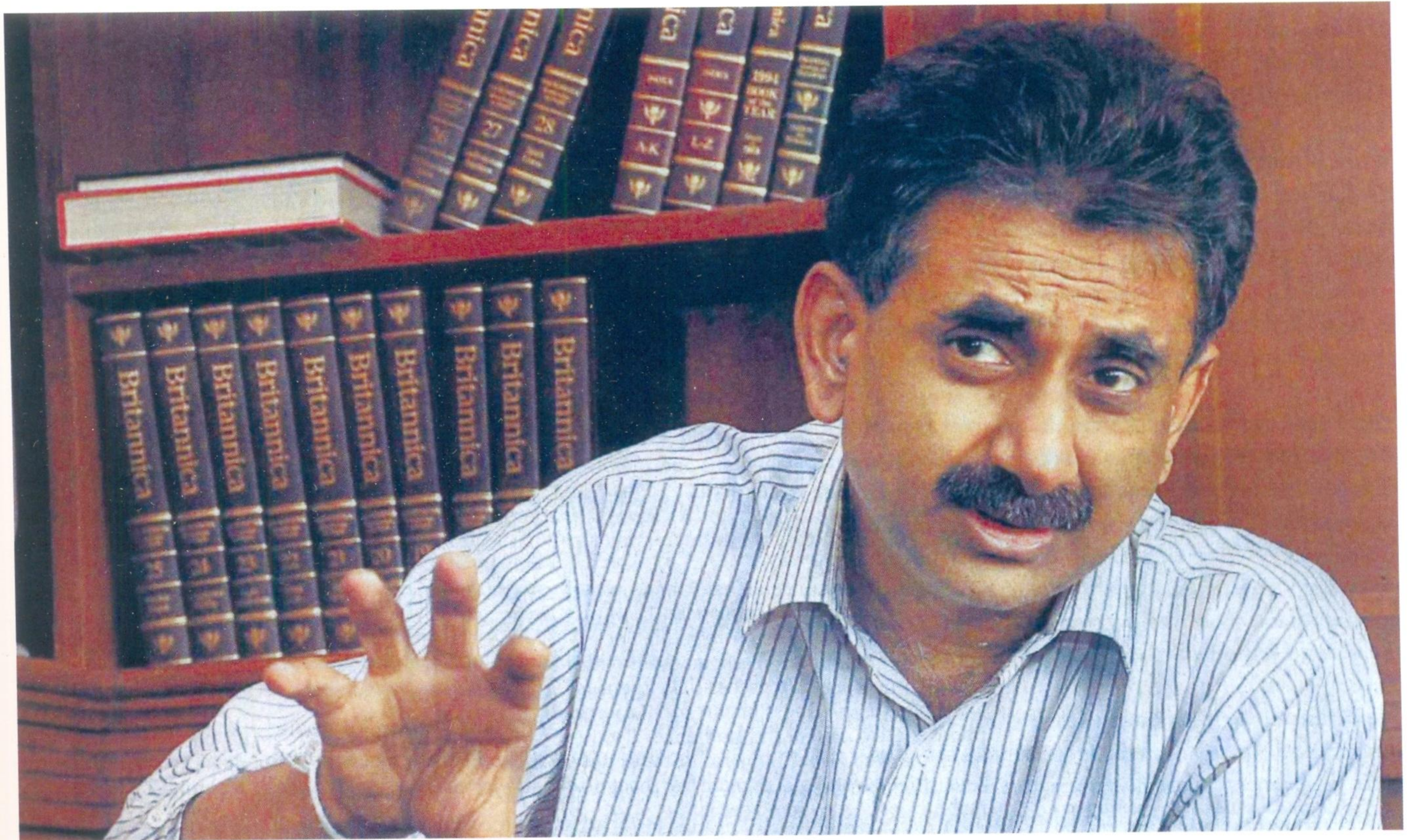


# How CK influenced Ramco Systems to go global

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Professor Prahalad's influence on Indian business thought is without parallel. Though I have been greatly influenced by his thoughts and method of thinking, I believe he had an even greater influence on the Indian corporate world. Through direct interactions with many companies and through the CII, he influenced the direction of the Indian industry over the last two decades.

