

## **Tata Consultancy Services' Girija Pande: China and India Are on Different Roads to a Common Destiny**

*Girija Pande, chairman of Tata Consultancy Services for the Asia Pacific region, knows both India and China well. In a conversation with Wharton management professor [Jitendra Singh](#) at the recent Wharton India Economic Forum, he shares his thoughts on the strengths and weaknesses of both countries, and the challenges facing their businesses and governments. China has perfected timely project execution while India scores in fostering innovation, but both face a shortage of skilled, global managers, he says. He also explains why cultural sensitivity is crucial in the Asia Pacific and discusses his own style of leadership, including the "impatience" in his DNA.*

*An edited transcript of the conversation follows.*

**Jitendra Singh:** It is a real pleasure to have you here at Wharton this morning. Let me just lay out very briefly what this interview is part of. As I had mentioned in our other conversations, I am working with a colleague of mine from CEIBS (China Europe International Business School) in Shanghai, Prof. Nandani Lynton. The question that we are very deeply intrigued by is: How does the landscape of Indian and Chinese business leadership look? We intend to interview leaders like yourself who have either deep knowledge of India and Indian business leadership or of China and Chinese business leadership -- you, of course, are unusual in that you have deep knowledge of both perhaps -- and look at it from the point of view of the leaders and their immediate circles. What is leadership like when looked at through their eyes? What is their (business leaders) behavior like? What do they think of leadership either in Indian organizations or in Chinese organizations, and theorize, based on these interviews?

Tell me about your career. How did you come to your position of leadership in Tata Consultancy Services, and anything [else] you would want to talk about -- family, education or overseas experience?

**Girija Pande:** Thank you very much for having me here. When I look back on some of the milestones in my life and how I came to this position, I have had three or four things that clearly are a part of that journey. One is the fact that my father was in the civil service in India so we moved a lot. In the same way I have moved around in so many countries.

Educationally [speaking, I am] an engineer. I did mechanical engineering and [an] M.B.A. from the [Indian] Institute of Management at Ahmedabad. After that I was with one of India's largest foreign banks at that time -- Grindlays. I worked [with Grindlays] in India in many areas and then moved on to Asia. Asia has fascinated me. I don't know, maybe I feel very much Asian. I had opportunities to be in other parts of the world, but for some reason I always stuck to Asia. So I was in Korea. I

was in Hong Kong. I was in Taiwan. Then I went to Bahrain. Then I came back to India. Now I am in Singapore. So it [my career] has given me a great story of Asia.

I have also witnessed through the 1970s, when I started work, to now the growth and the transformation of Asia. I have been very lucky that I have been in the center of its growth. Most importantly, I tracked China from the time I was in Hong Kong -- and China was opening up in 1984. I remember going many times to Beijing when we set up our office there. I was in charge, at that time, of our corporate planning in Asia Pacific. I worked [in Asia Pacific] over these years when the transition happened, the ups and the downs of Asia, [and] same thing with India after the 1992 reforms.

[All] that has molded my thinking of where Asia's position will be and the leadership challenges of Asia. After [my career in] banking for 25 years, I was the chairman of our (ANZ Grindlays Asset Management Co.) mutual fund ... the first debt fund in India. I moved on to be an entrepreneur for a year and a half with a PE (private equity) company because I was a very entrepreneurial person even when I was in the bank.

At that time, Tata Consultancy Services (TCS) was also a part of that entity we created for wealth management. They requested that I set up and start the complete Asia Pacific operation, which was very small at that time. We (TCS) had about 200 people in four countries (in the Asia Pacific region). Today we have 7,500 people in 14 countries, including China where we have about 1,100 people. So it has been a great story driving TCS's growth plans. We have 22 nationalities in the Asia Pacific. We have local leadership. We have local customers and global customers.

**Singh:** You have spent a long time in various parts of Asia and were gathering your experiences in Asia much before the BRIC (Brazil, Russia, India and China) stories came out and before China and India in the last 10 years or so started to get talked about as these huge emerging giants of the future. Could you ever have imagined that the China story on one hand, or the India story on the other, would become as globally significant as they have become?

