

RUNNING THE INFOSYS MARATHON – SOME LESSONS

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First Words

- It is an honour to be here today.
- I thank the organisers for inviting me to speak at this session.
- Asialink is a most prestigious organisation.
- I admire its work in promoting the spread of education and the development of business communities in Australia.

NASSCOM'S Australia Chapter

- Further, I am extremely pleased to know that the National Association of Software and Service Companies, NASSCOM, has decided to establish a chapter in Australia.
- NASSCOM is the premier trade and commerce body of the IT software and services industry in India.

Commitment to Development of IT in Australia

- The establishment of this chapter demonstrated how important the Indian IT industry considers Australia.
- Surely, this is a commitment to contribute to the development of the Australian software industry.

I will talk about the Infosys marathon

- Today, I will talk about some lessons from running the Infosys marathon.
- There may be some generic lessons for all business leaders, no matter what industry you are in.

Trace the History of Infosys

- My mind goes back to 1981 when I started out in my apartment in Pune. We were high on hopes, commitment and enthusiasm, energy and hard work.
- We were however, short on money. We borrowed US\$250 from our generous wives.

Our Objective

- Our desire was to create India's first company of the professional, for the professional and by the professional.
- We also wanted to demonstrate that it is possible to create wealth legally and ethically and share it with employees.

Trace the History of Infosys

- Our slogan was: "When you reach for the stars, you may not quite get one but you won't come up with a handful of mud either." – Lou Barrett

Today

- We are in the business of developing bespoke software applications in financial sector, retail, telecommunications and hi-tech manufacturing.

Our Vision

- We want to be a globally- respected corporation that delivers best-in-class, end-to-end business solutions leveraging technology and employing best-of-breed professionals.

Today, We are....

- Our revenue last year was US\$1.06 billion with a net income of US\$270 million with around 23,000 employees.
- The company has a market capitalisation of US\$12 billion on NASDAQ.
- We have offices in 38 countries and DC's in.....

The Lessons We Have Learnt

- We have been running this marathon for just 23 years and it has been full of fun.
- The following have been the lessons:

Lessons – Value System

- It separates the men from the boys.
- It provides us energy and enthusiasm in moments of our tribulation.
- Our value system can be summed up as "the softest pillow is a clear conscience."

Lesson – Progress

- Progress comes from positive change.
- People have to see benefit for themselves in every change.
- It is the task of the leaders to sell every change.

Lesson – Public Good

- The biggest lesson is that putting public good ahead of private good in any decision you make will lead to private good.
- That is in every decision, if we look for the betterment of the corporation, we will eventually benefit.

Lesson – Think Globally

- It helps to adopt global standards in quality, customer orientation, marketing, finance, technology, infrastructure and HRD.

Lesson – Leadership

- Every situation is what you make it to be. Confidence is half the battle. Leadership is making the impossible look possible. Leadership is about raising aspirations, about making people dream big and achieving them. I believe that our aspirations are our possibilities.

Lesson – Leadership

- Progress comes from those that see the context not as a constraint but as an opportunity.
- Leaders believe in the adage: “A possible impossibility is better than a convincing possibility.”

Lesson – Leadership

- Leaders encourage an environment of openness, meritocracy, debate and disagreement so that they can get the best advice from the best people. Such an organisation will not go through any crisis.
- At Infosys, we believe in the adage: “You can disagree with me as long as you are not disagreeable.”

Lesson – Start-up Team

- Every start-up requires a powerful founding team for a sustainable journey. Putting together a team of mutually-exclusive but collectively exhaustive set of skills, expertise and experience is important.

Lesson – Customer

- Growth comes from repeat business; repeat business comes from relationship and relationship from trust – trust that emanates from a belief that you will not short change the customer under any circumstances.

Lesson – Employees

- Ours is a HR-based industry. If you want to attract and retain high quality pros, then you must protect and enhance the respect for the professional.
- It means: The family must not play any non-merit based role.
- There must be merit, fairness and transparency in all decisions affecting the pros.
- Every interaction must be transaction-based.
- Openness and fairness enhances the enthusiasm and energy of people and leads to better productivity.

Lesson – Employees

- You must hire first-rate employees else those second rate employees will hire third-rate employees. This way, the organisation will soon get destroyed.
- Sharing wealth with employees only increases your own wealth.

Lesson – Employees

- Speed, imagination and excellence in execution are the only three context-invariant and time-invariant instruments that our employees have in surviving and succeeding.

Lesson – Employees

- In every business, the most precious assets you have are your employees. Every successful organisation leverages the power of mind of its employees.
- The market capitalisation of Infosys is US\$12 billion at 9am when employees are working and is zilch when they leave for home at 5pm.

Lesson – Employees

- The best incentive for innovation within an organisation is by proactively obsoleting our own innovation.

Lesson – Competitors

- We will succeed only if we are paranoid about the future; and if we respect and learn from our competitors.
- That is possible for two competitors to maintain an open, harmonious and even information sharing relationship.

Lesson – Investors

- They want you to operate as trustees of the corporations. They will not accept any asymmetry in benefits in favour of the owner-managers.
- It is best to under promise and over deliver. Everybody likes it.

Lesson – Investors

- Investors want us to give them the bad news pro-actively and as early as possible.
- They understand that every business goes through business cycles. That is there will ups and downs. Investors want us to level with them. Hence, when in doubt, disclose.

Lesson – Investors

- The cost of capital is lower if we adhere to the best principles of corporate governance.

Lesson – Risk

- Ships are safest in the harbour. Business is about taking risks – but well analysed and calculated risks.
- Thus, risk recognition and mitigation in every activity of the corporation on a continuous basis are important functions of a corporation.

Lesson – Government

- It is best to follow all the laws.
- Government as reduced taxes and duties and has removed most controls hoping that we will be honest. We have to be so.

Lesson – Society

- Maintaining harmony with the environment and relating to it are extremely important for a corporation.

Where will Infosys go?

- If we do not, we will disappear like dew on a sunny morning.
- But, knowing the fine young team that Infosys has, I am confident that we will continue the good work.

Finally

Thank you