Oral History of N.R. Narayana Murthy, part 2 of 2

Interviewed by:
David C. Brock
Uday Kapoor

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Kapoor: On behalf of the Computer History Museum I would like to welcome Mr. Narayana Murthy for a follow-up to his oral history that was done in 2018. And, it has already been watched by a lot of people and I hope more people will watch it. My name is Uday Kapoor. I am a volunteer in the oral histories program at the Computer History Museum and joining me is David Brock who had joined me in the first interview.

Murthy: Yeah.

Kapoor: It is very nice to have him here. Mr. Murthy founded Infosys in 1981. He has been listed among the 12 greatest entrepreneurs of our time by *Fortune* magazine and has been described as the father of the Indian IT sector by *Time* magazine due to his contribution to the outsourcing model in India. He has been honored with a Padma Vibhushan and numerous other prestigious awards and I will not repeat them. I think people can read. And so, with that, we would start where we stopped the last time. And what I remember, what I recall, is that we had come to the point where Infosys was started and so this is very, very fortuitous that we are here. We are so impressed with the campus. I cannot even describe to you my joy. My wife is also here with me. She's also getting a tour and she's just amazed. She is a doctor and looking at the care. And a little reason why I'm a little hoarse is the problem I had in Mumbai with the pollution, I have a little <laughs> problem, but we actually stopped by at the medical center and she examined me and said, "You're fine." So, I'm really impressed with the campus. It is just amazing. And the hospitality we have received.

Murthy: Thank you.

Kapoor: So, with that we will start.

Murthy: We hope that you will be even more impressed with our Mysore campus. It is the world's largest education campus - corporate education campus, I am sorry. Here we can train about 25,000 engineers in a year. Every technical member of the staff who joins Infosys goes through a 23-week-long training program which is a residential program in Mysore. And it is a city by itself. We have provided all the facilities. I hope you will be happy visiting there.

Kapoor: You do not even have to say that. We are more than happy. We are amazed. So, we are looking forward to our Mysore visit. Would you like to start?

Brock: Sure. Well, when we last spoke, we were kind of on the cusp of the beginning of Infosys. And so, I would like to kind of take you back to that moment and ask if you could talk about the evolution of your thinking about wanting to start your own company and specifically the idea of targeting overseas markets for software.

Murthy: Yeah. Well, you know, as I probably pointed out the last time we spoke, there were three major shifts that were taking place in the computer industry in the world. The first was the

introduction of superminicomputers, the 32-bit machines which were much cheaper than the mainframes, but which were quite powerful in comparison with the mainframes. Second was the availability of industrial strength, online transaction processing monitors which ran on relational databases. And the third was the availability of a large number of reasonably well-qualified engineering talent in India. Because these superminicomputers were quite inexpensive compared to the mainframes, we knew that the market for departmental computing and for functional computing in various functions of an organization - of a corporation - would take off in a big way, because these were inexpensive machines. These could handle a large database and these could handle OLTP [on-line transaction processing], et cetera.

Therefore, I expected that there would be a great demand for developing bespoke applications on these superminicomputers. I also realized that, in India, lots of engineering colleges led by the Indian Institutes of Technology were producing reasonably good engineering talent, but they hardly had any jobs. Very, very few jobs in the country. Therefore, I realized if we matched this ensuing explosive demand with the availability of talent in India, it would be a very profitable venture. That's how companies like Infosys were founded at that time.

Brock: At the same time, however, as I understand that the idea of being, you know, first generation entrepreneurs and starting a new technology firm - this was not a common occurrence in the region at that time.

Murthy: Yeah.

Brock: Could you talk about the factors that you thought, or feel were key to your, you know, being that unusual person to take that step.

Murthy: Sure. You know, in the earlier part of the seventies, I was working in France in Paris in a French company. Before I went to France, as a student in India, I was a leftist. I believed in socialism. I was somewhat sympathetic to communism. But when I went to Paris, when I toured Western Europe quite a lot, and when I saw the extraordinary progress those countries were making, I realized that my thinking was flawed. I also realized that the only way a society can solve the problems of poverty is through creation of jobs with good income. I also realized that it was not the responsibility of the government to create these jobs, but it was the responsibility of the government to become a catalyst for entrepreneurs to create more and more jobs. Therefore, I decided to return to India to conduct an experiment in entrepreneurship. And, I was also slowly converting myself from a confused leftist to a determined, compassionate capitalist.

Kapoor: And the incident in Bulgaria. <laughs>

Murthy: Yes. Absolutely.

Kapoor: Accelerated that.

Murthy: Therefore, I wanted to found a company and prove to myself all the wonderful principles of free market. And that is the reason why I became an entrepreneur, even though, in my family, nobody was an entrepreneur. <laughs> They would not have welcomed me becoming an entrepreneur because they were quite risk averse. They were all teachers. My family came from a group of people most of whom were Ph.Ds., most of whom were highly educated, most of whom taught in the universities, et cetera, et cetera. But the motivation was entirely from within oneself and the motivation was to conduct an experiment to create jobs through entrepreneurship.

Brock: Would it be fair, in listening to you, it sounds almost that it is an experiment in entrepreneurship for sort of a social mission.

Murthy: Oh, yeah.

Brock: Do you think that's fair to say?

Murthy: Oh, absolutely. And you put it better than I did.

Brock: <laughs>

Murthy: <laughs>

Brock: Thank you. Well, I know, at some point in time, you must have made a decision that "Now is the time that I'm really going to run this experiment." And I would like to now hear you discuss how you approached the members of your software team at the time about the notion about joining you in this experiment.

Murthy: Sure.

Brock: Could you talk about that?

Murthy: Yeah. Well, you know, the first experiment I conducted in entrepreneurship was a failure. I started a company called Softronics within a couple of years of my return from France, but I committed a major mistake in defining the theme of that company. The mission of that company was to develop software for the domestic market. But pretty quickly, within about seven, eight months, I realized that there was no domestic market in India for software. There were hardly any computers in India, and, therefore, I was not going to succeed. So, I closed Softronics in less than a year and then I made an analysis of what went wrong in my assumptions. The biggest mistake I committed was not ascertaining the size of the market, not understanding the size of the market. Therefore, I said, "Let me now conduct some studies, discuss with people, and understand whether my market has to be a global market, a market particularly in the United States, and then let me look at the possibility of my second attempt at entrepreneurship." So, I joined a company called Patni Computer Systems, Ltd. in Mumbai as the general manager of software and I understood how corporations were run. I visited the U.S.

many, many times and got some understanding of the market there, and how the departmental computing and functional computing markets were exploding, thanks to the superminicomputers, thanks to the OLTP software and relational databases.