**Pande:** In the early 1980s I remember studying for a presentation I had to do. The bank was in those days part of Citibank. Citibank's chief executive was going to visit us in India. As we were the largest foreign bank I was to do a presentation ... to look at India in 10 or 15 years. It was one of those blue-sky presentations. I looked at a lot of numbers. I looked at a lot of things ... talked to a lot of people at that time. I was bullish even then. I could see the demographic change. I could see the stirrings of early growth. I could see Indian companies getting better. I could see the market and the size of the Indian market would be an advantage and not a disadvantage like most of our politicians said of our population.

In 1984 when I was in Hong Kong and I used to go to China, Deng revolution had just started. He had just come to Chang Jiang (the Yangtze River) and said, "I don't care [about] the color of the cat as long as it catches mice." I saw the industrious nature of the Chinese businessman -- highly entrepreneurial, far more entrepreneurial sometimes than Indians are. And I saw this huge country [with] the cultural ethos of Confucianism, which would create the order that they need for development. I was bullish about that. So I have not been surprised. Yes, the BRIC connotation is new and it captures it better than what I thought.

**Singh:** Let's talk about your leadership style. Let's start with in your leadership role in TCS, driving in particular the Asia Pacific agenda. What are some of the key priorities you have as a leader?

**Pande:** The Asia Pacific ... is a high growth area. We had a blip in 1997.

**Singh:** The currency crisis.

**Pande:** So your priority will always have to be very ambitious growth plans. We have grown in TCS and Asia Pacific for the last eight years under me at something like 35% to 40% CAGR (compounded annual growth rate). Anyone who [came] from the outside used to tell me, "Are you sure this can work?" I said, "You know, this is how Asia works." If you don't do it, you won't get to a leadership position. We are starting from scratch. So (a) it was important that we grew fast; and (b) it was important we grew fast in line with the way that Asia was growing.

The second was that we realized that customers in Asia were underserved. A customer – whether he was an enterprise customer or an individual customer – in the West [is] used to levels of service which we did not have in Asia. We took shortcuts. So I instituted what I called a "customer delight program" in our organization for our key customers where we would do more than what they would expect.

This was relatively novel. We got very good responses. I was absolutely surprised because of the underserved nature of the customers in that part of the world. Customers in Asia, because of fast growth, did not actually focus on process and methodologies because they were growing so fast. Sometimes it was helter-skelter. So we started putting some process discipline around the business processes, around the IT processes, and that was the kind of organization that we were building with these priorities.

**Singh:** Very interesting. So let's deal with leadership style and start with your style. What adjectives would you use to describe your own leadership style?

**Pande:** Right from the time I joined the bank (ANZ Grindlays) and then TCS I have been a dissatisfied entrepreneur. A lot of people [told me], "You have impatience in your DNA." I said inside large corporations you can be an entrepreneur. There is an

entrepreneurial streak of just doing things and being sometimes a little more radical than others. Asking questions, which [other] people don't ask.

**Singh:** A dissatisfied entrepreneur?

**Pande:** Yes. I have built a lot of new businesses when I was in the bank and at TCS. Whenever someone gives me a clean slate I love that role and that's what TCS gave me. They said, "The whole Asia is your canvas." So one is entrepreneurial style, which is obviously less bureaucratic. Listening to everyone, [and] challenging conventional logic. So that is the first part.

The other one is something I learned from my father. You have to be a very fair person, but firm in disciplining when you have to. People respect you if you are fair and open with them, but they also need sometimes a bit of disciplining. And being an entrepreneur, delegation has come easy to me. I don't have all the answers because I'm creating new businesses. I used to go and tell all my people when I used to run treasury in the bank, "If you get it 75% of the time right you have done very well." That is a very powerful statement to your team -- that you will tolerate failures, you will allow them to innovate. Otherwise, they will wait for you for an answer.

My doors are always open. Everyone calls me by my first name even though the average age in TCS is 27 years. Some of them are younger than my children and yet they call me by the first name. They can walk in any time they like.

**Singh:** There are always some experiences that are particularly meaningful in developing your leadership style. Were there such experiences and can you talk about any one experience and how it influenced you as a leader?

