

The Persistent Protagonist

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By Prajusha Raghavan

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*Defeat doesn't finish a man - quit does. "A man is not finished when he's defeated. He's finished when he quits." - **Richard M Nixon***



There are only a handful of people who admit their failures and even fewer who learn from their failures and take a corrective action. For Srishti Software, failure was the stepping stone of success, literally. Learning the right lessons from its complete failure in the initial stages, the company is now on the right path of growth and is successfully providing solutions to the medical sector, seeing a good year-on-year growth. This made Srishti the obvious choice for this week's Fast Track.

Having experienced a two-month stint at Novell, the two (out of college) graduate-turned-entrepreneurs, Ajay Sharma and Deepak Kumar established Srishti in 1997, Srishti. But totally opposed to what they thought, the company saw initial failures and the products were doomed. "A few of the products we developed initially were complete failures. We could not sell even one installation. A few others products saw only one or two installations," say Ajay Sharma, CEO Srishti of the initial days. Sharma blames in on the IDC and Gartner reports about the market demand on the basis of which his company developed the products. "We didn't even bother to conduct a first hand market survey to know the actual demand of the industries," he says.

However, they did have a set goal for the kind of products they would create. "With the training we had received in Intellectual Property at Novell, we always had it in mind that we'll be successful in creating solutions to cater to the crunch areas in the industry we choose."

Though the goal was set, the products failed to make an impact and the entrepreneurs worked hard to kick start the sales properly. With product development and IP being the key strengths, the duo kept trying product after product.

Learning the Lessons

The lessons learnt from the failures worked as the key to sustained success. "They brought in immense learning in channel management and marketing traits," says Sharma. In 2004-05 the company eventually zeroed in on to cater to the health sector. "This time we were able to learn from our mistakes and more or less did the right things in terms of market research and planning."

Shoving aside the market research, Srishti devised its own market research strategies and engaged with more than hundred hospitals to know the problems they face in IT and the solutions they required. "The same process was done for other verticals as well, but after learning the dynamics and looking at the competitive landscape in medical sector, we decided to tailor solutions for this particular vertical," Sharma notes.

This first hand validation with the hospitals provided the company with ideas and functionality of the products, price points and other important aspects related to the development of the solution. Based on the findings, Srishti launched its solutions for medicare industry in 2006, garnering more than 14 orders, including Tata Group of Hospitals in just one year.

"From 1997 to 2006 it was a 'trial and error' method for us but now we attribute our success to all the setbacks we faced initially. Every strategy we devise now is based on our learning from those failures," Sharma says.

"We realized that our products were either too technical for the industries we were positioning to, or were way ahead of the market. None of the products clicked till we looked at their validation and at the same time at the market demand for it." The setbacks the company faced taught it how to look at the competitive landscape in an entirely different light and bring in products to suit the demands of every region. Hence, while, it's basic backend product 'PARAS' is extensively marketed for the Indian companies, its high end clinical support system ISABEL is positioned for the Western market.

"We have seen our competition in Wipro in India, IBA Corporation and Metric Instruments from Australia. However, for us it has been a very healthy success as we have bagged 14 out of the average 16 orders the medical industry puts out," he points out.

The fortune of Srishti clicked with the medical sector because it observed that Wipro was only service-oriented and the Australian companies were too steep in cost for the Indian companies. So to compete with Wipro Srishti positioned its solutions as the USP, while with the Australian companies it made the low price as its key differentiator. The lack of understanding among the foreign companies about the Indian market worked out for company's advantage. "Our focus on the services, apart from the features of the product, has helped us ace the competition, Sharma notes. Now the company has Outsourced Product Development (OPD) Healthcare solutions (HS) and Knowledge Management (KM) as its key services.

The fallout of this has been the channel support, with Srishti appointing one each in Delhi and Chennai. It is in the process of appointing one in Mumbai and in Bangalore and already has three partners in the Middle East and two in the East Asian region.

"The interest of partners has been good and they are willing to buy the product for its quality. Now they are even confident that the product will sell." The company is now looking at increasing its base here as India is a very fragmented market. Srishti is looking at Gujarat, Tamil Nadu and Kerala as its key markets in India. The focus will be on medical sector alone.

Growth through Services

Srishti has placed great importance to services with client hand-holding done for as long as six months. More than 20 percent of the entire project cost is reserved for the training of the staff in the client space, says Sharma. Apart from appointing an engineer for this period, Srishti has two steps of training the clients. "In the first stage we train them on using the software and ensure that the staff uses without resistance. In the second stage, we address the specific doubts of the staff. "This is required because most of the front-office staff in hospitals is novice in handling technology."

Deviating from the traditional service setup, Srishti goes a step further to recruit IT staff for the hospitals. They stay on the payroll of the respective client but we help them get the right kind of manpower to handle the IT, he points out.

Training is Key

With all the market support and training for its clients, Srishti also has a strong training schedule for its staffers too. It is one of the few companies which train its staff every day for one hour on the products as well as the marketing side of it. "With solutions as our USP, it is important for us to stay abreast with the changes and at the same time ensure that our staff has the best domain expertise," says Sharma. The trainings are held every day in morning to look at the changes and master the domain the company is catering to. "With trainings scheduled in the morning we put our staff into the learning mode and hence the productivity increases three-folds," he asserts.

Company thinks that without trainings even experienced professionals can become obsolete. Hence it spends close 220 hours of training on every individual in a year. "Our productivity is so high that we are already getting back the investment we made on training. Till the time they are here, they will contribute much more than the investments in training," he notes.

Next Step - Certification

As the next step of ensuring better service to the clients, Srishti is now drafting a certification process for the youth. "We are planning a six-month or one-year course for undergraduates and graduates to get professional training in Srishti software. They will then be hired by our clients, Sharma notes.

This way the company aims to fulfil the lack of skilled manpower. The talks are on with Manipal and other universities to get a university diploma tag for the training and the process will be completed with June 2008. Going forward, the company will also look at media and publishing industry.