And then I realized that that was the right time for me to start my entrepreneurship experiment once again. And I was the general manager of software in that company and my colleagues - Nandan [Nandan Nilekani], Kris [Kris Gopalakrishnan] - were software engineers at that time. Most of them had about a year to a year and a half of experience. But they were all bright people with good values. So, when I decided to conduct this experiment the second time, I spoke to them and I said, "Look, I am now leaving this company and I want to start this experiment because I am convinced that there's going to be a great future for a company that develops bespoke software for a large market like the U.S." That is when all these youngsters wanted to join me and be part of this experiment. That's how it went.

Brock: Okay. Could you talk about some of the initial challenges that you faced in getting the experiment up and going, raising the initial capital that you needed but also in the broader context of some of the regulatory hurdles that you're facing, some of the resource hurdles. If you could describe that.

Brock: Well, in India of the early eighties (we founded Infosys in 1981) it was quite difficult to found a company. There were too many obstacles for entrepreneurs. For example, it took about three years and fifty visits to Delhi to get a license to import a computer worth 300,000 US dollars. Second, the banks just did not understand what software was. So, they would not give you a working capital loan. Third, there was no venture capital system in India at that time. Banks, which were the only source of funding, were not ready to provide any capital for software companies. Fourth, forget about the data connection, even getting a telephone connection in India at that time took about seven years. The joke used to be that half the people in the country were waiting for a telephone. The other half were waiting for a dial tone!

<laughter>

Murthy: Therefore, almost in every dimension of possible encouragement from the government for entrepreneurs, there were huge hurdles, huge bottle necks for an entrepreneur to found a company. Those were some of the hurdles that I can talk about, but there were many more.

Brock: But despite those you were able to get going quickly because you could send your colleagues to go work in the U.S. at customer sites.

Murthy: Yeah.

Brock: And that, was that-- I was interested to know if some of the initial customers that you had were from the computer industry itself, that is, creating software for computer manufacturers or other software manufacturers.

Murthy: Yeah, yeah.

Brock: If you could talk a little bit about that.

Murthy: Well, the first customer that we worked with had a package for the apparel industry in the U.S. He had supplied his software to various apparel companies like Jockey, Mast Industries, Capital Mercury Shirt Corporation, Moorjani's, Reebok, et cetera, et cetera. The shoes and clothing companies. What we told him was that a strong group like ours, which was well-versed in quality development of software, could add value to him in upgrading his package onto a new technology with enriched functionality on a machine like a Data General MV/8000 which was a 32-bit superminicomputer and, later on, on an IBM 4381 kind of mainframe machine. So, we told him that with help from a strong software group like ours, his company would be in a position to enter the mainframe market and supply his software to large apparel and shoe companies. That was an attractive proposition to him. It was a godsend for us because we were also looking for a good customer and that's how the two of us jelled very well together.

Brock: And I guess with your vision of the kind of rise of the superminis, many people would be - many software producers and many end users - would be in the position of kind of migrating from smaller machines to the superminis.

Murthy: Oh, absolutely.

Brock: So, this would be a whole--

Murthy: Yeah, yeah.

Brock: Area of business.

Murthy: Yeah.

Brock: Did that turn out to be the case?

Murthy: Oh, absolutely. Because most of them used the package of Databasics on a small 16-bit minicomputer called NOVA, the Data General NOVA.

Brock: Right, right.

Murthy: And some of them used a 16-bit DEC computer, a PDP-11.

Brock: Okay.

Murthy: A Digital Equipment Corporation machine. Therefore, when we offered him an opportunity to scale up first to 32-bit superminicomputers and later on to an IBM mainframe, we

were opening a large market to him. Therefore, he was very excited. He saw it as a true win for him and it was a win for us. Therefore, this coming together was a win-win for both of us.

Brock: I see. I think I had it the wrong way around. It was people going from smaller scale minicomputers, you know, to a more capable machine that was a supermini or a mainframe.

Murthy: Yeah, yeah.

Brock: So interesting. And I was also interested in this whole notion of, as part of your experiment in entrepreneurship, embedding in that experiment two things, these ideas about-- these ideals of corporate governance and transparent leadership.

Murthy: Yeah.

Brock: But also, this notion of, you know, a company of and by professionals. If you can talk about those two aspects.

Murthy: Well, the first byline of Infosys was it was a company of the professionals, for the professionals and by the professionals. I borrowed it from the words of Abe Lincoln who defined U.S. democracy as, you know, for the people, by the people and of the people. And it was a fantastic idea. Therefore, I said, “for the first time in India, we will start a company of the professional, for the professional, and by the professional.” We said, “if we want to start such a company then we will have to embrace good corporate governance. We will have to embrace fairness, transparency and accountability in every action of ours. We have to follow the finest principles of corporate governance and we have to ensure that we maximize shareholder value while ensuring fairness, transparency and accountability to every one of our stakeholders - our customers, our employees, our investors, our vendor partners, government of the land and the society.” That has been the main theme of the company right from the first day. Later on, after about a decade of founding, in 1994, (in fact that decision to adopt the new byline was also taken in this room,) we assembled every employee of the company. There were probably 200 employees at that time and we assembled them in the canteen. And then we discussed what the byline should be. It was a three-hour discussion. It was going nowhere and, finally, one of the bright youngsters who was from the National Institute of Design in Ahmedabad came out with the byline that said, "Powered by intellect, driven by values." I thought that was a wonderful summing up of what we stood for. Because, at the end of the day, if we want to endear ourselves to our customers, there are two major attributes required. First is our intellect - our ability to solve problems for the customer. And, second, our values. Because the customer has to trust us. For any relationship to be a long-term oriented relationship, there has to be trust between the two parties. and for that trust to be there you have to have good values. Therefore, we accepted the new byline "Powered by intellect and driven by values" as our byline.

Brock: Both of these aspects seem very forward looking for the time and I was just curious if there were examples of this kind of activity that you had seen that you were looking at as a

model. You know, were there other people or other firms that you thought embodied these ideals?

Murthy: Well, by and large, my role models have been companies from the U.S. See, as I moved away from being a leftist to a determined, compassionate capitalist, in some way, I also moved from my orientation towards Russia to the U.S. Therefore, I observed a lot more from the U.S. companies. And, of course, there was one Indian company that was a role model for all of us and that is the Tatas.

The Tatas have always been an extraordinary group. They focus on people. They focus on the society. Their fairness and their desire for truth is extraordinary. Therefore, I would say Mr. J.R.D. Tata was our role model in India. But, at the same time, for example, Motorola was a role model for us in quality. Hewlett Packard was a role model for us. Particularly during the days of Bill Hewlett and David Packard, Hewlett Packard was a role model for us for their people orientation. And, then, General Electric was a role model for us for their focus on the top line and the bottom line, and how they kept on growing and handling scalability so well. There were many companies, most of them from the U.S, as role models for us.

