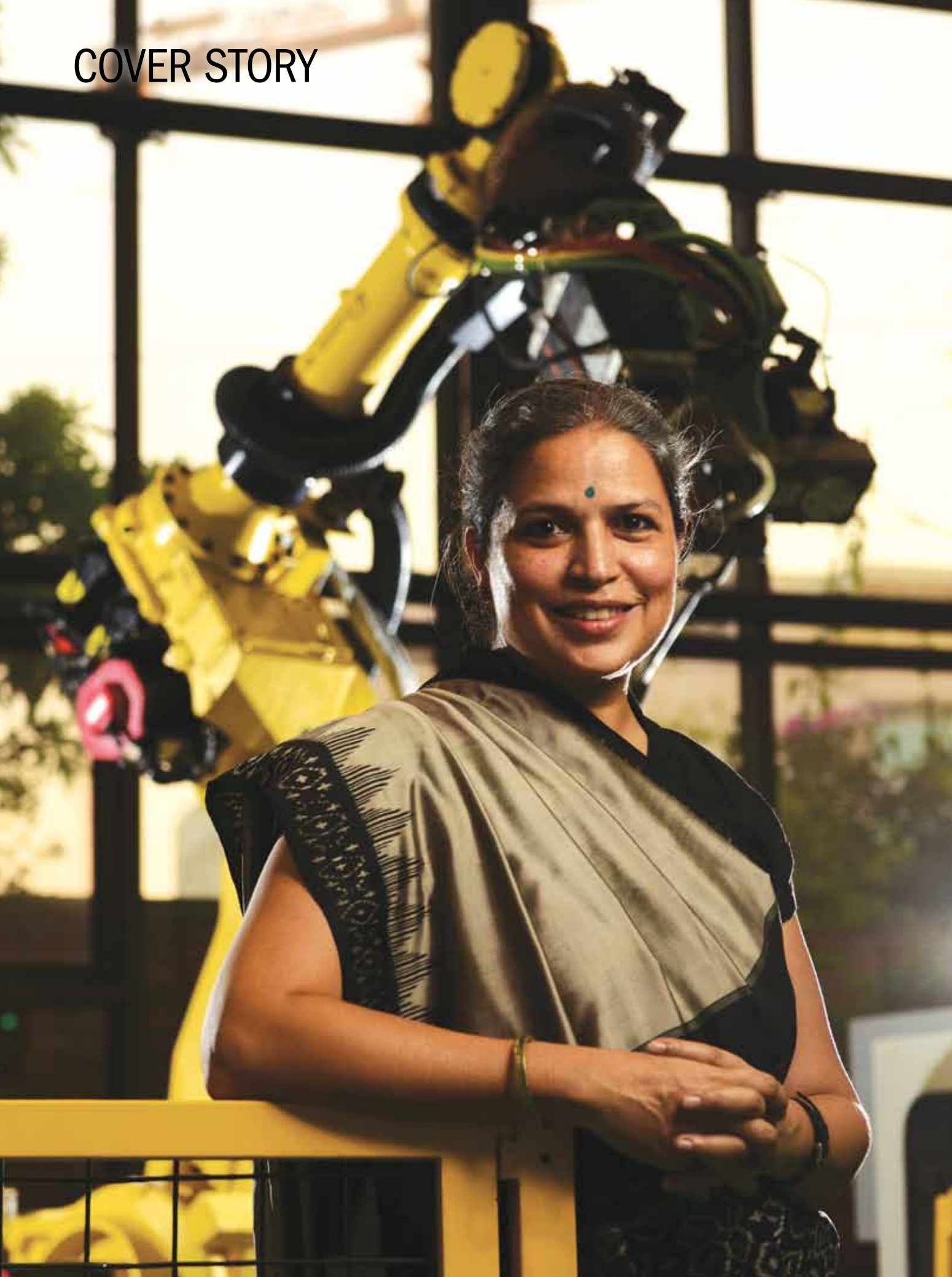


# COVER STORY



# Quiet confidence

Sonali Kulkarni, president, Fanuc India, creates a perfect winning culture, which underlines what a team can achieve when given the right direction

BY INDIRA RAO

The onus of setting the tone in an organisational culture lies undoubtedly on the shoulders of the CEO/president. The head in any organisation has the ability to influence culture more than any other individual. Failure shatters us so easily and we panic even though all of us have the inherent quality to overcome this fear. This is even more true when it comes to working in an organisation where a failure can lead to losing a high value contract. In such a situation, it's only the leader who has the power to either treat the failure as a stepping stone or look at the employees as a barrier to success.

A classic example supporting this theory is an incident that took place recently at Fanuc India Pvt. Ltd, a company that has a dominant share in the demanding CNC and robot markets. The company in May 2013 lost out on two orders for In-Mould Labelling (IML) due to their having longer cycle time (6.5 sec vs 5.5 sec by competition), never having executed such an order earlier and being costlier. On both occasions, Fanuc India had only provided the bare Roboshot while an external agency was taking responsibility for the total turnkey. However, losing on grounds of technical weakness was an entirely new experience for the organisation's small team. To win acceptance in the IML market was a 'chicken-and-egg' situation for them. However, the team did not sit tight mourning the loss of the contract. Instead, they decided in July 2013 to attack this project in-house without the impetus of a customer order. They set themselves a challenge to achieve IML and show it at Engimach, a machine tools show held in Gujarat, in November 2013. What is extraordinary here was that the company not only exceeded their expectations, but also beat the competition's cycle time with their new champion cycle time of 4.37 seconds and under a tight budget.

