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Planning counts, plans don't

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N the ongoing Power of Ideas programme, the 254 participants who have made it to the final shortlist are fine tuning their business plans before they meet investors. They would do well to look at how successful entrepreneurs penned their own plans. Let's hear from the pioneer of computer learning in India.

Back in the winter of 1981, Rajendra S Pawar, chairman, NIIT, wrote the first plan about bringing computers and people together. That plan translated into the company which heralded computer training in India and later got into software services as well. The 15page business plan, written in pencil on paper (the kind used in dot matrix printers with holes on the sides) by Mr Pawar in the cool climes of the Uttarakhand hills with ripe fresh apples all around led to the company starting operations in five cities -Delhi, Mumbai, Chennai in 1982, Kolkata and Bangalore in 1983.

Those were early days and soon, the three co-founders Mr Pawar, Vijay K Thadani and P Rajendran were writing another plan in 1984-85. This time it ran into a few 100 pages and "was a vision document that looked 10-years ahead," recalls Mr Pawar.

That was pre-reforms, pre-globalisation era where Mr Pawar was able to peer into the future that computers will be

important but people will not know how to use them and therefore what to do with them. It was this gap that got filled via NIIT. The Rs 1,148-crore company has trained over five million learners at over 8,000 education centres across 40 countries over the years.

Today, when we ask him about what kind of business plans should young entrepreneurs have, the pioneer is quick to say,



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"Planning is more important than the business plan itself. When you are conceptualising a business, the plan will probably be the third or the fourth step. Entrepreneurs have to visualise an opportunity, see the gaps in the future and understand what is the unmet need they are trying to fulfil via their proposed business endeavours."

In essence, budding entrepreneurs should visualise the future and then work backwards. At the same time they need to look at both the demand side and the supply side of the business. And one key point from Mr Pawar is that,

"entrepreneurs must have their head in the clouds and feet on the ground." Well, you should think big and be sure that you can deliver. "An entrepreneur must look at the unsolved problem with head in the clouds with feet on the ground to be able to meet the demands of that future. You have to bounce to-and-fro ferociously between the ground and the clouds to build a successful organisation," Mr Pawar points out. In a plan, while numbers are important (like revenue projections, profits, employees and so on), visualising the future and working towards that goal is more significant.

The right time and a bit of luck is also important. In NIIT's case it was Rajiv Gandhi's emphasis on technology that helped the company and later the Y2K problem and the whole reforms process acted as a catalyst. Yet there are plans that fail too. "Little failures are part of the game. Plans should be constantly evolving, a static plan will fail. Also if you think like a manager it may not work as managers work to small tolerances while entrepreneurs work to huge tolerances. Don't forget that an entrepreneur by definition pushes the envelope, goes into unchartered territory and builds a team with great chemistry. Humility is also the key." Else, the best laid plan sans any planning might just remain on paper.