

Sharad has left Symantec recently where was the India GM and VP – Product Operations. He is taking a planned break before his next assignment. He was earlier a co-founder and CEO of a successful wireless infrastructure startup. The views expressed here are his own. He can be reached at sharadsharma_dps@hotmail.com.

Just a few days back Wal-mart announced that it's leaving South Korea. An analyst quoted in New York Times said that it had failed to "localize its operations in South Korea." Now you would imagine that a big global buyer like Wal-mart would know all about country localization of its operations. But, in fact, the failure to adequately localize is pretty common. You can even see this play out in the area of R&D globalization within the IT industry.

Many MNCs have setup captive R&D centers in India. They fall in one of two camps. Some believe that there is no need for an India site strategy. For them opening a center in India is no different from setting up something in Ohio. Their hiring, performance management, training and operational processes are mostly the same as their home office. They place a high value on a single set of global processes.

In the other camp are those who actively seek to strike a balance between global integration and localization. They start with the premise that they are not building a replica of their home-country organization and comfortable having distinctive elements in their India R&D operations. They end up crafting an India site strategy and invest in stronger local leadership. They try and become multi-local, rather than just be multi-national.

I am reminded of a true story about Japan. On a trip there, one of my former colleague, an ex-IBMer, ran into another IBMer and asked him what he did. He said he worked for IBM. Well, sure, but which part of IBM? Microelectronics, he said. But which part of microelectronics? It took four questions by my colleague to ascertain exactly what he did. Now imagine that you run into a similar situation in U.S. The first response is going to be that "I work in (say) John Kulzer's group." Then as you ask more questions, you will progressively get the larger context. What this shows is that there is a cultural variation on how the sense of belonging is interpreted even within the same company.

Actually the differences as they relate to country culture, industry maturity and even the boom-bust stage of the economic cycle go right into the heart of being an effective manager. For instance, R&D managers in India need to invest a lot more on capability building of their employees than their U.S. counterparts. They are dealing with a shallower (though large) employment market where you can only hire, to use a crass expression, ready-to-cook rather than ready-to-eat employees. Now mix that with an almost absence of good local role models for these employ-

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ees due to the fact that the R&D offshoring to India is all but 10 years old. The result is that good career planning assistance by the employer becomes critical. I am describing a situation that doesn't apply just to first-line managers but percolates through the entire India organization.

MNCs have to accommodate this reality by changing many of their operating practices.

In fact, some of those in the multi-local camp are learning to turn all this into an advantage. They are consciously creating a site strategy involving three inter-related elements: strong capability building orientation, coupled to an activist career planning program, which in turn is tightly linked with a well-articulated roadmap for their India organization. Many in the industry now believe that this three-pronged site strategy is big determinant of whether the local R&D organization will be average or high-performing.

Success in India-shoring of R&D will go to those who take a thoughtful approach and assimilate the learning's of others. Willingness to embrace a multi-local approach is definitely part of that success checklist. Next time I will bring together the many elements that I covered in the previous articles together into an actionable framework that can guide career and management decisions.