The leader that heads this dynamic and empowered team is Sonali Kulkarni, president, Fanuc India Pvt Ltd. Rather modestly she attributes the entire credit to the team. "Quite frankly a leader's job is to set the standard, ensure freedom, provide encouragement and support the team under all circumstances. This is what builds

a winning culture where people have the confidence to be honest about their failures, yet retain the enthusiasm to try again and succeed. Failure on technical grounds is not an option for us. The entire IML victory has been one of our top stories underlining what a motivated team can accomplish."

You do not find leaders everyday who quite so frankly talk about their failures. Maybe this has got something to do with the company's philosophy of converting every defect as an opportunity to learn and improve. Fanuc India from the very beginning has always had a strong performance culture. "Looking back, I feel lucky to have landed in such an environment," Kulkarni says. After having joined the company 16 years ago, Kulkarni changed the dynamics of the company by introducing certain initiatives. And she does not take sole credit for this. "With my senior team I have focussed efforts in three particular areas: Empowerment, customer focus and being kinder to the planet," she says.

When I first met Kulkarni, she came across as a warm, affable lady who like any other manufacturer was proud of her company and their products. I really got to see the woman leader in her when she started talking about her team's success stories. Her excitement was quite palpable and infectious. Talking on building this culture where a cohesive team work is the centre of attention, she avers, "Like most Indian companies Fanuc, too, had a culture of 'Lone Wolves'. By this I mean individuals who know how to get things done, are passionate go getters, achieve results but single-handedly. Carrying the analogy – it takes a very different set of skills to 'Hunt in Packs' or work collaboratively, my effort has been to grow just such a culture at Fanuc India – a culture of empowerment with accountability. We encourage individuals to be empowered, work collaboratively and be accountable for the decisions they take."

She further adds, "In corporate cultures, it is not natural to collaborate but it is also not that hard, as long as the expectations are clear and one's actions match one's stated objectives. Today, I



The Indian technical team that creates success stories.

am pleased that we are indeed the most well knit, cohesive teams amongst our peers. Market share growth, customer satisfaction and development of individuals are just some of the fantastic results of this synergy.”

Women represent manufacturing's largest pool of untapped talent. Despite the significant upside to careers in the industry, manufacturers are struggling to attract female candidates. In such a scenario, Kulkarni created her niche and made a foray into the manufacturing industry almost 16 years ago.

Having a lady at the helm has its own advantages, I realised. In a largely male-dominated industry she not only uses her brains but also her heart. Not many industrialists give a thought to their customer base more so if the products are fast selling. Kulkarni, however, has her own take on her customers. After all, a company's success lies in the satisfaction of its customers who are the kings. In a large, diverse and difficult market like India, the company's installed base is 97,825 units and though very important, is quite hard to maintain consistently, and unfailingly. “For us, a customer's wish is our command. While staying within professional bounds, we leave no stone unturned to meet any of our customer's requirements. I believe this is one reason why our CNC market share remains around 80% even in the face of extreme challenges.” Never becoming complacent, they live the philosophy and ensure strictest efforts to retain transparency and even handed treatment to all their customers, regardless of size.

In order to make their customers more productive, under Kulkarni's leadership the company also started offering integrating turnkey solutions for IML with their all electric roboshot and handling robot. This was the first time in India for any injection moulding machine maker to provide turnkey IML. All Fanuc products are made only in Japan and by specific intention the company ensures that over 80% of their manufacturing is in-house. In fact, they do not buy any criti-

cal component be it glass disc in high resolution pulse coder (four million lines/revolution), spindle or servo motors, etc. and manufacture each of these themselves. As a result, the Indian team could smoothly integrate the Roboshot with mould as well as their small handling robot at their Bangalore Technical Centre.

“For the entire team, this was a first time working on any sort of turnkey project on Roboshot. Initially, we stumbled with an unacceptably high cycle time of 6.5 seconds (for IML two hinged lids in one shot) despite having chosen our fastest robot (LR Mate 200iC) with 4m/sec traverse. Upon continual refining (from serial to parallel) and optimising the traverse path we finally accomplished 4.37 seconds. The customer to whom we lost two orders declared this to be a champion timing. We definitely feel proud of this achievement, all entirely pulled off by Indian engineers and managers,” says an enthusiastic Kulkarni.

The company also holds no bars when it comes to catering to their customers across India. Last year, they conducted road shows to try and reach every customer of theirs. “India is not a country. It's a continent. Our customers are distributed across 15 states. It is too much to expect customers to come to our headquarters in Bengaluru or for us to rely on our Machine Tool Builders (MTB) to do all the work. So, we believe we need to take our product and our message to every single customer. With this in mind, we pioneered the concept of road shows to penetrate remote industrial pockets of our country and listen to our customers' feedback, promote new features of the products and directly see how we can improve our support,” states Kulkarni.

