

Indian school teaches how to become an entrepreneur

By Shailaja Neelakantan- Special to Globalpost

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The way forward for India's economy may lie with entrepreneurs. One school, the Indian School of Business, focuses on training entrepreneurs. Here, schoolchildren walk through a field at Koribari village on the outskirts of Siliguri, Aug. 25, 2008. (Rupak De Chowdhuri/Reuters)

NEW DELHI, India — Arun Shenoy, an engineer who has worked in the U.S. and India, didn't have to think twice about where he wanted to learn how to become an entrepreneur. "I decided to go to the Indian School of Business because they are at the forefront of helping entrepreneurs," said Shenoy, who worked for Trane, now Ingersoll Rand, one of the largest manufacturers of air conditioners in the world. "I've been following ISB since it started in 2001 and as I followed it more, the more I knew it perfectly matched what I wanted to do," he said. ISB, based in the southern Indian city of Hyderabad, is just 9 years old, but already it is ranked 12th in the world by the Financial Times. Helping distinguish it from other schools is a rotating list of foreign faculty members — in addition to top Indian faculty — from schools like the University of Pennsylvania's Wharton, Northwestern University's Kellogg and the University of Chicago. "ISB has a perfect mix of Indian teachers and teachers from outside India so it gives you exposure to Indian and Western business," said Shenoy.

From the beginning, entrepreneurship was a major area of focus. ISB set up the Wadhvani Center for Entrepreneurship Development in 2002 with the help of Romesh Wadhvani, a successful software entrepreneur in the U.S. ISB prefers students with work experience of at least three to four years, which is unlike the school's highly regarded public counterparts, the Indian Institutes of Management, and closer to the way it's done in the U.S. As many as 200 of the school's students so far have become entrepreneurs. The school offers a one-year, rather than a two-year course, which is less disruptive for professionals who have taken leaves of absence from their jobs. As a result, ISB's applicant pool is more diverse than other institutions, and not limited to fresh graduates. The school's MBAs seek out sectors that other management graduates don't usually join, like media, health care and real estate.

"Two years ago when we were first ranked by the Financial Times at the 20th position we were absolutely thrilled — for a month," said Ajit Rangnekar, ISB dean. "One question that bugged me is what does this

mean to the average person on the street. I realised to my shock it meant nothing at all," he said. At that point, Rangnekar decided to revamp school's mission, making it more about fostering equitable socio-economic growth in the country. Last year, ISB also started mentoring entrepreneurs to development ideas and inventions that benefit society. The school had been working on a few initiatives, like supporting social ventures and doing academic research on what Rangnekar calls the base of the pyramid — which means the poorest section of society.

"We looked at it and said we don't want to be selling to the poor, then we said, 'Wait a minute, let's make the poor the growth drivers of the country. Then the benefits to society would be huge,'" said Rangnekar. "We were doing many, separate things but we were not sure where they were headed. We always knew we would be a different kind of school focused on India's emerging economy." Krishna Tanuku, the Wadhani Center executive director, described ISB's integrated approach to entrepreneurship. It involves putting together a body of knowledge to cover the entrepreneurial journey, disseminating that knowledge and then translating it into programs with tangible, sustainable results.

As of last year, 11 ventures involving 13 entrepreneurs had been started under the school's program, which offers stipends to students selected for mentoring, reimburses a small amount of the startup's costs and supports the student for two years or until the student's business is sustainable. Most importantly, it also provides a network of experienced professionals ready to help. "Being an educational institution we need to think about creating a body of knowledge that can be leveraged and used by a large number of constituents," said Tanuku, who was the founding chief executive of AT&T India and also worked at Bell Labs in the U.S. "At the same time we want to facilitate entrepreneurs to the point where it becomes a primary choice of careers for people," he said. "All things said and done all of us want to make money on our terms. Entrepreneurship gives you the freedom to do what you want to do."

Shenoy, the Ingersoll Rand engineer, went to ISB with a clear goal in mind: to build a green India. He even had business plan. He would offer energy savings and environmentally responsible solutions to commercial buildings in India that account for 30 percent of India's energy consumption, over 40 percent of the country's carbon dioxide emissions and 70 percent of India's solid waste. Luckily, he was chosen to be mentored and has since co-founded Green India Building Systems and Services. "From day one, even before [the mentoring program] began, I started getting inputs on my business idea. The [entrepreneurship center] is always open to helping with mentorship," said Shenoy.

Other ventures out of the school include Wizda Solutions, which works with learning-related software; Sophistes Consulting Group, which offers growth and marketing strategies for small and medium companies; Nurturing Nest, a day-long pre-school, and MoveInSync that works toward reducing the cost of transportation while also lessening the country's carbon footprint. Tanuku says India's current \$1.2 trillion economy will become about \$2.5 trillion in nine or 10 years even if the Indian gross domestic product grows at only 8 percent. "The point is you have a multibillion dollar new economy to be created and that has to come from the creation of new enterprises or by helping very small companies to grow substantially at a much higher rate than the current average" said Tanuku. "And entrepreneurship plays a very significant role here."

