

WEST BENGAL FORUM ON BUSINESS PARTNERSHIPS FOR SUSTAINABLE DEVELOPMENT

FINAL ICT INITIATIVE REPORT

1. INTRODUCTION
2. MEETING REPORT
3. CHALLENGES & ISSUES IDENTIFIED
4. SESSION DECISIONS & PROPOSALS
5. NEXT STEPS

1. INTRODUCTION

CSM's **Information and Communication Technology Initiative** facilitated a Brainstorming Session under the banner of the **West Bengal Forum on Business Partnerships for Sustainable Development**, formed in 2002 by the Centre for Social Markets, a U.K and Kolkata-based non-profit organization committed to promoting responsible entrepreneurship and sustainable development.

The West Bengal Forum's three-fold goals are to:

- Raise awareness of current initiatives regarding business and sustainable development;
- Promote information exchange, networking and mutual learning for greater impact;
- Provide a lasting forum for co-ordination, partnership development and promotion of best practice in West Bengal.

The **Information & Communications Technology (ICT)** initiative was proposed as a follow-up to the international conference on **Information Technology and Sustainable Development**, organized by CSM, in association with the Department of Information Technology (West Bengal) in July 2004 in Kolkata. (Full conference proceedings can be found at: http://www.csmworld.org/public/ict_event)

The **ICT initiative** started with a Brainstorming Session on 16 Oct 2004. The following were present:

- Govt of West Bengal - Dr G D Gautama, Principal Secretary IT
- Wipro - Ms Indu Khattar
- TCS – Mr Shymal Bhattacharya & Mr Aditya Biswas
- VSNL - Mr J P Singh, Senior General Manager & Mr Shomik Mukherjee, Relationship Manager)
- SkyTECH Solutions – Mr D K Chaudhuri, CEO
- National Informatics Centre (NIC) – Dr Subir Roy, State Informatics Officer
- Indian Institute of Management (Calcutta), Management Information Systems (MIS) - Prof Rahul Roy
- Birla Institute of Management - Dr Suman Mukherjee
- Metaljunction.com – Mr Sumit Goswami
- Canadian High Commission – Mr Subrata Haldar
- ITC Infotech – V V R Babu (not in attendance)
- Cognizant Technologies - Siddhartha Mukherjee (not in attendance)
- CSM – Ms Malini Mehra
- CSM – Mr Randiv Mehra

- CSM – Dr Tapati Ghosh
- CSM – Ms Dhruva Das Gupta (report)
- CSM – Mr Kaushik Nandi

2. MEETING REPORT

CSM Founder & Director Ms Malini Mehra welcomed the participants and provided a brief introduction to CSM before proceeding to set the context and framework for the meeting. The Brainstorming Session was intended as an informal dialogue session that extended the conversation that began in July 2004 with key practitioners, policy-makers and entrepreneurs. She referred to the suggestions and objectives noted in CSM's **ICT Initiative Briefing Note** circulated to participants before the meeting. The Chair of the session, Dr Gyan Gautama, was then invited to take the session forward. He started by outlining the state of play in India's and Bengal's ICT sector, the challenges, issues that needed urgent attention and the need for practical proposal that could be taken forward with corporate participation.

Speaking from the Govt's experience, Dr Gautama said that India's software products certainly have enormous export potential, but it is important to remember that India also has a huge domestic market that needs to be catered to and in doing that, various issues have to be addressed by the ICT sector. In the wake of the ICT revolution, from the Government's perspective, the e-governance agenda - which he defined as improving the quality of life of the people - had to be taken forward. He clarified that Andhra Pradesh and Karnataka have certainly taken big steps forward, but West Bengal is also progressing in that direction, notable successes being in the areas of tele-medicine, transport and land records. In spite of this, he said that if software development sector in the country shows 100% efficiency, then in the case of e-governance the rate is 20%.

Participants noted that the expectation from the session should be to focus on a time-bound delivery of the agenda that emerged from the meeting. Progress made had to be measured in an accountable and responsible manner, investment needs had to be found out and the focus should be on the delivery process. The debate dwelt on the corporate responsibility challenges present and focused on the most actionable point that could start to be collectively addressed. CSM Advisor Mr Randiv Mehra brought the session's conclusions together and charted out the suggested next steps.

