About Pradeep Anand

- **Challenge**
  - Goals not met: revenue growth, quality of revenue
  - Need: rediscover markets, redesign business
  - Executives/employees are too close to the situation
  - Outside resources are not close enough
- **Solution**
  - Use Seeta Resources’ proven processes
  - Turn employees into strategists and tacticians
- **Results**
  - Revenue growth, enriched margins
  - Quick results, long-term effectiveness
Clients

• Oil & Gas

• Engineering & Manufacturing
  AirXChangers, Astralloy, CompX, Excell Minerals, Fabsco, Fort Lock, Gundle/SLT Environmental, Harsco Corporation, Harsco Track Technologies, Hendrickson Trailer, IKG Industries, Multiserv, National Cabinet Lock, Nutter Engineering, Patterson-Kelley, Reed Minerals, Waterloo Furniture Components

• Technology
  AMD, Sun Microsystems, Avalon Imaging, Scicom, Silicus, Laversab, Facet, ZResearch

• Service
  OnePoint, American Sleep, Preng & Associates
Global Economy

-2000 -1000 1000 2000 0

Per Capita Income

Year

Great Divergence

Industrial Revolution

Malthusian Trap

1800=1

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Catalysts for Accelerating Growth

IDEOLOGY

ENTERPRISES

MARKETS

GOVERNMENTS

20th Century Global Business

21st Century Global Business
Catalysts for Accelerating Globalization

- Technology
- Aging/Demographics
- Capitalism
- Economic Pragmatism
Asia
Economic History

Historical Share of Global GDP

Source: Maddison, Angus, *The World Economy Historical Statistics*
GDP by Major Countries and the EU: 2000 and 2015

Source: CIA's Long-Term Growth Model.
Demographics Drives
Domestic Consumption Drives Growth

- Population: 1,147,995,898 (July 2008 est.)
- Age structure:
  - 0-14 years: 31.5% (male 189,238,487/female 172,168,306)
  - 15-64 years: 63.3% (male 374,157,581/female 352,868,003)
  - 65 years and over: 5.2% (male 28,285,796/female 31,277,725) (2008 est.)
- Median age:
  - total: 25.1 years
  - male: 24.7 years
  - female: 25.5 years (2008 est.)
- Population growth rate:
  - 1.578% (2008 est.)
- Birth rate:
  - 22.22 births/1,000 population (2008 est.)
- Death rate:
  - 6.4 deaths/1,000 population (2008 est.)
- Net migration rate:
  - -0.05 migrant(s)/1,000 population (2008 est.)
- Sex ratio:
  - at birth: 1.12 male(s)/female
  - under 15 years: 1.1 male(s)/female
  - 15-64 years: 1.06 male(s)/female
  - 65 years and over: 0.9 male(s)/female
  - total population: 1.06 male(s)/female (2008 est.)
- Infant mortality rate:
  - total: 32.31 deaths/1,000 live births
  - male: 36.94 deaths/1,000 live births
  - female: 27.12 deaths/1,000 live births (2008 est.)
- Life expectancy at birth:
  - total population: 69.25 years
  - male: 66.87 years
  - female: 71.9 years (2008 est.)

Source: CIA- The World Factbook
Domestic Consumption Needs Energy

<table>
<thead>
<tr>
<th></th>
<th>CHINA</th>
<th>INDIA</th>
<th>USA</th>
<th>EURO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (millions)</td>
<td>1,288</td>
<td>1,064</td>
<td>291</td>
<td>306</td>
</tr>
<tr>
<td>GNP ($=billions)</td>
<td>1,417</td>
<td>571</td>
<td>11,013</td>
<td>6,978</td>
</tr>
<tr>
<td>Water Use (cubic kilometers)</td>
<td>526</td>
<td>500</td>
<td>467</td>
<td>185</td>
</tr>
<tr>
<td>Energy Use (quadrillion BTUs)</td>
<td>52</td>
<td>23</td>
<td>97</td>
<td>50</td>
</tr>
<tr>
<td>GNP/Pop (per capita income)</td>
<td>1,100</td>
<td>536</td>
<td>37,844</td>
<td>22,803</td>
</tr>
<tr>
<td>Water/GNP (cubic meters water per $1.00 of GNP)</td>
<td>0.37</td>
<td>0.88</td>
<td>0.04</td>
<td>0.03</td>
</tr>
<tr>
<td>Energy/GNP (BTUs per $1.00 of GNP)</td>
<td>36,717</td>
<td>39,926</td>
<td>8,808</td>
<td>7,210</td>
</tr>
<tr>
<td>Water/Pop (per capita water use in cubic meters)</td>
<td>408</td>
<td>470</td>
<td>1,606</td>
<td>605</td>
</tr>
<tr>
<td>Energy/Pop (per capita energy use in millions of BTUs)</td>
<td>40</td>
<td>21</td>
<td>333</td>
<td>164</td>
</tr>
</tbody>
</table>
Opportunities You Identified