Kapoor: So, we were talking about good governance and compassionate care of customers and everybody. One thing I noticed from the Infosys campus tour, how thoughtfully it has been planned. And I had been told that you are the visionary that made it happen. Maybe you could say a few words about that. I mean, I cannot believe this place. <laughs> You know, it's just amazing.

Murthy: Oh, you are very kind. You know, I have always believed that the market capitalization of this company could be whatever it is, $42, $43 billion dollars, when every one of us is working in the office. But when the last of our employees leaves for home in the evening, the market capitalization is zero because we are a people company. Our business is a people business. Therefore, our main asset is the power of the human mind. And, we have to ensure that this asset is protected and strengthened. Therefore, to strengthen this asset, we have to make sure that the environment that we create here is very conducive to the happiness and to the betterment of this asset. That has been the fundamental principle that we have used.

Kapoor: Yes. Well, fantastic. Thank you.

Brock: Well, we had been talking a little bit about at the outset of Infosys about some of the regulatory hurdles, if you will, to getting the company going.

Murthy: Yeah.

Brock: I would be interested to hear your thoughts about the importance of government policy in the story of Indian-- the kind of trajectory of Indian industry overall and in particular for software, if you could.

Murthy: Yeah. Well, there is absolutely no doubt that for an industry to take off and demonstrate rapid growth you need the blessings of the government. And those blessings come in the form of good policies. Therefore, I have to acknowledge the help of the government in the kind of growth that came to this industry starting in 1992 because the economic reforms of 1991 contributed significantly to the growth of this industry. The government did a few things as part of its 1991 economic reforms. First, it abolished licensing for computers. As I pointed out earlier, it would take us fifty visits to Delhi and about three years of elapsed time before we got a license to import a computer of about 300,000 US dollars. The government said that was ridiculous. So, they abolished licensing.

The second thing that they did was, they introduced current account convertibility. What it meant was that the Indian businessmen could travel abroad easily, have a credit card (international credit card), and hire consultants in quality, in branding, in software development, et cetera very easily. Before that, if I wanted to travel abroad even for a day, I had to apply to the Reserve Bank of India (the Central Bank), wait for about 15 days, get the permission and then travel. There is a joke. Not really a joke. It is a very hilarious incident that happened in the case of one of the earlier entrepreneurs. He was going to Paris for two days and Frankfurt for a day. So, he applied to the Reserve Bank of India branch in Chennai saying, "I am going to Paris for two days to meet these two prospects and I am going to Frankfurt for a day to meet a prospect." It so happened that when he reached Paris, the prospect that he was supposed to meet the second day had to go to Frankfurt. He told my friend, "Why don't you come and meet me in Frankfurt?" The result was my friend spent one day in Paris and two days in Frankfurt. And, those days when we came back, we had to submit a report to the Reserve Bank of India on how we actually spent the money - the hard currency dollars that was released to us. So, my friend sent a report saying, "As against the approval for two days of stay in Paris and one day in Frankfurt, I spent one day in Paris and two days in Frankfurt." He promptly got a show cause notice from the Reserve Bank!

<laughter>

Murthy: So, from that kind of a situation we have moved a lot because the government introduced current account convertibility, and said “You business people can use credit cards, travel wherever you want, and spend whatever money you want. You can hire consultants and do all these things, et cetera.” That was the second important thing they did. The third area where the government introduced reforms was in investment banking. Until that day, we had an officer called Controller of Capital Issues sitting in Delhi. That government officer had no idea what the capital markets were, but that officer was responsible for allowing a company to have its IPO and that officer would determine at what price the IPO could take place. And, generally, that officer determined the IPO price based on your past performance. But as you know very well, IPOs are all about the future and all about growth. They are all about the future possibilities. The result was till that time, until 1991, most of the IPOs were at par value. Therefore, most entrepreneurs were uncomfortable about going public because they gave away a lot of their equity and raised very little money. The government realized that they were doing something wrong. Therefore, they abolished this Office of the Controller of Capital Issues and they said,

"You, the company, and your investment banker can determine at what price you want to have your IPO." That was a very important thing. Like this, the government brought in several reforms. And, that made life so much easier for us and the industry took off.

Kapoor: Right.

Brock: Thank you. I wanted to ask you about how fairly early on you moved the firm to Bangalore.

Murthy: Yeah.

Brock: And I wanted to ask for your perspective, well, first, about why you decided to do that, but also if you could, talk more generally about Bangalore's development as a science and technology center, if you will.

Murthy: Yeah. Well, when we founded the company in 1981, it was in Pune. We pretty soon realized that Maharashtra was not the best place to have a startup because the tenancy laws in Maharashtra, and a few other states were so much against the tenant. Well, so much in favor of the tenant that it resulted in becoming against the tenant from the perspective of the landlord. Let me explain. What it said was if I was a tenant in an apartment for seven years, then the landlord could not make me vacate the place. I could claim it as my place. With the result, most landlords in Maharashtra refused to give an apartment on rent because of this fear. Unless you were a big company, unless you gave some big bank guarantee, etcetera, etcetera. But no startup could do that.

Therefore, our view was that we had to move to a place where the tenancy laws were fair between the landlord and the tenant, where it was easy for the landlord to get back his house or the apartment. Therefore, the landlord would rent out his or her place to the tenant. Karnataka was one such state. The tenancy laws in Karnataka have always been very fair between the landlord and the tenant. So, that is why we wanted to be either in Chennai, Tamil Nadu or in Bangalore, Karnataka.

But between the two, we favored Bangalore, Karnataka for a very important reason. That was because of the availability of engineering talent in Karnataka. What happened was the following. Even before the software industry came into existence, right from 1947 when we got independence, the government of India decided to locate its defense oriented high-tech companies in Bangalore, which was away from the border with Pakistan and with China. And, Bangalore is also located at such a position or such a longitude that it is about 250 miles from Arabian Sea, and about 200 miles from Bay of Bengal. Therefore, even if a plane were to try to come and drop bombs over Bangalore, before that could happen, it would be shot down. Therefore, Jawaharlal Nehru and his cabinet decided to make Bangalore a defense-oriented, high-tech place. That is how they were lots of defense oriented, high-tech companies - LRDE

[Electronics and Radar Development Establishment], BEL [Bharat Electronics Limited], HAL [Hindustan Aeronautics Limited]. Many such companies were here.

Kapoor: Even ISRO [Indian Space Research Organization], space research.