His multiyear agenda to share his vision and influence the Indian industry was very important. He systematically executed this with his annual CEO forum started in early the 1990s. Here, select top Indian corporate leaders gathered every year to assimilate professor's ideas on how to create great enterprises and multinationals in India.

Starting with the concept of governance and strategies to deal with multinationals in the early 90's, flowing systematically

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to his vision and strategy on how to build a network of organizations giving individualized experience to the consumer in 2009, he built a framework for Indian enterprises to follow. This was a remarkable development sustained over two decades.

Almost every big business in India has been influenced by him, a few of the regulars to this annual forum were ICICI, TVS,



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Godrej, HLL, Bajaj, Tata, and more. The ideas which were discussed and tested on us had far-reaching consequences and were breathtaking. Observing the successful strategic initiatives of many corporates who were part of these sessions one can see the deep influence of Prahalad and his CEO forum sessions.

The ideas which were discussed with us during these sessions later became his best selling books like the 'Future of Competition,' 'Fortune at the Bottom of the Pyramid' and the 'New Age of Innovation.'

### What impacted us so much

To illustrate the point, I will take my own case, the case of Ramco Systems. Professor Prahalad believed that the core objective of an enterprise was to give a great experience to its customers. The effectiveness of an enterprise can be gauged by its ability to give sustained great service despite continuous changes in the environment.

The essence of strategy is to build organizations that are effective and yet can adapt with great speed to unanticipated changes. His brilliance was that he was able to systematically explain how this can be achieved by any organization with ambition and vision even if it was short of resources. What he taught us again and again is that resource cannot be a constraint and therefore even small companies can challenge the giants if they have the vision and focus.

### How Ramco Systems went from small to global

For me, and Ramco Systems in particular, the vision was to create a great enterprise solutions company. The motive was to create a great IP-based Indian company with outstanding products for the world market. This was an extremely ambitious vision and far beyond the capabilities and resources of a company like Ramco Systems.

We started work in 1993 and over time, realized that it was a multi year effort requiring thousands of people working for years if we had to compete with international giants. The essential problem in building large ERP class solutions, which

is our primary focus, is two fold. One is continuously changing technologies and the second, immense amount of details which can change from business to business and country to country. The big ERP companies employ literally thousands of people and spend billions to keep pace with these requirements.

In 1996, I was faced with this stark reality. I had to give up this vision or think of a way to overcome the serious disparity in strength and resources in order to compete. Essentially, the question was, can I create a platform which can take care of any technology change in the future and automate creation of enterprise solutions which will help Ramco create outstanding solutions and products with minimal resources? This was radical thinking all coming out of CK's influence in my thinking.

We plunged ahead with the R&D and over the next five years, created a radically new architecture and a development platform which has enabled us to roll out products of great depth and simplicity across several verticals. This platform now allows us to solve complex enterprise problems in a fraction of the time with a fraction of the resources compared to traditional ERP companies.

This is CK's vision of using disruptive thinking to compete against formidable opponents. This technology has now allowed us to introduce radical, powerful and simple solutions on the Internet which has the potential to change the economics of the enterprise solutions industry. His last book, the 'New Age of Innovation' describes a software platform for creating networked businesses which are completely flexible yet are very efficient. The work we have done and the architecture described in the book is very similar.

### Three key principles

- 1) Vision and Aspiration are more important than a surplus of resources.
- 2) Execution of this vision requires the building of a core competence which will be your force multiplier.
- 3) The highest level of discipline and persistence is of paramount importance.

These are the core principles of his thinking that I have imbibed and executed and I am grateful to him for this. I look forward to the day when all of this culminates in the emergence of a great Indian business enterprise from the world-class technology that has evolved from this thinking. That will truly be my tribute to Professor Prahalad.

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