**Pande:** All of us have had role models as we have grown in leadership and taken new roles. The difference between when I work in the U.K. and when I work in Asia is that in Asia you have to be culturally very sensitive. Whenever I went to a new country or a new organization in that country I used to say that these are successful societies. Surely everything they do is not wrong. A lot of expatriates tend to have this view they bring from their home countries. I was very open-minded about accepting their culture and seeing the benefits and strengths of that culture. So the sensitivity [in] how you handle Asian leaders and businesses is very different I realized from Day One, whether I was in Korea, Taiwan or Hong Kong. That has been one of the defining areas of being able to manage a multicultural workforce.

**Singh:** Is there a concrete incident or experience you can think of?

**Pande:** I remember we were in Korea -- my first role. We had a lady who was being promoted after an exam. All the men folk came to me and said, "This can't happen. This is Korea. You've got to understand that this is a very male dominated

society.” They did not want the woman to be promoted. A little later the woman came to me – a very bright, young lady – and said, “This is the way we do things in Korea and I will withdraw my application.” She did not want to be promoted. So I learned the Confucius way of looking at life -- how Asia does this in its own way and how sometimes you have understand the cultural impediments [to] leadership.

**Singh:** What happened to the lady eventually?

**Pande:** She withdrew her application. She continued and somewhere later she went off. I believe that she has done very well. This is the Korea in the early 1980s. I’m sure it has changed over years.

**Singh:** Management theory talks about how even much more than your greatest successes, sometimes the real crucibles for learning and development, particularly as a leader, can be from your greatest failures. Can you think of any such crucible-like experience that deeply shaped your own values and was a defining moment in setting the foundations for your leadership style?

**Pande:** I was a young man in those days when I was given the charge for Middle East to run a complete investment bank and treasury operation. I was a man in a hurry. I realized that we were trying to do many things. I had open fronts on “Let’s do this” and “Let’s do that” in my enthusiasm. I was all of 34, I think. When we were trying to put it all together the books were not written correctly. There were some losses in some areas. And we were all over the place.

I was trying to just run faster than the organization, the systems that could cope with it and the people that could cope with it. They were all enthusiastic young people like me. I learned something. One, you want to focus on what really works: What is it that adds value to your work? You can open many fronts and everybody gets very excited about that. That is the most. Number two, if you don’t get the whole system behind it, your victory can be very pyrrhic. It will not succeed.

You need to have a much more stronger and stable base. I learned that growth has to be managed. It cannot be entrepreneurial all the time. This is where you learn and you control yourself. So when I built Asia Pacific, while we were growing fast, this is something which was in the back of my mind: Are we running ahead of systems to keep up? Are we running ahead of people who can handle it? Are we just pushing for growth for no regard [for] it? So for growth to be sustainable and profitable you have to be very clear that you have the wherewithal and the focus. So we decided in Asia, let’s first focus on a few countries; let’s first focus on a few customers. Then we go to the next step. Where did I learn this? [From] the mistakes I made in Bahrain.

**Singh:** It is almost a resetting of your own aspirations in order to have a more realistic chance of succeeding?

**Pande:** That's right. You have to learn sometimes to walk before you run.

**Singh:** What would you see as your greatest leadership strengths and your greatest weaknesses? And would the answer be any different if in fact we were to ask some of the people that have worked closely with you?

**Pande:** I don't think the answers to the last question would be that different because I have been a proponent of 360-degree feedback. So I know what my people think of me.

On the strengths of leadership and the style, I have an entrepreneurial bent and, therefore, there is a certain impatience and reluctance to follow rules all the time. Because I think sometimes the best ideas come from your most innovative people and they need to be encouraged. So clearly I act as a coach to my team. If you are going fast they will ask you, "You tell us and we'll do it." The minute that happens you are in a prescriptive mode. You want to say, "What do we think? This is the challenge." And there are ideas bubbling forth. You will moderate it with your experience. You will finally have the stamp on it. They understand that. But that is the open coach that you need to [be] to bring this team its best.

**Singh:** Would it be fair to say that if you were more prescriptive you would also not encourage them to build their own capabilities?

**Pande:** That is true, as you build your people and as you try to grow them. [It has] been a great pleasure to see [that] some of our people who work for me have grown so fast. It allows them to grow. It allows them to think. And it allows them to be very engaged. You want an engaged team. You don't want a team that basically is waiting for you to give ideas. That is the biggest disaster of leadership.