Murthy: Yes, space research also came around that time. That is right. But that was in the late '70s. The second thing is Karnataka has had a history of creating engineering colleges in the country. In fact, in the '70s and '80s, when there were very few engineering colleges in the country, Karnataka had a disproportionately higher percentage of engineering talent and engineering students in the country. Therefore, we realized that it would be easier to have access to engineering talent in Karnataka compared with any other state. That is how we decided to come to Bangalore which is the capital of Karnataka.

Brock: And that supply of engineers would be central to the sort of premise of your experiment, so--

Murthy: Absolutely, absolutely.

Brock: -- interesting, that's fascinating, thank you. Well, as we look at the development of the firm across the 1980s, what are some of the factors that you think were most important in how Infosys developed?

Murthy: Well, first of all, we, at Infosys, have always been very strategic in our thinking. I gave you an example earlier when I spoke about our belief that the U.S. market for departmental computing and functional computing would explode, thanks to superminicomputers. That again, was a very strategic view. Similarly, we were one of the few companies which said that we have to focus on exports, rather than on the domestic market because the domestic market would take a long time to develop. On the other hand, export market was already there, and it was growing at a rapid rate, particularly in the United States. The third strategic decision that we took was to benchmark ourselves with the best global company in each of the functions of Infosys. For example, I told you that in the area of human resources development, we always looked at Hewlett Packard as to what they did, how they encouraged employees, and how they made sure that the policies were people oriented. In the area of quality, we benchmarked ourselves with Motorola. In the area of relentless focus on top-line and bottom-line, we benchmarked with GE. In other words, our focus was on international benchmarking. The fourth strategic thinking that we brought to the table in this room was to adopt what my friend Rahul Bajaj of Bajaj Auto once said pretty early in the late '80s. He said, "Competition is the best management guru in the world. You do not need to attend any business school. You do not need to go to any management guru. Embrace competition! Learn from your competitors. Improve what you are doing. Differentiate yourself with your competitors. And take a bigger and bigger share of the market by doing whatever is necessary to compete successfully with your competitors in a market. That's all what is needed to succeed in the marketplace." That principle I heard Rahul Bajaj say sometime in late '80s or early '90s, I don't remember. I came back and said, "Look, I heard this. And we should

write it down in golden letters and follow it!" That again was strategic thinking. So, I would say that, right from the beginning, this company has been very strategic in its thinking. There were many other areas where we were strategic, but …

Kapoor: Could I ask a question?

Brock: Please, absolutely.

Kapoor: You mentioned strategic thinking. One of the areas, I'm just exploring, where the quality of software played a role in the global distribution model, meaning people trusted you because they could believe in the quality of the software. Bill Joy was very passionate about that when he developed Unix at Berkeley. I wrote a forward to his interview, and repeatedly that came up. The quality of software. He is still very worried about that. So, would you like to say a word?

Murthy: Sure. You know, another dimension of our strategic thinking was our focus on creating a differentiation with our competitors. I said right from the beginning that we would have to keep on creating bigger and bigger differentiation with respect to our competitors. And, we realized in the early part of the game that enhancing the quality of our software was going to be a big differentiator for Infosys. Therefore, the first initiative we took in enhancing our quality was embracing ISO-9001. ISO-9001 says, “Write down the steps required to produce high-quality software and follow it consistently.” After implementing ISO-9001, we asked, "How do we bring further differentiation?" We looked at the Capability Maturity Model of the Software Engineering Institute at Carnegie Mellon University. We became the first Indian company to be certified at Level 4 of the Capability Maturity Model, and then the first Indian company to be certified at Level 5, which is the highest level of the Capability Maturity Model. We did not stop there. Then, we asked, "How do we create differentiation with our competitors in the U.S., too?” That we did by going with the oh, my god, why am I forgetting? Well, what is that famous quality model in the U.S.

Brock: Is Sigma the--

Murthy: No, not Six Sigma.

Brock: Oh, I'm sorry.

Murthy: It is, oh, my god, why am I forgetting?

Kapoor: Yeah, we can come back to it.

Murthy: Yeah, It will come back (Malcolm Baldrige award) to me. How can I forget? Anyway. We went with this quality model which any company in the U.S. can follow. Basically, what it says is if you get a score of about 700-plus out of 1,000 or something, then you are considered to

be one of the industry leaders. So, we did that. In other words, in our initiative in quality, we constantly went from one step of differentiation to the next step of differentiation. So, for us, in the beginning, quality was a differentiator. Afterwards, we realized quality was a hygiene factor. Nobody would accept your software unless you had that kind of quality. But we were the first Indian company, first major Indian company to embrace IOS-9001, and to embrace Capability Maturity Model.

Kapoor: Right, thank you. Please.

Brock: Well, I was-- software projects are notoriously difficult to manage. And here you are basing an entire firm off of essentially managing software projects. I was-- I would be fascinated to hear how Infosys has approached this notoriously thorny problem, and some of your major learnings along the way.

Murthy: Well, as I pointed out, after achieving the ISO-9001 certification, we realized that we had to focus on a quality initiative that would give us differentiation in developing large-scale software. And, that is when we embraced the Capability Maturity Model of the Software Engineering Institute at Carnegie Mellon. It comes with five levels. It starts with Chaotic Level and ends with what is called Optimizing Level. Level 5 is what is called Optimizing. CMM certification means the whole organization has a good body of knowledge. It has all the tools in place. It measures every parameter required to ensure that software development is going on properly. Now, at Level 5, the organization is in a position to constantly improve each of these. Improve the measurement; Constantly improve the processes; Constantly improve productivity; Constantly improve tools, etcetera, etcetera. That is the highest level is called Optimizing. Even today, probably, there are not too many companies that are certified at Level 5 of the Capability Maturity Model. And we were the first in India, and, therefore, our entire focus was on embracing Capability Maturity Model and, second, creating a very robust knowledge management system. And, a body of knowledge. Whatever we did the first time, we documented the do's-and-don'ts, the tricks to use, the tricks to avoid, the difficulties in using it, etcetera, etcetera. We put it on a reusable database in the company so that everybody could use it. The good thing with that is it improves the productivity of people, it helps them to avoid committing the same mistake again, and therefore, the quality of software will be better and the productivity will be better. And that's what we did. And we did something very unusual in that, too. My colleague, Kris Gopalakrishnan, was the person who designed that system. He wanted to create an incentive for people to put their artifacts in the knowledge management system or the reusable body of knowledge. So, he said, "Anytime you add an artifact to the reusable database, if your artifact is accepted by the system, and every time it is used by somebody else, we will give you a few points. And at the end of the year, those points will be converted to money. Similarly, every user, when he or she uses a certain artifact, based on what that artifact is, the user of these artifacts would also be given some points, and at the end of the year, all these points will be accumulated, and that will be converted to money." Therefore, both the creator of the artifact, and the user of the artifact got some money at the end of the year based on how often they used and how smart the artifact was. Both the creator and the user had incentive to use the system.

