

CLOSE ENCOUNTER WITH L.KRISHNAN , MD TAEGUTECH INDIA



PROFILE

- President of Indian machine tool manufacturers association
- Vice President of Indian Machine Tools Manufacturers Association
- Managing Director at Taegu Tec India Pvt Ltd

Q1. How do you ensure cost effectiveness and what drives productivity in your organization?

Productivity in our organization and productivity for customers are two different things. Our products help our customers to reach a higher level of productivity. It does so by offering, innovative shapes, innovative geometry, innovative material technology, and new solution methodologies. It is a combination of many unique processes. We first of all try to understand the nature of problems customers are facing, so our strategy or agenda here is to solve customers' problems. As long as you reach these objectives and genuinely solve customers' problems, selling the product is not a problem.

Q2. How do you ensure the protection of intellectual property rights? What features do you have in your product so that it is difficult for the competitors to imitate?

Intellectual property need not just be related to

product feature, it can be anything. It can be processes also, as a group we have over 1000 intellectual properties. We spend about 80% of our sales turnover on R&D. So you keep generating intellectual property rights. If somebody copies them, depending upon the legal network we then fight a legal battle.

Q3. How do you forecast demand?

It's a very complex model of forecasting. For example, we have different segments of customers. You need to look at what's going to be the automotive manufacturing activities of the country. Within automotive we have trucks, cars, two wheelers, and three wheelers and each one of them has a different impact on your business. So, you need to look at these segments, how they are growing or are likely to grow and then extrapolate that on the expected demand for your products and services. That's how we will forecast.

Q4. How do you ensure your core competencies do not get obsolete in these days of frequent technology change?

One way is to look at the R&D expenditure. Everything is driven by one factor, that's the level of customer engagement; you develop the ability to predict what the customer's problem is and then you merge your strategies and R&D in line with the market expectations. So everything stems from the fact that how well you are customer engaged, if you are not a customer engaged organization, then, you end up developing products that are not solving customer's problem. We need to constantly look for new technologies and new products. If you don't

upgrade your manufacturing technologies there is no way you will be future provider. You have to deploy certain percentage of your profits into constantly upgrading your processes and factories.

Q5. What incentives are given to the women employees of your company?

No incentives are given for women employees but we provide a very work class environment, fair environment, inclusive environment, so that they feel nice and secure, and they get to feel they are valued in the company. While diversity is extremely

important you cannot incentivize diversity. 18% of our employees are women which is not a small number in a manufacturing company.

Q6. Sir, Keeping in pace with customers demand your marketing team has been remaining proactive by coming up with new products, do you not face problem in upgrading your production system?

We are constantly upgrading our manufacturing processes, there is no shortcut to this, and your technology has got to be opened to up gradation as demand changes.