**Singh:** What would be some of your other strengths?

**Pande:** Over years one has learned that you can be open, but unless you have tight numbers and [are] metrics-driven, you may not receive the results you are looking for. It can generate into a lot of exciting things, but at the end of the day there has to be metrics-driven approach. So my feet are firmly on the ground when I look at metrics. Everything we put down to metrics. We first agree what we should do and [that is] where ideas come in. Then we say, "Okay. So we are going into this project. What do we expect? And these are the metrics we will expect at the end of it." That's where I don't think you can be that entrepreneurial and leave everything to your people is setting the vision. That framework of the vision has to be your thinking. Once you put that framework, you leave them to do the rest of the painting.

**Singh:** Any thoughts about the weaknesses?

**Pande:** Yes. A lot of them, I'm sure. Impatience in my DNA ... Sometimes people feel that I'm running much faster than them and don't give them enough time – unrealistic time expectations. I tend to have some of our best performing people in the unit around me, both for coaching them and having them. So when you have someone who is not really performing as well he finds it difficult working with me. Now that could be a signal for him to improve. Or that could be a signal for him to leave. But I have done that. When we have to remove someone from a leadership position we sometimes take too much time in it. [We] sometimes dwell on it, think about it -- well, he's this and he's that. Now [as] I look back, [it] sometimes should have been done much faster. I am clinical now when I have to get someone to leave.

**Singh:** Well, it is of course a very difficult decision always.

**Pande:** It is. That ... was a weakness.

**Singh:** It seems to me one of the greatest strengths you are talking about is on the one hand a concern for people and particularly developing your people, but also a strong concern for results. And it's not one or the other but both. Would that be a fair summary?

**Pande:** Absolutely. I tend to keep both in mind when we are doing anything.

**Singh:** Is there is any one person or more than one person -- either in real life or in the world of literature -- who has actually been a role model for you?

**Pande:** Yes, I have had role models. I suppose all of us look to role models to benchmark ourselves and see what we think are the best. I look at my father who was a very successful civil servant. Integrity and openness came from him. He was a strong believer in that. When I look at some of my bosses in the bank and then in TCS I used to wonder why they became bosses. That's where the question needs to start. What do they have that made them bosses?

Listening capability [is] something I always saw in all my role models and bosses. The successful ones would say less and hear more. I tried doing it many times but I think sometimes I am impatient. Two or three of my bosses in the bank and TCS have been very, very good listeners. They are very successful people. They built big businesses in and out of the organizations. Listening skills, motivating skills – getting the best out of them was really why they were role models.

**Singh:** That is a fantastic insight. Sometimes I myself have been the beneficiary of this. Sometimes when we are getting along with our lives, getting along with our careers, from time to time some of us are fortunate enough to find someone who actually takes on the role of a mentor. It is really a two-way choice in a sense you seek to be mentored and he or she seeks to mentor. Did you ever have any

mentors? And, again, what was the role this mentor or mentors played in your career?

**Pande:** I was lucky in having some bosses who were very keen to develop me. I think they saw in me a potential and they naturally became the mentors in the organization. A mentor is a two-way street of developing mutual respect for each other, understanding the counsel as it is given whether it is good or bad, [and] trust that a mentor develops with you. They have developed my leadership styles very substantially. Mentoring helps the leadership style to develop, especially in managing people. There are two or three who have been my mentors in different phases of life and I have learned a lot from them.

**Singh:** Do you ever remember making conscious decisions based upon your experiences, based upon role models or mentors, to consciously change your leadership style?

**Pande:** Some of the changes come with age and the role you play. When I was running an organization at a middle management level there was a different leadership style. As I became heads of units, of a whole business I had to create like when I created the mutual fund in India as executive chairman... you're starting with zero. [The] page is just white. It's challenging when you start. You are going to convince your people who are going to join you that this will be a great business ... and also exciting. You have got to actually get them to see your vision. Why are you so excited? If they are not excited that business won't take off. The leadership style changes when you are doing roles of different levels and the most challenging aspect of it [is] when you are doing ground-up new business. That is the crux of any leader. Can he build a new business from scratch? I have done about four or five like that. That is something that I always think has been the high point when I look back. Not what my titles were, but where we built from scratch.