Brock: Well, I was wondering if you would be able to talk a little bit about your individual, your personal individual effort, as CEO of the firm during the 1980s, and maybe describe the sorts of things on which you were spending most of your time and effort?

Murthy: Yeah. Well, you know I have always believed that the primary role of a leader is to get a set of ordinary people to do extraordinary things. In order to do this, a leader has to raise the aspirations of people. When I say "he" I mean "she" too. He will have to raise their enthusiasm. He will have to raise their confidence. And, he will have to make them say, "I will walk on water for you." Therefore, my entire focus insofar as our people were concerned, was to raise their confidence, to raise their enthusiasm, to make them extraordinarily confident about doing the plausibly impossible. So, most of the time I was in the office, I would spend in welcoming my younger colleagues to speak of plausibly impossible things, and then provide them all the encouragement, financial and otherwise, to ensure that they succeeded in their aspirations. Late Robert Kennedy borrowed the words of George Bernard Shaw, and said, "Most people see things as they are and wonder why. I dream of things that never were, and then say, Why not?" I think that, to me, in essence, is the task of a leader. Therefore, my whole focus, at Infosys, has been on helping our people imagine things that most people thought were impossible and then make our people achieve them. And also to make my people feel an inch taller in my presence by raising their confidence, by raising their enthusiasm, by giving them higher aspirations, etcetera. Of course, when it came to reviewing functions, I always first focused on selling because without sales there is no corporation. Second was finance because unless you collect money on time and unless you control your costs, your earnings per share will not be healthy. And unless your earnings per share is healthy, unless your earnings per share is growing year after year after year, your market capitalization won't grow. But if you want the customer to pay you on time, you must have delivered quality product on time while exceeding the quality that you promised. Therefore, technical matters are extremely important, but I would say sales, finance and then technical. That's the way I focused.

Kapoor: I wanted to add a comment here that reading about Infosys progression I read about your strong partner, your wife, Sudhaji, am I correct? Sorry. So, her role in the beginning how Infosys got started and her solid support, maybe you could say a few words.

Murthy: Well, in the beginning, my six colleagues, the six younger colleagues, they were abroad, because there was no computer here. It took us about three years to get our computer imported. Therefore, my six younger colleagues had to go abroad and develop software for our customers there. At that point of time, Sudha helped me as a programmer, as an assistant, as an accountant and as a supporter, you know, in giving me confidence when we had problems. Those days, we had lots of problems. Getting license was a problem. Getting a telephone connection was a problem. Getting foreign exchange to travel abroad was a problem. There were too many problems. But that was the time when she would give me confidence, she would encourage me, and she would say, "Don't worry, God is on your side, you will succeed," So, in all these areas she was a big help. And I have no hesitation in saying that, without her support both inside the

office in those initial days, and of course, at home, I don't think we could have achieved a fraction of what we did.

Kapoor: Of course, she has had an amazing career of her own.

Murthy: Oh, yeah.

Kapoor: And is a role model for so many people.

Murthy: Oh, yeah, yeah.

Kapoor: Was she also responsible-- we noticed that this is a very fair distribution of women or female population within Infosys. Was she a force in at least helping make that happen?

Murthy: No. Once my colleagues came back to India, once we had a big computer, once we started scaling up, I said, "Look this is the time when we have to make a decision on how we will go ahead and work this thing out." She said, "Look, Infosys has been your dream. You have always wanted to create an experiment in entrepreneurship, and here is this opportunity. This seems to be going well. Now you also articulated about keeping it completely professional." Therefore, even though she's better qualified than me, she had a scholarship to do her PhD in computer science in the U.S., she said, "Look, I will not be part of this experiment from now onwards, even though I have helped you in the beginning." So, that is when she kind of voluntarily decided not to be a part of it. But she's definitely better than, and much more qualified than most of us in terms of computer science degree. She's a master's degree holder from the Indian Institute of Science, Bangalore, and she had a scholarship to do her PhD in computer science in the U.S.

Kapoor: And her career at Tata's when she first started.

Murthy: Yeah, of course.

Kapoor: Yeah, wonderful. Please, go ahead.

Brock: I wanted to just follow-up on something you were saying a few moments ago about your concentration on sales. And just ask you to expand on that. And what you're obviously successful at it. So, I would be interested to know how you approached a very tricky area.

Murthy: Yeah. Well, you know, economists say, "Price is what you pay, and value is what you get." Therefore, a good salesperson would always focus on what value he or she can deliver to the customer, what value the customer perceives from this sale. And once you focus on the value to the customer, then price will not become a big issue because the customer is looking at the ratio of value to price, that is value over price.

Let me take an example and demonstrate. If I charge you a dollar, and if you perceive whatever I sell you is bringing you two dollars of value, the ratio of value to price is two. On the other hand, when there is a competitor offering a competing product that charges 1.2 dollars, if you perceive that competitive offer to give you 3 dollars of value, the ratio of value to price is 2.5. But the competing offer is 20 percent more expensive. You will still go with that offer. The result is you get better value, and he gets better price. Therefore, my focus has always been on what we, at Infosys, called Business Value Leverage (BVL). So, I focused on looking at the sale from the customer's perspective and enhancing the value that we delivered to the customer. And that automatically led to Infosys getting better prices. In fact, I would say that, at least until 2007, 2008, probably 2009, Infosys always got 20-25 percent higher price compared to our competitors in India. Right from beginning, we practiced this business value leverage concept. So, all of our salespeople were trained in fist communicating the business value of whatever we offered to the customer. It is best not speak in terms of technology and technical stuff, because customer will not bother about it. What the customer bothers is, "Will my inventory go down? Will my accounts receivables come down?" As long as I can demonstrate to the customer that, thanks to our software system, his inventory will reduce by 20 percent, or his purchase will be cheaper by 20 percent, he would be interested in talking to me. Even if I charge twenty percent extra price for him, he wouldn't mind. So, I always focused on business value leverage.

Brock: That's amazing. We were talking a moment about how in the early years of the firm, many of your colleagues would be working on site with customers.

Murthy: Yeah, yeah.

Brock: And eventually that changed to where the ratio of software development done here in India was much higher, this global delivery model. I'd love to hear you talk about how that business strategy evolved, and what were the most key aspects in its evolution.