3. CHALLENGES AND ISSUES IDENTIFIED

A. Human Resources and education: The ICT sector's main challenge in West Bengal, like every other state in the country with a reasonably large set-up of IT companies, is a complex intersection of Human Resource problems. According to SkyTECH CEO D K Chaudhuri, human resources constitutes 50% of the spend of IT companies. To stay cost-competitive compared to products from China, East European countries, other Asian countries or Russia, salaries need to be controlled. So instead of recruiting from elite colleges, IT SMEs like SkyTECH have begun to focus on colleges in small towns, sponsor the education of select students for a six-month period, also train up the students on English-speaking and client interaction skills and only then induct these students into the workforce, only to be thwarted by the severe problem of attrition. Dr Gautama corroborated this by recounting his experience where IT companies in Mumbai came together to form an association and pledged to stop poaching, but the very next day the rate of poaching went up and no solution has been found despite the severity of the problem. This is in contradiction of broadly-understood corporate responsibility principles.

One solution to this, according to Mr Shomik Mukherjee of VSNL was in culture education in small towns and villages, training in the values of morality, honesty and loyalty. Till such time as a sustainable loyalty programme is "inflicted" on an individual who is semi-literate, and derives notions of city-life from the impressions that we give him, the problem of attrition cannot be addressed. Education has also to be de-politicised and the corporates need to participate in initiatives that tell this potential workforce of the existence of an apolitical but professional world. At that stage, they can be uplifted so that they hold their jobs sustainably, and the entire Forum can work towards such an educational agenda.

Ms Indu Khattar of Wipro added that while there are a lot of workshops going on in West Bengal, one of the key thrust areas should be to train professors about what companies expect from students.

Presenting the perspective of a large corporate, Mr Aditya Biswas of TCS spoke of the TATA Code of Ethics and said that if values are driven from the top as done in TCS, then the individual has no problem in finding his place in society as well as in the organization. He mentioned that while TCS recruits at the rate of about 4000 people in a single quarter, the attrition rate is one of the lowest in the industry. This is possible because principal weight is placed on in-house training across languages, cultures and geographies.

CSM observed that TATA being frontrunners in the CSR field in India, have cultivated values over time and this has yielded dividends in a manner that they have experienced reasonable success in countering the normal human resource problems in this sector. While this is an example of responsible practice, the problem of attrition remains severe and there is a great need for providing social value added in existing corporate efforts in the field of skill-based education in the ICT sector in West Bengal.

B) E-Governance: From the point of view of the Govt, Dr Gautama noted that much still needs to be done in the area of e-governance. To this TCS, which had two participants, added two important viewpoints. Syamal Bhattacharya, who was the first mover from TCS into Bengal and the earliest member of Sector V in Salt Lake since 1992, said in the light of his experience, e-governance is driven by want. Having dealt with Government agencies all over India, he said e-governance needs a lot of organized planning, which is lacking in many states. Such states have not been able to reap the benefits of e-governance. So the Government needs to communicate with the IT manufacturing sector on what its precise needs are, to avoid wastage. It must be mentioned here that the Govt is arguably the largest procurer from the IT manufacturing sector. There was a suggestion that the Forum can plan what the Government needs in terms of technical and soft skills support and infrastructure, to be able to deliver on e-governance goals in West Bengal. Mr Aditya Biswas, also from TCS added that the Government should focus on the business processes involved in e-governance – they should be defined clearly, re-engineered and established in a sustainable and continuously improving mode. There also has to be proper documentation, and e-governance has to be approached from two perspectives – from the technical perspective as well as the social perspective, where social systems are readied through education and value training. This alone will provide a truly conducive environment for e-governance.

To this, Ms Sujata Roy of IBM added the need for continuous training of those who delivered e-services like electronic submission of telephone bills and electricity bills. Those in the government who delivered these consumer services needed training to make better use of computerized facilities, to be able to serve customers better, because e-governance is all about facilitating customer friendly services and taking the benefits of IT to the people, rather than making it a hindrance for them.