**Singh:** Let's switch gears, Girija. What are some of the most unique or even most distinctive aspects of Indian or Chinese business leadership styles? What have been some of the main sources of influence for each country?

**Pande:** Let me just take the common aspects to both [countries]. In China as well we built a business from scratch there and, of course, [in] India where I work sometimes. Both countries over the last 15 to 20 years have taken growth for granted. It is [a] given in the mindset of leadership - double-digit, triple-digit [growth]. So both [countries] are highly aggressive in terms of growth parameters. When I look at our budget numbers, a 15% growth in our jargon is called flat-line. A lot of Chinese say the same thing. You don't hear that in the West naturally because [they are] slow-growing economies. So in both countries, the management leadership has to struggle with growth - high growth. Second, both are also globalizing. Not everyone is globalizing. Big companies in both countries are globalizing.



**Singh:** And TCS certainly is.

**Pande:** We, of course, are in 45 countries. I'm seeing it in China now. Many of our customers are going global. How will you support me globally? That is the question I am asked all the time. What are the challenges you faced when you went global because you are ahead of others in doing it?

[I also see], at least in India to some extent, [a] concern for all stakeholders. The private sector is not so dominant in China as yet. In the Tata Group we have a huge corporate social responsibility story, which is part of our DNA. There is stakeholder management, which is more comprehensive. I hear the same thing in China. There are issues of labor. There are issues of government. There are issues of poverty. It is not just a bottom-line driven growth of EPS (earnings per share). That is only one part of the story.

**Singh:** Yes. And not just shareholder wealth maximization either.

**Pande:** That is correct. So both sides look at that. We are also short of [talent] on both sides. We're not short of people. We have 1.5 billion people each in both countries. But qualified leadership [and] qualified management ranks are scarce in both countries because the rest of the world has also assumed that there is some good talent in these countries. They also pick them up. So it is a hunting ground for everyone. Multinationals are run by good people from these countries. So trying to develop management and leadership becomes a big challenge for senior leadership. You will not grow [in an] orderly [way] and [achieve the] metrics you seek unless you develop your team simultaneously. Developing people and leadership takes a long time in both countries.

China has a bigger problem sometimes because [it is] growing so much faster. This is the challenge that we hear from them when I talk to our customers. Our own team in China talks to me about this problem. So these are three of our common things.

**Singh:** What about the differences?

**Pande:** The differences are obviously as you would expect – a little bit of history and a little bit of culture. Both of us have common colonial experiences. Roughly both of us came out of the colonial experience as independent countries around the same time. The difference in India is that the Commonwealth system of government allowed us to internationalize much faster [in] our legal systems whereas China for long was part of a very different philosophy.

So we are different in the way we think. A mayor in one of the cities in China asked me, "Mr. Pande, how did you like [the film] *Slumdog Millionaire*?" (Danny Boyle's Oscar award-winning film exposes the underbelly of life in Mumbai's slums, among other things.) I said, "Yeah, it was good." He said he also liked it. And [that] he saw

it twice with his family. The third question he asked me was, "How did the government allow it?" Allow the film to be produced, [he meant]. I looked puzzled and said, "You know, frankly, I don't think the government knew about it."

**Singh:** The government would not have been aware.

**Pande:** They were not even aware of it. And even if they were aware of it there was precious little they could do about it. So you have a mindset that is different in these matters. Second, Confucian thinking, which dominates Chinese mindset in everything they do, has a lot of respect for authority and a lot of respect for a certain restraint on leadership. It is a very top-down driven issue. There are no arguments. I always have a challenge when I am with our Chinese team. I want them to argue. I encourage them to argue. I say to them, "All knowledge does not reside in me. In fact, the least resides in me. I am here to listen and hear from you." It is difficult. In India, you open a room full of young people and you don't have a chance to talk. You don't have a chance.

**Singh:** You don't have to invite them to challenge you.

**Pande:** So those are two different styles. It is not to say that there are not great ideas coming out in China. It's just [that] the way you have to address it is different. Maybe sometimes you have to do it individually or in smaller groups. And they come out with as good ideas. I have no issues of 'One is better than the other.' The mindset of the two managements and teams are slightly different when they come to solving problems.

