start something. So if the society or the community at large is not appreciative, it won't work. The society is changing, opportunities are being thrown up and we have become appreciative of the fact. And, because of the changing society, we are integrating with opportunities that are being thrown up for people. Today, people are ready to take risks, seek funding and move ahead. So there is this acceptability of risk as the entire ambience is changing. At Yes Bank, we have several instances, where employees have come up with great innovative ideas of their own, and we have supported them and worked with them. In fact, one of our mid-level employees once came up an idea of an online library solution. Today, it is a flourishing site which provides online library solutions to many corporates. When he decided to branch out, we supported him and actually worked with him to understand his idea and the first ones as a proof of concept, subscribed to his site as a bank. And, today his business has grown manifold nad we are still dealing with him on many other activities. HC

*To be continued in the next issue*

## MAKING IT IN ON YOUR OWN?

- Have conviction and belief
- Plan every aspect of the business
- Be customer focused
- Manage capital efficiently
- Be professional
- Be a team player and build a great team
- Build excellent business acumen and expertise
- Read a lot of books, journals, reports, newsletters, magazines and websites
- Be accessible
- Be a good negotiator