Murthy: Yeah. Well, Global Delivery Model is another good example of our strategic thinking. Late '80s and early '90s, I formalized the Global Delivery Model. In every large software project, there are two types of activities. The first type of activity involves heavy interaction with the customer. For example, interviewing the customer; documenting their requirements; making presentation to the customer; installing the software on customer computers; training the customer in using the software that we developed; and of course, what we call Rapid Reaction Warranty. That is, whenever you develop a new software system, in the first two to three months, you will have to be present at customer site so that any problems that come up could be addressed in a matter of minutes, if not hours. So, all these activities are heavy on interaction with customers. On the other hand, there are activities like detailed functional specifications, detailed technical specifications, database design, programming, testing, volume testing, performance engineering and long-term warranty and maintenance. These activities have very little customer interaction, and they can be delivered from remote, scalable, talent-rich, process driven and cost competitive development centers in countries like India. Therefore, we told that embracing Global Delivery Model we will have to spend only about 20 percent of our effort at

customer site, and 80 percent could be delivered remotely. This was also more cost competitive for the customers, and also for the vendor. Both of them benefit in this. So, that is how we defined Global Delivery Model, and that became a rage. I am very happy to say that almost all companies, I would say probably all, who have used this model, have benefited from it. We, at Infosys, are happy that everybody is benefiting from it.

Brock: When you say that you formalized the model, could you speak a little bit more about that? Did you articulate it in a written form and strategy documentation? I'm just interested in that.

Murthy: Yeah. We wrote about it in the form of a strategy document, in the form of a presentation with a lot of diagrams. We also developed several tools that would be required to ensure that this model works, and we developed a kit for the execution team, and we developed a kit for the salespeople who had to present this model. All these things were developed pretty early. And we went on constantly improving it month after month.

Brock: So, it really became very much a discipline with project management tools and so indeed very formalized. Yeah.

Murthy: Yeah, yeah. It is what you could call managed software development.

Brock: Yeah.

Kapoor: Good, we can keep going.

Brock: Well, earlier in our conversation today, we talked about some of the key aspects of the economic liberalization of 1991 and its relationship to companies going public. I believe it was in 1993 that you took Infosys public.

Murthy: Yeah.

Brock: Could you describe that effort and the experience of the IPO?

Murthy: Well, 1993 was a very difficult year for various reasons. I had this philosophy that we should go public within 10 years because those days companies in the U.S. went public within 10 years. Around 10 years was de rigueur and was what was accepted. So, we wanted to go public in 1991. However, our prime minister, Rajiv Gandhi, was assassinated in May 1991. The new prime minister came. Just then, the economic reforms were introduced. Therefore, we postponed. We said, "We'll take advantage of the economic reforms and then perhaps look at the IPO the next year." Year 1992 was the year when we had a huge stock exchange scam. A gentleman by name Harshad Mehta was involved in that scam. So, everybody advised us that it was not the best time to go public. Then, in December 1992, there was another sad event. There was an old, decrepit mosque called Babri Masjid. It was destroyed by some people. That

happened, if I'm not wrong, on December 6th, 1992. So, our investment bankers advised that it was not the best time to go public. So, we went public on 24th of February 1993. It was a very tough time. We barely managed it. Nobody had any idea what a software company was. Nobody had any idea of software. We were the second software company to go public. There was a company called Mastek that went public in December 1992 just before Babri Masjid was demolished. Therefore, people were not very enthusiastic about Infosys offering. So, it was a difficult time but we just managed it. We got listed. In those days, the process of listing was very strange. Our IPO happened, you know, between 24th and 27th of February but listing was in June! Strange. Very, very strange. Later on, that got changed because the government realized that there were lots of mistakes in the way they were doing those things. But, we got listed in June 1993. It opened pretty well at about 50 percent premium. From that time onwards it was a positive ride.

Brock: It sounds like, I know, for many firms, that that transition to going public entails a lot of organizational and cultural change, but it strikes me that, you know, from these principles of corporate governance and transparency that had been part of the firm from the beginning, it doesn't sound like it would've been that great of a change; is that correct?

Murthy: Yeah. Absolutely. I tell you, right from the beginning, right from 1981, I had decided that we would run our company (even though it was a privately held company with only seven shareholder families) as a listed company. I had said, "I want to run it like a listed company." We would give our P&L and balance sheet to any journalist because I had said, "I want to practise transparency right from day one." So, when we got listed in 1993 or even when we got listed in 1999 on NASDAQ, it was a breeze for us. There was absolutely no special effort required. In fact, in the case of NASDAQ, we had started producing our financial statements according to U.S. GAAP as early as 1995, voluntarily.

Brock: And I suppose that would've helped a lot with-- also with the sales aspect in the U.S. having--

Murthy: Oh, absolutely. Absolutely.

Brock: --all your financials be--

Murthy: Our going public was to convince the decision makers of our customer organizations in the U.S. that we were a transparent company. It was to communicate that we were a financially sound company. We wanted our customers to have access to our balance sheet and our P & L. We wanted it in a language that they understood easily. Therefore, we followed U.S. GAAP right from 1995. Later on, we said, "Look. We have to create an employee stock option plan in the U.S. currency." Therefore, we wanted ADRs [American Depository Receipts], and that is how we got listed on NASDAQ in 1999.

Brock: Well, I did want to ask you, I did have on my question list, even before the story you were telling us before the camera was rolling, about the relationship with General Electric. So, I was wondering if you could describe, you know, how General Electric became such a big customer for Infosys and the evolution of that relationship.

Murthy: Yeah. General Electric is an extraordinary company. It has been an aspirational company, definitely during the time when Jack Welch was the CEO. Jack Welch came to India sometime in 1991 or '92, I do not remember. He made a presentation to our prime minister, Rajiv Gandhi I am sorry, in the '80s. He made a presentation to our prime minister, Rajiv Gandhi, about how General Electric could add significant value to India. There was a counter presentation from a gentleman by name, Jairam Ramesh (who was an advisor to our prime minister), to Jack Welch and his team on how Indian software companies could add tremendous value to General Electric and provide very good value for money to them. Jack Welch, being a very open-minded CEO, said, "Why don't we try that?"