**Singh:** Which would mean you would have to use different leader behaviors to elicit the ideas...

**Pande:** That is true. If you were implementing something – if everyone has agreed to implement [it] -- our China team would execute it perfectly, absolutely perfectly.

**Singh:** Not the same in India?

**Pande:** Not the same in India, because they would argue continuously. I always remember Amartya Sen's book "The Argumentative Indian." They would continuously argue and you have to keep on arguing with them while you are doing it. Third, over the years the Chinese have realized the value of delivering on time. In that country it is sacrosanct. You don't miss deadlines whether they are building a bridge or they are building an IT system. Customers expect it. We were building a huge IT system for the Central Bank of China – a massive trading system. They wanted an hour-to-hour project plan.

**Singh:** Hour-to-hour?

**Pande:** Hour-to-hour, in some key areas. [The duration of the whole project] was two and a half years. That is how they build bridges. That's how they build large organizations and cities – with an amazing amount of military precision. Indian organizations don't yet know the value of that. I think they are learning. But if you ask me the difference -- the execution capability in China is absolutely outstanding.

**Singh:** Is there any potential downside to this command-and-control military precision?

**Pande:** I think they are realizing that there are downsides. Creativity doesn't flower easily. New ideas are not expected from people who face customers that easily. Many of them also understand that while there are upsides to this strategy in terms of project implementation, there could be downsides. In India we find a lot more of ideas coming out – some crazy, some worthwhile – but they are coming out all the time. Because we either allow it or it is part of our DNA. The leader has to actually address those arguments. You cannot just say I am the leader. That is unacceptable to an open style that you are developing. So you have to argue with all of them. It takes much longer.

**Singh:** It seems to me, based on my knowledge of both China and India and most recently my years in Singapore, [that] the whole notion of social order in the Chinese world is really quite different than in the Indian world. Do you have views on that?

**Pande:** As I said, there is a much larger emphasis given to order. I was once telling a senior Chinese official about the Indian trinity of Gods of creation, maintenance and destruction.

**Singh:** Brahma, Vishnu, and Shiva.

**Pande:** It is part of our psyche. That is a very unusual concept to them [the Chinese] because order is so much a part of [their way]. Preserving order and running it [in an] orderly [way] is so much part of it. The Confucian mindset along with the 50 years of a very hard-driven Communist system has probably brought that [about].

**Singh:** What are some of the strengths or weaknesses of business leadership on both the Indian and Chinese sides?

**Pande:** If you are looking at the weakness of both the Indian and Chinese systems... Clearly they are trying to address this issue of fast growth, rapid growth. Some of them don't have the experience or the wherewithal in terms of resources to manage it. And they don't have sometimes the systems to manage it. They are evolving and that's a weakness. They leave a lot on the table. Sometimes there are holes in what they do. Sometimes there are losses, especially in China, because

many of their companies are not driven by the stock market. So large investments are made, which are sometimes wasteful. I think they are struggling with that.

The same thing happens in India where the Indian government entities do the same thing. At least in the private sector, we have the tyranny of the market driving it. China is so largely government-dominated in terms of its growth. Their view is that you should take a longer-term horizon if you are building a road or a big plant. They'll add capacity [that is] six times [bigger than what is immediately required]. In India, we would do it incrementally. Now their view is, 'Why are you seeing it over five years? Why don't you see it over 10 years?' This is infrastructure, and therefore they have a huge infrastructure, whereas we are now struggling to build infrastructure in India. They tend to take a much longer view. They have a scale in mind, which is much larger than the way India thinks of scale.

**Singh:** Just as your leadership pattern [has] changed over time depending on the context you were in – do you believe the leadership pattern of Indian business or Chinese business has changed? For instance, has there been the emergence of a different kind of leadership pattern in Indian business after the reforms of 1991?

**Pande:** I have worked in India before the reforms and post reforms. There is a clear watershed. There is no debate in anyone's mind in India that the private sector of Indian business was shaken substantially. In our own Tata Group we had big changes. That was a watershed and the mindset opened up to growth, competition and globalization. All those nice things that we now talk about happened with that. China had it earlier, but they also went through phases. You had the Deng [Xiaoping, former Chinese leader] reforms and then you had Zhu Rongji as a prime minister and [the] WTO (World Trade Organization) opening for China in the 1990s. Post-WTO China was very different from the Deng China. Subsequently, China over the last five years clearly demonstrating superior growth globally by a long shot is another, different China.

