INNOVATORS WILL RIDE THE NEXT WAVE

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THE STORY of the development of the Indian IT industry is one of the great sagas of global economics. Endlessly told and tirelessly analysed, it has within it important lessons and illuminating examples of how economies are sometimes transformed by a single industry and a single moment in history.

India’s IT story has an earlier genesis, but its present chapter began in the early 1990s. At that time, it was not innovation but labour cost arbitrage that drove the business. The discovery that India had a huge pool of low-cost talent with just the right skills drove the industry quickly into the big league. This was the first stage for Indian IT, when cutting costs was the priority.

In the second stage, the focus shifted to quality. Realising that further growth required a new paradigm, Indian companies strove to meet global quality standards. The stakes were raised, certifications were chased, and rigorous assessments were put into place. Soon, India could boast of having the maximum number of highest certified IT services vendors in the world. It was around this time as well that global IT companies started to set up large operations within the country. India thus emerged as a destination for both cheap and high quality services. Innovation is no luxury but a necessity.

THE PUSH

The critical element for innovation is a robust ecosystem, which can take the ideas generated to the market. Innovation is measured not just in terms of the number of IPRs, but in the number of saleable and scalable ideas. While India has seen a lot of innovation in business models, innovation in products and processes requires a completely different ecosystem. Happily, today such a system is coming up. In the telecom space, for instance, a number of novel mobile applications and value-added services have been developed in India.

The next big move forward in the IT space will be the rapid development of an ecosystem that nurtures innovation. If you look at the experiences of Silicon Valley or Israel, you’ll see how the environment nurtures innovation; how one company builds on the innovation of another; how innovation is rewarded; and so on. It is important that this environment is replicated in India. We have seen a spurt in innovation in segments like medical healthcare and telecom, and this must be encouraged across sectors.

A new IT village in Kerala highlights this spirit. Supported by the state government and IT companies, the village will be home to budding innovators, who get the basic infrastructure to focus on translating their ideas into reality. The target is the creation of 1,000 start-ups and an innovation ecosystem that will encourage and nurture entrepreneurship. What’s interesting is that the initiative is led by an entrepreneur, who realised his own dream through access to facilities provided by the Technopark in Trivandrum. He sees the village as a platform to provide similar opportunities to others like him.

The same spirit is in evidence in educational institutions as well. A small team of B-Tech students in a Delhi institution recently developed a simple application that integrates buses and metro schedules, Google maps and GIS to give you the best and cheapest routes to get from one place to another. All you need do is send an SMS request and a return SMS provides the route and cost.

THE INDO-AUSTRALIA CONNECTION

Innovation across a wide spectrum of sectors will spawn new opportunities for Indian IT to grow globally. Immediately, I clearly see four areas in IT where India and Australia can collaborate for significant mutual benefit. The first is e-governance. India has taken some important strides in this area and Australia has also done good work. An exchange of knowledge and experience can benefit both nations.

The second segment is mining and environment. While Australia is home to some of the world’s biggest mining companies with significant investments in technology, India too has strong capabilities in using IT to evaluate the environmental implications of mining. I see a clear convergence of interests and possibilities.

Education is the third area where immense scope for collaboration exists. Australia has taken big strides in the field of distance learning. India, meanwhile, has developed strong content for training, as demonstrated by companies such as NIIT and Aptech. The two countries can gain significantly by combining their strengths to address the education needs of the world.

Last, but not least, is healthcare. India has done some interesting new work in the field of remote healthcare. While some innovations are in the pilot stage, others have been rolled out. Sensors are used to obtain information and collateral data from patients in remote regions, which is then sent to specialists for diagnosis via telecom networks. Apollo Hospitals and others, for instance, providing specialist medical attention to patients in remote areas like the North-East states and the Andaman and Nicobar Islands. Remote healthcare solutions can find wide application in Australia, where small populations are spread across far-flung regions with limited access to specialist care.

It is clear that innovation has to be encouraged for India to ride the next IT wave. Fortunately, the process is well underway and the results will soon be evident. (As told to BrandPost)