So, they selected four Indian companies - Infosys was one of them - to work with them for developing software for GE. We worked with GE Appliances and with GE information systems. Then, we worked with a few other companies that belonged to the GE group. They were happy. We were happy. But GE, being a company which always focused on cost control (rightly so, I would do the same thing), was all the time looking at how to get better value for money. One of the ways of getting better value for money is to reduce cost. So, they had a philosophy that they would come once in five years and try to renegotiate contracts. They started working with us in 1990, and 1995 May was when they came to renegotiate. At that point of time, General Electric formed about 25 percent of our revenue. They sequestered the vendors in different rooms at a five-star hotel in the city. They would go from room to room and would negotiate to get better and better terms. The negotiation took place for two days, a Thursday and a Friday. Our philosophy was that we had to focus on providing better value to GE. To provide better value, we had to spend lots of money on tools, infrastructure (technology and physical), on people, on training, et cetera, et cetera. Therefore, we felt that we should convince General Electric that it would be in their own interest if they did not focus too much on the price aspect of it but on the value aspect of it. But then, their people obviously were more experienced than I was. They knew their business better than I would ever do. So, they thought it otherwise. They thought that reducing price was a good way of getting better value for money. All other competitors of ours were ready to sign on the dotted line. Infosys was the only one who was haggling with them. We did not agree to reduce the price. So, on the last day, on that Friday evening at five o'clock when they trooped in for the last time, they gave us an ultimatum saying that, "Look. If you're ready to reduce prices, we do want to work with you because you have done a good job. You have demonstrated that you can develop good quality software." But I gave them my usual spiel again on how we would focus on enhancing the value to them rather than reducing the price. But, obviously, they were not in a position to appreciate what I was saying. May be because of their better experience, of their better knowledge or whatever it is. Finally, I had to very respectfully decline and say that we would not be in a position to reduce our prices, because if we reduced our prices to them we would have to reduce prices to our other customers too and If we kept

reducing our prices, then we would have less money to invest in providing compensation to our employees and in buying tools, in buying technology, in building infrastructure, in productivity, et cetera, et cetera. Therefore, I said, "It is not in the best interest of General Electric for us to accept the work at a lower price. Therefore, we very respectfully would like to withdraw from working with you." I also said, "We will transition all this work to anybody that you decide on and we will do it in the most harmonious way." They were very happy and kind. We have had an excellent relationship with them even after that incident. We transitioned the work to some of our competitors and my colleagues were unhappy with me.

Kapoor: Right. So, was Jack Welch still in charge when that happened or...?

Murthy: Jack Welch was, of course, at that time, the CEO of the company. Yeah. Of course. But he would probably not-- he would not know this, because we are too small.

Kapoor: I see. <laughs>

Murthy: For him. Yeah.

Kapoor: But they have gone through a tremendous difficult time of transitioning.

Murthy: Oh, yes. I think, you know Jack Welch and then Jeff Immelt came. Now, of course, there is a new CEO. But I must say that we learned a lot from them. As I told you earlier, GE has always been a role model, at least when I was the CEO, for me because their relentless focus on top line and bottom line was extraordinary. I learned a lot by reading what Jack Welch had written. I knew Jeff Immelt personally. He was an extraordinary individual. It is a great company.

Kapoor: Yeah. Jack is quite charismatic.

Murthy: Oh, yeah.

Kapoor: I listened to one of his keynotes at the TIE, TIE conference in San Jose.

Murthy: Oh, yeah.

Kapoor: And amazing.

Murthy: Oh, yeah. He was extraordinary.

Kapoor: He's very fond of Indians.

Murthy: Yeah.

Kapoor: I wanted to switch to another topic which is succession planning, and I know this is a difficult problem and many companies have handled it differently, and I see the difficulties in different companies. Would you like to comment on that at Infosys? Anything about the succession planning.

Murthy: Sure. You know we have had several successions after me. Nandan [Nilekani] came in 2002. I managed the first 21 years. Then Nandan came for five years, 2002 to 2007. Then Kris Gopalakrishnan managed it for the next four years, 2007 to 2011, and Mr. [S.D.] Shibulal managed for the last three years, 2011 to 2014 and then we brought an outsider. Now, when you bring an outsider, that outsider brings a different culture. One of the strengths of any organization is its culture. Culture is based on values. Culture is based on how you transact with each other, what brings you joy, what makes you sad, how you spend your time, how you treat other people, et cetera, et cetera. These are various aspects of culture.

Kapoor: And some basic values.

Murthy: Basic values. So therefore, when you bring an outsider, you have to be extremely careful that the individual does not suffer. The outsider who comes in should not suffer, and at the same time, the organization also should not suffer. Because, what happens is this. In the organization, at the senior levels, you have people who have grown in a certain culture for 15, 20, 25 years, and they all come to believe that, "Our culture is the best culture. This culture is the one that is based on good values." Therefore, any other culture is something that we look at with some kind of suspicion. At the same time, the person, who comes from outside, feels that his culture, the culture that he came from, is the right culture for the organization. He would say, "I can introduce dynamism, I can introduce speed, I can do various new things, et cetera, et cetera." So, the clash of cultures is what could debilitate the organization. Therefore, in bringing outsiders, it is very, very important that the organization thinks very carefully. An ideal situation would be for the chairman of the company to be from the old culture and the CEO perhaps could be from the new culture. In other words, if you want to bring the CEO from a different culture, the least that one has to do is to ensure that the board is from the old culture, the chairman is from the old culture so that there is a certain balance between the two cultures. Unfortunately, it did not happen in Infosys. Therefore, it was a good learning for Infosys, and I am sure the organization has learned from that experience. It is an exercise we went through.

Kapoor: No, thank you. Thank you for that very much. Anything else you'd like to add?

Brock: Not particularly on succession, but...

Kapoor: Okay. Okay.

Brock: But did you have another question?

Kapoor: I wanted to move on to other interests that Mr. Murthy has, for example, science.

Murthy: Yeah.

Kapoor: And I think music. There are some passions, and I'd like to explore that a little bit, unless you have something else.

Brock: No, that is great.

Kapoor: Okay. So, let's start with science. I know that you really care about it, and last night's event was an eye-opener. I mean, I had goosebumps to hear these people. You know what they are doing. So, your comments on it.