There are three phases of China. I have seen it [during] Deng's leadership. I have seen it post-WTO when in 1998, Zhu Rongji opened up China to the world in a much bigger way. [The third phase is] the last three or four years, when China has grown so substantially in every aspect – 8.5% or 9.5% growth rates -- astronomical for a country of that scale and size.

**Singh:** Let me invite you to just extend that logic and think about the future. Both India and China are currently on very impressive growth trajectories. There are also, of course, some potential constraints to this impressive growth continuing indefinitely at this rate. Is the availability of skilled leaders going to become one of the important gating factors in either India or China or both?

**Pande:** That is an issue that worries us every day. Where are we going to find people – and, more importantly, good leaders who are going to handle this growth because we see this growth continuing for some time in both countries? It is not

going to taper off in a hurry. Availability of leadership that is global in nature [is important]; both countries are globalizing. China has a bigger challenge in finding global leaders than India, to some extent, because they started a little late. And their global companies are mostly in the public sector, which are state resources.

What both of us will do [is to] develop leadership through accelerated systems. China is using it better than India. They tend to use their non-residents who are coming back to China – many of them were in this country (the United States). I have seen some very good talent that is coming back to China. Then they have a pool of talent around Hong Kong or Taiwan and some of the Southeast Asian countries which have ethnic Chinese. So they have that big pool to draw from – that's about 50 million. India has a pool of 20 million people outside India. Many of them in [the United States] are doing well. We have to start using that pool better, especially in global affairs.

**Singh:** Isn't it starting to happen in India as well?

**Pande:** It is. The Indian government has made efforts and individual companies have started doing that. But it is not on the same scale as in China.

**Singh:** Indeed. What steps might businesses or government in both countries take to increase the supply of skilled leaders of the kind you believe are needed?

**Pande:** What will need to be done in both countries is in-company development where companies will have to develop [talent] themselves through mentoring and training, [especially] leadership training. And most Indian companies -- the good ones -- have started leadership training in a big way. A lot of budgets are going into that and that is a reflection of the shortages that we foresee [including] the high attrition rates, etc., that are going on. But they can't do all of it together.

The governments have to build the infrastructure of basic education and thereafter management education, technical education and certification processes, which have to be done in leadership at all levels. Both countries are realizing [that] the government has a big role in this. It can't just abdicate this to the private sector.

Finally, there will be select global hires, whether they are Indians or non-resident Indians or non-resident Chinese or global people. In the Tata Group, we have just hired an ex-General Motors person to run Tata Motors (Carl-Peter Forster, as group CEO). [It is] the same thing in Taj Hotels. They are run by a Chinese-American (Raymond Bickson, as managing director and CEO).

**Singh:** You mentioned education. India's human resource development minister, Mr. Kapil Sibal, is leading some interesting initiatives in trying to bring foreign universities to India. What do you see as the role of foreign universities in India? How might they contribute to this need for skilled business leaders?

**Pande:** Two things are driving it from an economics point of view –good economics – 80,000 or 90,000 people come here to the U.S. to study at top universities. Surely we can have the U.S. universities coming to India and doing the same thing. So there is an economic logic for that. Second, of course, is to build a skill base. India does not have good university structures. If these (foreign universities) create a good university education system, that could be a great story for India. It's necessary. It is needed. We have taken too long debating on this very narrow, parochial and nationalistic view [and] India has gone through the debate. The debate is over. Clearly a lot more people want it to happen. There will always be naysayers who will not want to see that happen. I think it will go through. There is a consensus behind it.

**Singh:** Any comparable comments about China?

**Pande:** China has also done it. Some of its universities have already tied up with a lot of U.S. or European universities. They understand the value these universities bring. They haven't yet fully opened it up to have a complete university. I think some of their pedagogy is controlled. But they have some arrangements with most of the large U.S. universities.

**Singh:** Either for China or for India, do you see different kinds of leadership challenges coming up in the next 10 years or so? Or will it be more of the same?