Dr Subir Roy of NIC mentioned that in spite of e-governance measures like for example smart cards in the transport sector, the problem of middlemen like *dalals* still remains in West Bengal. To provide a truly e-enabled set of services in West Bengal, this problem had to be addressed for a long-lasting solution.

C) E-learning: Dr Roy suggested that facilitating e-learning could be on the agenda of the Forum. This could be done by a corporate adopting two or three villages, and then trying to spread education there, with the aim of reaping future dividends in terms of manpower (small initiatives are already being taken by Wipro, also by IBM in partnership with the Govt of West Bengal). Especially after the EduSat comes into orbit by December, e-learning initiatives can be speeded up, and there will be a lot of scope for content development for enabling e-learning. Also, with corporate participation, there can be internet kiosks that provide agri-market information that will facilitate commerce. As initiator of the Forum, CSM feels that unless agri-market initiatives align with some of the core business functions of ICT corporates, it is unlikely that there will be initiatives in this area.

NIC offered access to its huge database and help in accessing information relevant to the Forum's future initiatives.

D) Specialised education: Prof Rahul Roy of Management Information Systems (MIS) of IIM Calcutta suggested that a sound partnership should be facilitated between MIS and key manufacturing corporates to build a collaborative venture in researching and improving the IT provisioning sector, which includes services like consultancy services. One good example of this is the software engineering institute run by Infosys – such an effort in Bengal will attract skilled professionals from other places into the state. It may also help act as a resource base for softer skills.

On a different note, Prof Suman Mukherjee of the Birla Institute of Management suggested that personality development skills also needed to be imparted, along with other forms of education, to IT literates. This will help address the customer readiness of the steady stream of IT professionals that train in the various institutes.

E) Gender: Dr Roy suggested that inducting more women into the IT workforce was a huge challenge. Presence of women in the ICT sector was quite poor, just like there were only 15% or so women in the engineering sector. There should be efforts to induct more women as teachers and educators, as they possess reasonable skill in this area.

F) IT-enabling SMEs: Prof Suman Mukherjee said Small and Medium Enterprises (SMEs) need to be IT-enabled in order to reap the benefits of globalization. This can be a possible agenda to be explored through the Forum.

G) NGO Initiatives: Many companies partner with NGOs, and that included many of those who were present at the meeting. A lot of companies are involved in taking education to the rural areas in partnership with the voluntary sector. There are other initiatives also like Metaljunction.com, a three year-old initiative, driven jointly by two large corporates, TATA Steel and Steel Authority of India Ltd (SAIL), designed to help farmers export cut flowers by leveraging the strengths of IT professionals. The profits earned would go into the areas of health and education of the villages participating in the initiative.

There was a proposal that all NGO initiatives be brought under the common umbrella of the Forum.

H) Improving quality of city life: The quality of life in Kolkata as the capital of a state that is increasingly inviting investment in the ICT sector, has to be improved. There is an urgent need that the city be spruced up, for potential investors to find it an attractive investment destination. There also needed to be a change in the mindset of the people towards use of civic amenities. This was put forward by both VSNL Senior General Manager J P Singh and Wipro's Ms Indu Khattar. Mr D K Chaudhuri of SkyTECH further stated that the stretch of the city from the airport to Salt Lake, where all the ICT companies were housed, needed to be improved. He also stated that improved air connectivity between Kolkata and the US was the need of the hour.

Looking at the issue from the perspective of global trends, Ms Malini Mehra noted that corporate responsibility discussions here should also focus on financial stakeholders and customers in a sharper way. One needs to look at whether the cost of capital that the corporates are seeking to attract will go up because there is a perception that Indian business is irresponsible. This issue will have to be dealt with in various ways by the ICT sector in the short and the long term.

FUNDING: The Canadian High Commission's representative Subrata Haldar said their Government offers bilateral funding opportunities, which now may re-open in India – projects would be invited to take IT to the rural masses, when the Indian Government permits Canadian bilateral funding.

4. SESSION DECISIONS & PROPOSALS

The **Brainstorming Session** resolved on the following set of **6 decisions** and **one key proposal** to be undertaken by the **ICT Initiative** under the banner of the West Bengal Forum.