Exuding another quality rarely seen amongst business moguls, she maintains that money need not be the only criterion in setting up a business unit. One unique feature that sets Fanuc India apart is that they go about giving the world's cheapest maintenance





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contracts. “We don’t see maintenance contracts as a way of making money. For us the maintenance contracts are a means of improving our customers’ productivity and uptime,” emphasises Kulkarni. Elaborating, she avers, “When you have a product with top class Mean Time Between Failure (MTBF) we can do things which others with far lower MTBFs cannot even think of. Presently MTBF for our top selling CNC (FS0i-D) is 32 years in India. Taking our total installed base (CNC, robot, machines, lasers) of 97,825 units accumulated over 22 years – our MTBF is eight years (and improving). Knowing that our customers would one day move toward lean manufacturing with a sharp focus on uptime, in the year 2003, we launched its unique ‘Follow On Contract’ (one year AMC with unlimited parts and service visits against breakdown). This was a purely future ready initiative from us designed to encourage every small job shop to own a CNC machine. In fact, no other Fanuc company in the world has this offering. Our competitors certainly do not.”

Kulkarni takes great pride in setting benchmarks and catering to the Indian customer despite not having a R&D facility here. By policy, Fanuc is unique amongst all their competitors in that they consciously retain all manufacturing (CNC, robots, machines, lasers) facilities at their factories in Japan only. “Even for the small percentage of bought out items, Fanuc ensures that only certain discreet elements (capacitors, etc.) are bought as standard. All other performance elements (even bought out) are designed and customised as per the company norms. “These elements are assembled and tested in our fully robotised factories assuring consistency across unlimited volumes,” asserts Kulkarni.

Further, the company has its own robotised factories for milling, turning, sheet metal, plastic, painting, etc. More than 80% of each of their products is from these factories. “This obsessive care taken at component level (from design to manufacturing to market and back, this loop is routinely run for all products), is the prime reason behind our trademark reliability. One of the strengths of Fanuc is that we are a seamless global company. That our R&D and factories are located in Japan but our sales, service and application teams



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are in India does not matter as we all work as a single unified team,” declares Kulkarni.

Not one to rest on her laurels, she is constantly on the lookout for creating something revolutionary in her field and scope of business. “The launch of the new cost performance ‘Package 5’ CNC is a classic example” enthuses Kulkarni. It was this Package 5 CNC that turned the tables for Fanuc India. Since 1999, the company in India has been providing CNC to the Indian MTB at fixed rupee prices even as they used to import the CNC (made entirely



This Fanuc robot is designed for a variety of manufacturing and system processes.

in Japan) in yen. In the last few years, the yen-rupee rate worsened by over 100% and the company was making transaction losses. “The more CNC we sold the greater losses we would post. There was no way we could re-set our rupee prices to accommodate this phenomenal adversity of exchange rates,” admits Kulkarni. Taking this as an impetus, they combed their customers’ requirements and mapped these against the features on their CNC.

“We isolated several features that were never used by our end users. Then, working closely with our R&D team, we came up with the new cost performance CNC, christened ‘Package 5’. Unlike our competition which brought in a cheap CNC for India, we came up with this CNC that is powerful yet economical and supports up to five axes with 30% greater processing speed than its immediate predecessor,” elucidates Kulkarni. Not stopping at that, her team has also spearheaded Fanuc CNC in Hindi and will soon be in Tamil so that their job shop customers can more easily manage their teams’ productivity. “No other CNC maker in the world has thought of this simple but meaningful initiative as our industry struggles with manpower shortage. We feel proud of leading the efforts toward realising this powerful new CNC designed especially for emerging markets but with absolutely no compromise on quality. This is a prime example of our empowered team, customer dedication and seamless working with our parent company in Japan,” says Kulkarni.

Sixteen years is a long time to witness technological changes and Kulkarni has seen quite a few through her career span at Fanuc. “I can cite two major technical changes that enabled us to be the front-runners. One, we have gone from relatively a primitive front end customisation to sophisticated but simple graphical user in-

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terface, shrinking customer’s time from over 10 days to under an hour. This not only enables efficient customisation of CNC for their machine, but also helps customers build manuals at the touch of a button. On the performance parameter we have slashed sampling from 256 micro seconds to 62.5 micro seconds. As a result, the entire performance parameter of the CNC in terms of controllability has almost become twice as fast,” avers Kulkarni.

Apart from enhancing customer satisfaction, catering to the environment is something that is close to Kulkarni’s heart. Practicing what she preaches, she has planted indigenous shade trees around the campus (even rented ones) to create a micro climate friendlier to other life forms. “We also use electricity sparingly taking care to build climate-friendly structures that do not require AC. We try to capture rain water and steadfastly avoid chemicals on our campuses. “I know this is hardly anything, but I trust we are growing awareness amongst our small team and their spheres of influence, which is no small feat as we all rush about our usual urban lives,” Kulkarni concludes. ■