- Intellectual property in IT and Services
- Huge population/opportunity, economies of scale
- Huge middle class, explosive opportunity for amenities and luxuries of modern society
- Huge talent pool in math and science
- Huge talent pool that speaks English
- Labor pool—Cheap, good skill sets
- Government subsidies for international firms
- No need for local ownership
- Insurance products
- Health care products
- Clean water
- Hot country needs soft drinks, air conditioning
- Indians are really smart
Challenges You Identified

- Infrastructure and distribution mechanisms of taking products to customers
- Cultural differences—time, language, religious
- Disparity of wealth in the population
- Difference in what is fair in negotiation
- Timeline differences
- Bureaucratic, slow decision making process
- Have to deal with politicians, red tape and corruption
- Diversity of language and religion makes it difficult to create target products and services
- Child labor

- Geographically huge; difficult to market and distribute products
- Indians lack discipline
- Indians are really stubborn
- Government interference in business
- Slow legal system
- Political corruption
- Family owned businesses where decisions are made at the top
- Concentration of capital and labor around a few urban areas Bombay, Delhi, Bangalore
- Communication across caste barriers
- Lack of regulations to protect investments
Business Models

• Agent/Representation

• Joint venture

• Wholly owned subsidiary
Talent

• Executives, Management, Employees

• Dimensions
  – Macro
    • Cultural, religious, scientific, political, architectural, and economic histories of a people
  – Micro
    • Quality, Quantity, Characteristics, Drivers/Motivations
  – Available Resources
    • Infrastructure
  – Institutions
    • Political, religious, economic, legal, social and others that are important to business activities
UNDERSTANDING OPPORTUNITIES & CHALLENGES IN INDIA

**Macro Influencers**
- Growth
- Maturity
- Decline
- Revival
- Lifecycle
- Mythology
- Hinduism
- Buddhism
- Sikhism
- Jainism
- Zoroastrianism
- Christianity
- Islam
- Judaism
- Secularism
- Brahmin
- Kshatriya
- Vaishya
- Shudra
- Assamese
- Bengali
- English
- Gujarati
- Hindi
- Kannada
- Malayalam
- Marathi
- Oriya
- Punjabi
- Rajasthani
- Tamil
- Telugu
- Urdu

**Micro Influencers**
- Pre-Colonial
- Colonial
- Post-Colonial
- Medicine
- Mathematics
- Astronomy
- Science
- Politics
- Music
- Architecture
- Gender
- Education
- Class
- Culture
- Art

**Resources**
- Natural Resources
- Energy
- Water
- Food
- Capital
- Workforce
- Health
- Weather

**Institutions**
- Governance
- Law
- Politics
- Infrastructure
- Bureaucracy
- Economics
- Security
- Taxes

**Demographics**
- Secularism
- Neutral
- Equidistant
- Separation of Church & State

**Culture**
- Mythology
- History
- Geography
- Language
- Caste
- Ethnicity
- Art
- Profession
- Mythology
- History
- Geography
- Language
- Caste
- Ethnicity
- Art
- Profession

**Economics**
- Capitalism
- Socialism
- Work Ethic
- Training
- Demographics
- Ethics
- Health
- Weather

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<table>
<thead>
<tr>
<th><strong>West</strong></th>
<th><strong>East</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent</td>
<td>Interdependence</td>
</tr>
<tr>
<td>Focus on Object</td>
<td>Focus on Field</td>
</tr>
<tr>
<td>Categorization</td>
<td>Relationships</td>
</tr>
<tr>
<td>Stability</td>
<td>Change</td>
</tr>
<tr>
<td>Individuality</td>
<td>Fitting In</td>
</tr>
<tr>
<td>Simplicity</td>
<td>Complexity</td>
</tr>
<tr>
<td>Self</td>
<td>Environment</td>
</tr>
<tr>
<td>Individual Action</td>
<td>Collective Action</td>
</tr>
<tr>
<td>Individual Distinctiveness</td>
<td>Blend Harmoniously in Group</td>
</tr>
<tr>
<td>Achieved Status</td>
<td>Ascribed Status</td>
</tr>
<tr>
<td>Debate - Win</td>
<td>Discussion - Consensus</td>
</tr>
<tr>
<td>Polyphonic Music</td>
<td>Monophonic Music</td>
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<tr>
<td>Stability</td>
<td>Change</td>
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<tr>
<td>Universal Rules</td>
<td>Contextual Rules</td>
</tr>
<tr>
<td>Fixed Agreements – Transaction Focus</td>
<td>Malleable Agreements - Relationship Focus</td>
</tr>
<tr>
<td>Combative Legal System</td>
<td>Resolution/Middle Way</td>
</tr>
<tr>
<td>Debate – Rhetoric</td>
<td>Avoid Controversy</td>
</tr>
<tr>
<td>Company is a system to perform tasks and functions</td>
<td>Company is a group of people working in relationship to each other</td>
</tr>
<tr>
<td>“At Will” Employment</td>
<td>Lifetime Employment</td>
</tr>
<tr>
<td>Language Noun Driven</td>
<td>Language Verb Driven</td>
</tr>
<tr>
<td>History – Causal (Why?)</td>
<td>History – Contextual (How?)</td>
</tr>
<tr>
<td>Religious Wars - Common</td>
<td>Religious Wars - Uncommon</td>
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</tbody>
</table>
THANK YOU

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