

BT ROUND TABLE

Waiting for the Wavelets

There are some great technologies available today but businesses need to choose the ones that best suit their requirements. NITYA VARADARAJAN



Setting the tone (L-R): Cognizant's Chandrasekaran, BT's Mitra, Sify's Sayyaparaju and TCS's Ananth Krishnan

INFORMATION TECHNOLOGY MAY not be the hottest sector on the bourses right now, but its outlook as a valuable tool for businesses remains as bullish as ever. A reaffirmation of this came at the *BT* Round Table held in Chennai recently as part of the *Business Today* Managing Tomorrow Series presented by NEC Corporation of Japan.

The Round Table, the first such event this year under the ongoing series, brought together speakers from leading IT and ITES companies to discuss ways of "Achieving Business Resilience Through IT Innovation", especially since companies often find it difficult to keep track of the

rapid developments in IT hardware and software and apply them to their businesses. R. Chandrasekaran, President and MD, Cognizant Technologies; Bhaskar Sayyaparaju, CTO, Sify Technologies; and K. Ananth Krishnan, CTO, TCS, took part in the discussion, which was moderated by *BT*'s Deputy Editor Arnab Mitra. The event was attended by the city's top brass.

The tone for the evening was set by Tomohiro Yagi, CEO, NEC Asia, who, in his introductory address, extolled the virtues of IT innovation. He said NEC's success was largely due to its energy-efficient products that were made using environment-friendly technologies

as well as enhanced security and multimedia functions.

Cognizant's Chandrasekaran couldn't agree more. According to him, organisations that did not leverage technology and innovate in their own field were often the ones that were unsuccessful. He cited the example of PC maker Dell that struggled until it leveraged the power of technology, specifically the internet and web efficiencies, and mastered the art of making and delivering computers to individual specifications across the globe. On the other hand, there was Digital that made big waves in the '80s with its mini-computer but subsequently botched up because of its failure to spot the



“Either a firm should focus on costs or it should adopt new strategies”

K. Ananth Krishnan, CTO, TCS

PC revolution. “Keep your antenna up, seize opportunities, adopt disruptive business models to succeed,” said Chandrasekaran.

The speakers talked of the various ways in which businesses could leverage technology with advantage. While Chandrasekaran extolled the virtues of Web 2.0 that not just empowered customers but also helped businesses become more profitable by tailoring their products to suit the needs of their end customers, Sify’s Sayyaparaju underscored the benefits of virtualisation that allowed for outsourcing and maintenance of a company’s IT infrastructure by a third party and freed it from the hassles of running an IT department with its concomitant costs. “Everything can be virtualised. Whether it is the network, or storage or servers and desktops,” said Sayyaparaju, whose company, Sify, provides these services as well as consultancy to com-



“Everything can be virtualised... Be it the network or the servers”

Bhaskar Sayyaparaju, CTO, Sify

panies that seek to rationalise their IT infrastructure.

Talking about the efficacy of Web 2.0, Chandrasekaran cited the example of Apple, which reduced the price of its iPhone following feedback from a disgruntled consumer group that used Web 2.0 to spawn a social network initiative. Apple made amends by offering refunds to consumers, who walked away happier and ever loyal. Dell failed to take note of customer dissatisfaction over its PCs and what followed was a PR nightmare popularly called “Dell Hell”, recounted Chandrasekaran.

According to Sayyaparaju, though network outsourcing has been in vogue for more than a decade through virtual private networks storage, virtualisation through data centres—that manage servers of clients—is beginning to take off in a big way. “With server virtualisation, the environment gets



“Keep your antenna up and seize opportunities to succeed”

R. Chandrasekaran, President & MD, Cognizant

standardised, security becomes more efficient and the cost comes down,” said Sayyaparaju.

Thin client solutions are also being increasingly sought by companies, as it does away with the need to replace obsolete PCs every few years, replace the related software and virus patches and reduce the cost of desktops. According to Sayyaparaju, the cost-benefit of the virtualisation exercise for an organisation with 100 PCs can easily run into tens of lakhs of rupees over a period of 3-5 years.

Besides hardware, applications, too, are getting virtualised with software being provided as a service. “Google applications have been growing at the rate of 80 per cent, eliminating the need for Microsoft Windows—such is the rapid evolution of technology,” said Sayyaparaju. He pointed out that Salesforce.com was selling very well in its hosted malls using Google applications.

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Rapt attention: The interest of the audience could be gauged from the number of queries it had for the speakers

But leveraging of technology by businesses poses its own challenges, funds constraints being a major one. Therefore, the focus must always be on optimisation of the core business, said Chandrasekaran. He recalled how Cognizant, while consulting for a retail client, used an IT spend analysis to show that a lot of money was going towards maintaining too many disparate data centres. It eventually plugged the leakage by compressing the data so that it could be managed by just two centres. With the money thus saved, the company was able to focus more on its “core”.

TCS's Krishnan spoke excitedly about the “Technology Market Map” that his company was using to optimise its IT spending. The map—designed as evolving quadrants based on business requirements—was first brought out by Professor Clayton Christenson of the Harvard Business School, who's also on the TCS board. Krishnan said the map will resolve every innovator's dilemma by bringing in clarity on how IT dollars should be spent for the best results.

“We at TCS use it regularly for our new projects to determine if the funding is needed for that quadrant. The exercise also quantifies how much IT money is spent on

devising strategy versus routine stuff. Further, it measures the effective impact of each,” Krishnan said, adding, “Either a company should focus on costs to become more efficient or it should be agile enough to adopt new strategies. Both are highlighted through the map, which does bring about IT spend optimisation.”

Web 2.0 was also lauded by Krishnan during the question and answer session that followed the presentations. He said Tata's Nano had greatly benefited from that

technology. “There are so many suggestions sent to me on technology improvement in-house that sometimes I wonder if people want to get into my shoes,” he joked. Krishnan, however, didn't think that superstar technologies such as Web 2.0 will dominate the world. He said there will be many such wavelets—and it would be wise for the CIO or the CTO to evaluate each technology in terms of his own business requirement, perspective and impact.

“The gap between IT and business is dwindling and the IT sector has to understand business today,” Krishnan said. But Chandrasekaran, while replying to another query, put the onus on businesses as well. According to him, organisations outsourcing IT must clearly lay down the business mandate first and then ask the vendor to come out with solutions. “Remember, the business is with you and if you are looking at the solution as mere outsourcing, there will be losses,” he warned.

In response to queries from the audience and the moderator, Krishnan and Chandrasekaran also pointed out how corporate governance and people issues could also be optimised using IT innovation. There were many other queries as well, but those went unanswered for want of time. ■



All for eco-friendly technology:

NEC's Yagi said the success of his company was largely due to the use of energy-efficient products