



## Microsoft Unlimited Potential Case Study: Weaving vibrant patterns



## Weaving vibrant patterns

Almost every house in Mettupalayam village, in the Bhavani district of Tamil Nadu, has one or two looms. Despite the diminishing returns from the traditional skill of weaving, 60 percent of the 1,500 households in the village depend on it for a livelihood. The rest earn a living from agriculture.

But winds of change are blowing through this dusty village. There is considerable excitement and interest in the business process outsourcing (BPO) center that has opened in the village. The center heralds new opportunities for the villagers—exposure to powerful technologies, paths to earn and learn.

The Indian Institute of Technology Madras (IIT-M) and DesiCrew Solutions Pvt. Ltd., a company supported and funded by IIT-M, have together opened up a whole new world for Mettupalayam. Dr. Ashok Jhunjhunwala, the visionary head of the Electrical and Computer Sciences Department at IIT-M, dreams of leveraging the information technology boom in urban India to create wealth in underserved rural India. “We have created wealth for urban areas and confidence in our young technocrats,” he says. With BPO units in Indian metros, and with the BPOs’ European and American clients bringing in new waves of urban opportunity and growth, why not a similar model for rural India?

Saloni Malhotra, the dynamic young head of DesiCrew, works toward transforming this dream to an exciting and empowering reality. The Telecommunications and Computer Networking Group (TeNeT) at IIT-M, a faculty think tank directed by Dr. Jhunjhunwala, provides strategic input and guidance, while n-Logue Communications Pvt. Ltd, another IIT-M venture that focuses on rural connectivity and service delivery, provides the infrastructure.

B Senthil Kumar, 27, who has a diploma in mechanical engineering and comes from a family that owns six acres of agricultural land, ran an internet kiosk in the village. In 2005, he was approached by Malhotra, to upgrade the kiosk to a BPO center by setting up an office with at least three computers.



Appropriate and affordable technologies to help increase workers' productivity are a constant need, and this is where a company like Microsoft can provide enormous support.

An enthusiastic Kumar was ready to expand beyond the browsing and gaming that his kiosk offered, and the Hi-tech Computer Education BPO was born. And finding qualified people to work at the center and operate the computers? This was not a big problem in Mettupalayam, which has a large number of young people who hold diplomas in computer applications—graduates who are impatient to realize their potential and prove their worth. All that was needed was for DesiCrew to find urban clients, negotiate deals, and source work for the center. Work includes data entry, data conversion, audio recording and editing, and Web site design.

Kumar and his team are examples of the utility of information and communications technology (ICT) for a new breed of rural knowledge workers, who are using convenient, standard



tools to transform the small-business landscape. Appropriate and affordable technologies to help increase workers' productivity are a constant need, and this is where a company like Microsoft can provide enormous support. The involvement of Microsoft, however, goes far beyond software products. To implement its vision of utilizing technology to help rural communities realize their potential while accelerating socioeconomic development, Microsoft has formed partnerships worldwide, at various levels. One of these partnerships is with TeNeT, which Microsoft has linked with to develop services for rural India. Microsoft actively participates in concept development, both for services and for ways to help kiosk owners such as Kumar improve their chances of success.

Outsourcing Microsoft's own data-entry requirements for projects to DesiCrew's rural BPOs is one such attempt to empower underserved communities. The "pay as you go" computing model is another. This model allows access to a PC to be "recharged" for a specific number of hours—like a prepaid cell phone. This enables companies like DesiCrew or n-Logue Communications to offer kiosk owners the option of buying a computer from them and paying back the cost over a flexible time period through monthly recharges, with the recharge amounts varying based on PC usage. This model provides entrepreneurs a flexible payment mechanism instead of tying them to fixed monthly installments that might not align with their business revenue flow.

Kumar's BPO at Mettupalayam epitomizes the slow but steady trickle of employment generated by rural BPOs. Currently five people work at the center; three of them are young women. Kumar is confident that he will be able to employ at least 10 people, if more work is



provided. Even today, two of his employees work an evening shift, from 7 pm–1 am. Prior to converting his kiosk into a BPO center, Kumar earned Rs 3,000 (US\$70) a month from customers coming in to browse the internet, play games, or use the online high school science and math tutorials (a service provided by IIT-M). Today, Kumar earns an additional Rs 6,000 (US\$141)–7,000 (US\$164) from his BPO work. \* Kumar's employees all belong to families of traditional weavers. The employees spent money they could ill afford to study and gain a technical diploma or degree that they hoped would help them get a lucrative

job in a city. Working at the BPO not only gives them incomes, but also gives them the excitement of learning new technologies and the luxury of earning this income without leaving their hometown. This opportunity is a dream come true for all of them, particularly for Sivakalai, who was afflicted with polio at an early age. "I could not have gotten onto a bus and travelled to the city for work," she says. Sivakalai's contribution to her household income is equivalent to the income earned together by her father and brother, who are weavers.

Kumar exudes the kind of confidence that Dr. Jhunjhunwala aspires to instill in rural youth everywhere. "I started with one computer in 2003," Kumar says. "Today I have five computers, and if work could be generated I can employ 10 more people from my village. It is not only I who have benefited. My village too has improved."

Only time will tell if the concept of rural BPOs scale across India, with villages in every state hosting such centers. For now, DesiCrew is ushering in an era of business opportunity and growth for motivated entrepreneurs like Kumar in rural Tamil Nadu. They are helping them realize their own dreams while at the same time fuelling the local economy and providing community members with the dignity and pleasure of economic independence and enhanced vocational skills.

\* Income figures are purely indicative based on a pilot and not for a running operational center.

***Microsoft***<sup>®</sup>