
Infosys leadership transition: View from India



By [George Skaria](#)

Planning for succession in India has traditionally been a matter for the country's family-run businesses. The recent leadership transition at Infosys Technologies could set new standards for professional management in the country's burgeoning publically-held companies.

By selecting current CEO, Kris Gopalakrishnan, as the executive co-chairman, and incumbent COO, S.D. Shibulal, as the new CEO, industry observers in India believe Infosys seeks to maintain continuity as well to capitalise on the new leaders' respective strengths in client relationship management and execution. This is not the first time Infosys has sought a dual leadership model: in the past, when Infosys was a start-up operation, N.R. Narayana Murthy and co-founder Nandan Nilekani shared the role of chairman and co-chairman, respectively.

Going forward, Murthy will be the chairman emeritus for life, enabling the company to retain some of its iconic sheen and the values of the founder members. And, with Kundapur Vaman Kamath, the 64-year old career banker and Formula 1 enthusiast, taking over as the chairman, Infosys seeks to

leverage his expertise in international governance practices as well as build the next line of leaders.

Says incoming Chairman Kamath, “The co-chair structure has been used by Infosys very effectively in the past with Nandan in that position. It was felt that a similar role would be useful at this point, with deeper focus on client relationship. The current structure is well balanced. It ensures that the long experience of its business leaders is fully leveraged for the advantage of the company.”

The contours of the how the company will be managed in the future are slowly emerging.

One, with all the founding leaders retiring from operational activities over the next few years, the stamp of the board on managing the company is likely to be felt more.

Second, a younger Infosys is likely to emerge with new inductions from within, into the Board and the Executive Council that was formed about four years back, and the Infosys Leadership Institute developing a new generation of young leaders.

Third, towards a less mono-cultural firm in its talent composition, the company will hire and nurture leaders from across the world as it builds a stronger global brand.

Fourth, with Infosys’ pioneering Global Delivery Model (GDM) now the norm in the industry, there is need for new business models: recognising this, the company announced it will now focus on four broad verticals and three offerings.

In keeping with some of these changes, the company has also been renamed, Infosys Ltd, reflecting the increase in size and scope from its founding some three decades ago with a mere \$250 USD in capital, to today: a global company with revenues last year totalling \$6.04 billion and more than 130,000 employees.

Adds Kamath, “Infosys has weathered all the storms that the technology industry has faced over the last 30 years. It has navigated successfully through a period when the mainframe ruled, to the period when the

mainframe is in your pocket. It has just announced a restructuring of the organisation to position itself for the opportunities that this business currently offers. The strategy is well laid out and the Board would watch strategy execution over the next 12 to 18 months.”

“The current debate on the leadership transition at Infosys, at a time when business leaders are confronting challenges posed by a rapid escalation of complexity, is helpful to introspect on certain fundamental attributes of a sustainable and responsible business enterprise,” says V.V. Ranganathan, a co-founder of Values Centered Innovation. “Successful businesses are not just built on talent, technique and temperament. They are also equally balanced by a right dose of trust, truthfulness and transparency. Seven co-founders with different styles came together under the leadership of N.R. Narayana Murthy to nurture a first class global enterprise of enormous value built on values. If the understanding among the co-founders which may be more than two decades old is still being respected and honoured, it speaks volumes about the delicate chemistry of governance being practiced at Infosys. I think Infosys has managed to strike a healthy balance continuing to lead with wisdom.”

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