DECISIONS:

1. The Initiative's focus should be on the need to improve the image of Bengal and address the underlying causes behind the state's 'image problem' by using ICT as a positive case study.
2. Generate a few pilot projects (details below) to be taken forward at a committee level with CSM acting as the Secretariat of the ICT Initiative.
3. CSM's role would also be to bring its CSR expertise into resultant projects with a view to continually assuring that the social, ethical and environmental angles were attended to.
4. Initiative Members would provide resources in terms of staff, equipment and/ or space towards meeting the objectives of the Forum.

(Companies such as IBM, Wipro, TCS, SkyTECH offered to provide support in terms of human resources, venue support and infrastructure for future plans of action. They also agreed to bring together other stakeholders to the Forum to meet the Forum's objectives.)

5. Dr. Gautama offered to put forward any help required from the Government side.
6. Mr. Chaudhuri, CEO, SkyTECH, offered to host the next meeting of the ICT Initiative at SkyTECH.

PROPOSALS:

A) SALT LAKE PILOT PROJECT: To build an IT association in Salt Lake, isolate a pilot, prioritise the infrastructure issues that need to be addressed on an urgent basis and then form a committee that includes the heads of all the organizations that participated in the brainstorming session. These heads of companies will then deploy the relevant officers who will carry forward the agenda identified through the association, and the tasks that need to be performed through the pilot. IBM's suggestion was that all companies in Sector V, Salt Lake, need to be part of this promotional effort, not just IT companies. SkyTECH volunteered its services to the task of sprucing up the Dum Dum Airport, through the pilot. It was suggested that this idea of a pilot then be sold to the heads of all companies in Sector V, because for a joint effort to succeed, there had to be enough takers. After firming up the draft, the final report should be circulated to build up a broad mandate, and the pilot proposal framed and taken forward.

B) TRAINING PROGRAMME: In addition to this, CSM adds further areas of core competence – education and research – for consideration. This can be translated into a concrete plan of action through the Forum in the following manner:

Conduct a training programme in CSR issues with the heads of the technology institutes – all these come under the ambit of the West Bengal University of Technology – with a view to mainstreaming CSR issues in the curriculum.

C) RESEARCH: Conduct a three-month research involving at least three technical institutes in different parts of Bengal, which cater to the talent pool needs of the IT companies. This will require inputs from academia, government, private and voluntary sectors to identify key action areas.

5. NEXT STEPS

There were consultations after the October 16 meeting, and November 27, 2004 was decided upon as the date for a second meeting, which was held at the office of SkyTECH Solutions, offered by CEO Mr D K Chaudhuri.

At this meeting, CSM's suggestion was that the educational initiative, facilitating a multi-stakeholder conversation between Government, academia, industry and civil society to address human resource needs of the ICT industry in Bengal, will create a win-win situation for all. CSM

suggested that the initiative should begin with informal consultations with the Vice Chancellor of West Bengal University of Technology, to which Dr Gautama added that the Registrar also needed to be included. The idea was to feel out the issues confronting the academia and institutes in Bengal, and see how they could better address industry's human resource needs, and also see how industry could help students in return.

Mr D K Chaudhuri and Ms Indu Khattar suggested that that the opportunity of interacting with institutes and academia should be such that industry can help train students to become more competitive in the job market but this should not serve as a guarantee for recruitment. It was felt that academia and students need to market themselves as US universities do.

There was also a suggestion that the IT association which was to be formed about six months down the line to represent the IT industry in Sector V, should be pre-empted by the Forum. A number of sub-committees could be formed under the banner of the Forum, to look into different issues that are faced by the IT sector like security, beautification etc., in an effort to showcase Sector V to investors. A lot of interest was shown regarding addressing the security issue through the West Bengal Forum.

But it is CSM's view as initiator and secretariat of the Forum that any issue like security, which is of a sensitive nature, can be taken up only after building up a background of knowledge and prior experience, which CSM does not have. The present mandate should be to do what CSM is capable of doing, show concrete results in a particular area and only then think of action in areas beyond its core competence.

For further information, please contact:

Ms Dhruba Das Gupta, Researcher
Email: dhruba@csmworld.org

Centre for Social Markets
39, Hindusthan Park
Kolkata – 700029
tel: +91-33-2465 5898/ 2465 5711/2/3
fax: +91-33-2465 5650
website: www.csmworld.org