**Pande:** No, what we find is that every five years the markets change substantially. Either it is technical innovation or societal reorganization that [brings] challenges for organizations. Sometimes that change is every five years [and] sometimes it is seven years or 10 years. We saw the Internet boom. We are expecting something else will happen as well so we are going to see those changes coming.

**Singh:** Even though it is difficult to predict?

**Pande:** It may not be on the horizon, but you have to be a very big optimist to think that life will remain as it is. Change is the only constant as we say, right? Especially in our business with technology ... you can't even think of not having change. We are all anticipating change. How ready we are all going to be all of us is going to be different. That will determine the winners and losers really in those organizations. There are going to be game changes. There are going to be people who will come and kill your business. We are paranoid. You have to be paranoid to survive.

**Singh:** Returning to you again, is there anything you can identify in your own leadership style that is particularly Indian? Or for that matter, were you influenced in a certain way by being in China?

**Pande:** My growing-up years were [spent] in India. It was steeped in Indian traditional and theology. It allows me to really revel in the world of uncertainty much better.

**Singh:** The world of uncertainty?

**Pande:** Making order out of what is commonly seen by many as chaos. My theology, and some part of our religious ethos, is around that –from the sublime to the ridiculous. If you can handle these two ends of an issue you have this ability to move without getting confused. India has taught me that in leadership style. In China I have always appreciated the level of orderliness and the Confucian view, which goes around family and respect for elders. Can we bring the two together to get the best out of is really the challenge for companies in both countries.

**Singh:** Do you see it as desirable, trying to take the best of both countries and try to create something new?

**Pande:** They are two polar opposites, as you must have seen. One creates innovation and ideas. The other creates a huge powerful execution machine. I remember when the Chinese prime minister visited TCS in Bangalore, and he said, “You are good in software and we are good in hardware. Together the two of us can be leaders.” That’s what it is. The software side of thinking clearly is an Indian strength and it comes out of the ethos of our backgrounds. The execution capability of China and their ability to think scale and big is an advantage. Can we combine the two is a question I very often think about.

**Singh:** Of course, not only do corporations need both; each country needs both. So there is much to learn in India from China and vice versa.

**Pande:** Oh, yes. Both of them learn from each other. As I always say, we have been neighbors for 5,000 years. We have given them some of their spiritual background to Buddhism. We have taken from them things about innovation that they had in the early parts of the history.

**Singh:** In my travels in China there was one incident that really stood out. I was talking with the dean of a prominent business school in Shanghai, and I introduced the possibility of a three-way collaboration between Singapore, China and India. After a pause, my Chinese host returned to it and said something that I found pretty astonishing and the statement was, “Prof. Singh, we in China are deeply aware of the civilization contributions that India has made to Chinese culture and society... We would be very happy to cooperate.” In your travels through China, have you noticed that at a rather deep level there is a recognition of India’s contributions to China in the past? There is also a recognition that in the contemporary present China is in many fields ahead of India, although in some fields India does have the edge.

**Pande:** I have traveled the length and breadth of China and have met a lot of people – government, individuals, students, and employees. One thing is very clear. Nearly 99% of them would have a huge respect for what they call Indian wisdom. This has been the southern neighbor and they have respected it – over 5,000 years. There is no debate on this issue; there is unanimity on this issue. Now, that is as far as the historic issues come up. That has to be translated into the present.

Indians, on the other hand, are a little wary of the growth of China in terms of the scale and size. I have led business delegations to China. Indian business is scared of being able to operate in China in the scale and the competitiveness to China. China is a very competitive market. Indian businesses are scared of putting their foot in there. And I keep telling them, “You’ve got to do it the way we did it, which is just build brick by brick.” There is no short cut. This is going to be a huge market in the future. They are scared of the scale and size that China brings. And I give this example to everyone. I went on the Ningbo Bridge, which is for [exports from] Shanghai – 28 kilometers of a six-lane highway over the sea over the Ningbo Bay built in three years flat. It has taken us 15 years in Mumbai to build a sea link of 2.5 kilometers.

**Singh:** Girija Pande, thank you very much. This has been very enjoyable.

**Pande:** Thank you very much, Jitendra. Thank you for having me here.