Murthy: Well, you know, when we completed 25 years in 2006, we wanted to do something for the society. We said, "Let's add some value for the world at large. Second, let's add some value to India." We worked with ACM, Association for Computing Machinery, and we gave them four million dollars as seed money or as a corpus, to start what is called ACM-Infosys Foundation Prize, which is now called ACM Computing Prize. It is a prize that is given every year. It is a $250,000 prize. It is given to a youngish scientist who has done extraordinary work in computer science. It is next only to the Turing Award. On the Indian side, we wanted to create role models for our students who study science, economics, humanities, et cetera, et cetera. So, we started with prizes in five categories. Physical sciences, mathematics and theoretical computer science, engineering, biology and medicine, then social sciences. So, these are the five areas where we instituted prizes. Each prize was a hundred thousand US dollars. But later on, in 2011 or 2012, I don't remember, we split the social sciences into social sciences and economics on one side and humanities on the other side. So, today we have six categories. I realize the best way to ensure that we select the best candidates and we get the best role models for youngsters is to have excellent jury chairs. So, we chose globally recognized jury chairs. You know Professor Amartya Sen who used to be the jury chair in Humanities till the last year. Now, Prof. Akeel Bigrami from Columbia University is the jury chair for Humanities. Professor Kaushik Basu from Cornell University is the jury chair in Social Sciences and Economics. Professor Arvind from MIT is the jury chair in Engineering. Professor Mriganka Sur from MIT is the jury chair in Biology and Medicine. Professor Shrinivas Kulkarni from Caltech is the jury chair in Physical Sciences. So, we believe that once we choose world-class jury chairs and provide them full freedom to choose their own jury and select the best candidates, automatically this prize will gain prestige and will create role models for youngsters in India. This is the 10th year or 11th year. It has gone on well. It has produced lots of good role models for our youngsters. Two of our prize winners went on to win the Nobel Prize in Economics this year - Esther Duflo and Abhijit Banerjee. Two have won the Fields medal - Manjul Bhargava and Akshay Venkatesh. Professor Ashok Sen won the Breakthrough prize. So, it is a reasonable performance.

Kapoor: That is wonderful. That is really wonderful. And, in fact, we were saying that this jury model is something really very inspirational. At the museum, we have an award, the Fellows Award.

Murthy: Yeah.

Kapoor: And that also selects-- so maybe we'll have some discussions about learning from this, you know.

Brock: Yeah, absolutely.

Kapoor: Yes, so...

Brock: Well, I had, in the limited time that we have remaining, I just had a couple of questions that are more large-scale reflections, if you will.

Murthy: Sure.

Brock: And one, to talk about the difference between entrepreneurship and venture investing from 1981. You know, how has it evolved to the present? If you could share your thoughts about that.

Murthy: Sure. Well, you know, in the 1980s, there were lot of hurdles to entrepreneurship, primarily from the government and from the environment. I have already explained. Licensing was a big issue. There was no current account convertibility. The IPO was not very conducive to encourage the entrepreneurs. Getting a telephone connection was difficult. Traveling abroad was difficult, et cetera. Today, those are not the issues that entrepreneurs have. Today, there is lot of venture capital available. The governments are encouraging. The policies have been created to encourage entrepreneurs. But there is one thing that is common between 1980 and today. Market is the determinant. Idea is the determinant. Those days and today, if you want to succeed as an entrepreneur, you must have an idea whose differentiated business value proposition is better than any competing idea in the marketplace unless you are creating a discontinuity in the marketplace like Marc Andreessen's Mosaic or one of those discontinuities. But if an entrepreneur wants to unleash an idea which already exists in the marketplace, then that differentiating factor has to be very good. That remains the same issue today as it was in the 1980s. But today, the hygiene factors and the environmental factors are not as inhibiting an entrepreneur as they were those days.

Brock: In a similar vein, I would ask you to reflect on Bangalore as a, for lack of a better phrase, a technology hub from the time when you decided to move the company here to the present, and what factors do you see as the most crucial?

Murthy: Say it again? I missed--

Brock: Oh. Just about Bangalore's evolution as a technology hub and what factors you think have been most important in that evolution.

Murthy: Okay. First of all, Bangalore has had a pretty salubrious climate. Second, Bangalore provides the best access to talent, particularly engineering talent. Third, Bangalore has a pretty good, porous learning environment. In other words, people jump from company to company to company like it happens in the Valley.

Kapoor: In Silicon Valley. Yes.

Murthy: Exactly. In other words, the cultural mores are such that nobody looks down upon leaving a company and going to another company. Fourth, I think the government has been quite helpful. Karnataka government has been quite helpful. So, on the whole, I would say Bangalore attracts the maximum number of entrepreneurs in the country. Not just Indian entrepreneurs. There are also well-established foreign companies that come and operate from Bangalore. Their numbers are much larger in Bangalore than anywhere else in India.

Brock: I guess the last question that I had that I wanted to ask you is we began the conversation talking about your desire to run this experiment in, you know, compassionate capitalism with a social mission and these various aspects to it. So, I just invite you to, you know, report on the experiment. You know, what do you make of the results? How do you-- yeah. What do you make of the experiment so far?

Murthy: Well, you know, I feel happy that we have demonstrated that it is possible for a set of middle-class people who had no experience in entrepreneurship to create a company that has given jobs to about 200,000-plus people. Second, we have benchmarked ourselves with the global best. Third, we have demonstrated that it is possible to run a business legally and ethically in India. Fourth, we have conducted India's, perhaps one of the world's largest, experiments in democratization of wealth. For example, we have distributed 19 percent of the outstanding equity of the company, or somewhere around nine billion dollars at today's prices, of employee stock option plan to our employees. It is clearly India's number one. But even on a global scale, it is not bad. Fourth, we have demonstrated that you can live in harmony with the society by the work of Infosys Foundation and Infosys Science Foundation. So, we have done whatever little we can to help the society around us. We have won almost every prize that is there in India, every award that is there in India. We have won several awards in Asia, and we have won a few on the global scale. I would say that we are reasonably successful in terms of what we set out to do. We still have, of course, a long way to go because our vision is to be a globally respected corporation that adds more and more value to customers with better and better employees. On that count, we still have our job cut out to become even more respected globally. I hope our leaders of today and the future will work to achieve that. That's what I would say.

Brock: Well, thank you very much.

Murthy: Thank you. Thanks.

Kapoor: I just have some concluding questions and comments.

Murthy: Sure.

Kapoor: You have already answered the question on philanthropy. I think the foundations are doing tremendous work, and thank you for that. One question I had is you already have such a mentorship and guidance for the new generation as to what kind of behavior they should be demonstrating, what kind of career they should be. Any comments, further comments you'd like to make for the new generation, that are just entering their career?

Murthy: Well, I think both the company and the founders of Infosys have realized that our happiness comes not from living in a luxurious manner in an unhappy environment. It comes from enhancing the happiness of our environment even infinitesimally. Therefore, every one of the founders and the senior management staff of Infosys who have benefited significantly from this experiment have contributed a reasonable percentage of their wealth to making our society better. To wipe the tears of the eyes of the poorest people. So, to that extent, I would say that Infosys founders certainly are not lagging behind anybody else in India in terms of adding value to the society.

Kapoor: Very good. Thank you. And of course, you must be very proud of your family. Your son-in-law is an MP and playing a big role in the new government in Britain?

Murthy: Thank you. Well, certainly I think so. Given that he entered politics in 2015, and he is a minister now, he is doing reasonably well.

Brock: <laughs>

Kapoor: Very good. Thank you so much for your time.

Murthy: Thank you.

END OF THE INTERVIEW

