

Rising fuel prices are leaving their mark on inflation and India is no exception. An especially good time then for Emerge to profile KGL Systel and its connectgaia platform, an end to end smart energy management solution. Read the Grassroots interview to know more about this company and what it is doing to build a sustainable energy future.

In HR Factor we visit with another winner – Nagarro India which came in at No 4 in the NASSCOM Grow Talent listing of "Exciting Emerging Companies to work for" survey. Nagarro is doing what every emerging company dreams of – it has mastered the supply chain by creating highly employable resources from green recruits. Read HR factor to know more about the strategies and tactics employed by Nagarro.

As companies spread their wings across the globe, their marketing teams grow – but do these IT marketers really know what they are selling? Or are they just spewing an alphabet soup of jargon? Bang for the Buck examines the emergence of "techbabble" and looks at how companies can steer clear of falling into this trap.

April saw an important milestone go by for the Emerging Companies Forum – NASSCOM delegation of emerging companies visited the Software 2008 fair in Las Vegas, US, and then later the Bay area in California to meet some of the iconic companies that constitute Silicon Valley including Google and Sun Microsystems. Read the trip report in the Initiatives section

Best Regards,
Krishnakumar Natarajan
Chair - NASSCOM Emerging Companies Forum & President & CEO - IT Services, MindTree Consulting

HR Factor

Getting size to work for you

Getting size to work for you seems to be the mantra at Nagarro Software India, a mid-sized company that recently topped (it ranked at No 4) the 2007 NASSCOM Grow Talent listing of "Exciting Emerging Companies to Work for". With just under 500 people worldwide, the company uses time-tested HR practices mixed with modern flexible policies to ensure that high quality talent stays with the company. More importantly the company seems to have got its supply side – resource based - strategy right.

"We look to leverage what bigger companies cannot," says Vikram Sehgal, COO at Nagarro India, the New-Delhi arm that is responsible for development/delivery of the San Jose(California, US)-headquartered Nagarro Inc. That means best fit mapping – assignments according to each individual's potential and capabilities, high impact recognition and visibility rewards, and an orientation towards empowerment. Crucially, the company has worked consciously towards defining its positioning to its biggest audience in India, i.e., potential recruits. "We wanted to be known as the place to learn", says Sehgal, adding "We back up that promise with a formal classroom programme for fresh talent followed by quick movement to live challenging projects under able mentors. A close watch is kept that fresh recruits are given challenging tasks and not trivial chores. Fresh recruits get the benefit of a rigorous structured learning program of the type that smaller companies find difficult to provide. The opportunity to work on

live complex projects deploying the very latest technologies and platforms helps us attract the best and brightest talent.”

Within the company, exposure to advances in technology is maintained through centres of technical excellence where new technologies are tested, pilots launched and Proofs of Concept attempted. Young recruits who show aptitude within such centres are quickly co-opted in pre-sale teams bidding for those new projects that require Nagarro to demonstrate expertise in a new area/technology. “They find this work very exciting,” points out Sehgal. Getting fresh recruits to quickly perform within the system has helped the company keep costs down and efficiency high - the golden mean that all software companies aspire to but few achieve.

Nagarro is also sought after by young programmers as the company very consciously works within the specialized Outsourced Product Development (OPD) area where the quality of work tends to be high. According to Sehgal, “we were clear early on that we wanted to build a high-end, small team company and on the work front, we wanted to build high end complex software”. This is reflected in the work mix – about 55%-60% of Nagarro’s business last year came from OPD projects. OPD typically involves a lot of collaborative working with customers, which translates into good exposure to international business and IT practices for Nagarro’s young team. The company has mostly steered clear of generic non-core application development or porting work and has instead built its business around OPD, regulatory-related application development for pharmaceutical sector and manufacturing optimization software. “Many of our clients have subsidiaries or captives in India, but they prefer to work with Nagarro for new product development as we are able to hire and retain better talent,” says Sehgal.

An important aspect of the Nagarro growth story is that the company’s promoters continue to be involved in leadership roles. Of the five people who came together to start the company, four are still actively involved. According to Sehgal, not just the management, but the first and second level has also remained stable, resulting in single digit attrition (2007 data) at 8.1%. The founding leadership team, comprising mainly of people with engineering background from the Indian Institutes of Technology have had to learn skills required for running and growing a business that were far removed from their education backgrounds. In order to grow the client base in the US and in Europe, part of the founding team has taken on the role of building a sales and marketing organization. The other founders have taken on specialized roles ranging from operations to finance to HR.

Nagarro today has a very flat structure that helps it remain flexible and responsive, while also ensuring visibility of employees to the management. To maintain organizational discipline, the company relies instead on standardized employee policies and procedures. Employees are given a high degree of empowerment not just within projects but also on things such as timings. There is a lot of “flexi-timing” and people use the work from home option.

So is it the frills or the flexibility that keeps them coming? – “It’s the reputation for good quality work”, points out Sehgal. The quality of work sets up an unbeatable cause effect cycle as getting good engineers invariably results in high quality delivery that in turn attracts further business...which then once again brings in the best talent. Clearly a winning formula, it appears.

What Works

- Talent Recognition and Best-fit Mapping
- Visibility, Empowerment and Faster Growth for best-in-class.
- Accelerated growth path and out-of-turn promotions for the deserving.
- Encouraging Out-of-box thinking
- Nagarro Culture and Work Life Balance
- Flat Structure: Open Door Working and Standardized communication

Continuing challenges

- Hiring talent for new domains and technologies.
- Advanced training management which requires Nagarro to move entire groups of personnel to new technologies

Siddharth Parashar , 25, who joined Nagarro in 2005 as a fresher, is a typical example of the newly minted engineering school graduate. In a brief interaction with Emerge, Siddharth talks about what made Nagarro his choice of employer and how his choice has panned out compared to the rest of his graduating class.

Q:How did you hear of Nagarro?

Siddharth: I first met the company when they came for campus placement

Q:What made you choose an emerging company as your first employer?

Siddharth: Well, we (members of the outgoing class) had already decided that most of us would opt for mid-size companies since there would be better visibility there.

Q:Three years down the line, how do you find yourself placed versus your batchmates?

Siddharth: Those who joined larger companies are mainly getting horizontal growth. At Nagarro, the company is willing to give me more responsibility and ownership. Plus I work on live projects..... no one sits on the bench.

Q:What about visibility, the reason you chose a smaller company?

Siddharth: Work gets noticed here... in larger companies, only the immediate superior or the Project Manager gets to know, Here there is company-wide recognition.

Q:Your experience with the initial training?

Siddharth: We were trained by capable mentors during the first 1-2 months before being placed within projects, but the learning never stops at Nagarro. We are constantly learning through mentor-mentee programs, classroom trainings, and ad-hoc lunch-and-learn sessions.

Q:Which, according to you, is the most outstanding HR practice at Nagarro?

Siddharth: Well they always seem to know what has to be done...appraisals, promotions.. at exactly the right time. Above all, it is a place for hard work, not political players.