

IITs & Entrepreneurs

Probably everyone knows of one or more IIT alumni who have become successful entrepreneurs. Who hasn't heard of Vinod Khosla, the Infosys founding team, Desh Deshpande, Suhas Patil, and others like them? Well, that may lead us to conclude that the IITs are a great grooming ground for future entrepreneurs, much like Stanford. This could not be further from the truth.

I would argue that for all the terrific benefits that come with an IIT brand, there are a surprisingly small number of entrepreneurs. Think of the benefits of an IIT degree:

- **Attracting talent:** You can attract the best talent to join you - many of these may be people that you already knew from your hostel or class at IIT. Also, employees gain comfort from knowing that they will be working for a team of IIT guys - this continues to be a great recruiting tool.
- **Attracting money:** You will always get at least one meeting with any VC in the country. One reason could be that most VCs are themselves IIT guys, but everyone assumes that you will have something interesting to say because you are an IIT guy.
- **Attracting customers:** Every large company in India and many in the U.S. have IIT grads in their senior management. So, as you try and build a business, you know you will get a friendly hearing from your prospective customers.

So with access to the best talent, funds, and customers, you would think

that becoming an entrepreneur is the easiest choice for IIT grads. Imagine trying to be an entrepreneur without access to all these benefits, it will be like trying to swim across the Amazon without a swimsuit.

If we took the top 100 colleges in India and analyzed the percentage of grads from each of those colleges that a) became entrepreneurs and b) became successful entrepreneurs, we may find that a) may be similar for all of them - that is, IITs produce no more entrepreneurs than any other decent college; but perhaps b) would be higher for IITs than for the rest of the colleges.

So why don't more IIT grads build companies? I would speculate that contrary to popular belief, the IIT education system might in fact adversely impact its ability to generate entrepreneurs. Starting with the JEE, where unfortunately getting admission has become a testimony to your rote-learning ability rather than intelligence, the IITs are taking in students that may lack the creativity to think outside the box.

Next comes four years of crammed curriculum where scant attention is paid to soft skills. Students are defined by their GPA. There are no courses (at least when I attended in 1983-87) that help develop soft skills, or adequate general education courses. The few

English literature or sociology courses are treated as a joke by most students - an easy way to get some credits without having to attend classes.

Then comes the race to get admission into the IIMs or an entry-level job in a tier-1 IT or consulting company. Based on the typical IIT profile, most find the sanctuary of a big company more appealing than applying their mind to work in a startup.

So, actually if you now look at where IITs have been the most successful, I would argue that they have produced some of the best senior executives in the world. Everyone knows the names of Kanwal Rekhi, Padmasree Warrior, Arun Netravalli, Rajat Gupta, Victor Menezes, and many others. In the olden days, many of the students went on to do PhD and so you will find many of the professors in top universities in the U.S. to be IIT grads. Academics have also been a great success story for IIT grads.

There is no doubt that IITs are a great institution that has done India proud. But let us not wrongly assign the credit of creating entrepreneurs to the IIT system. I think the IITs have to seriously look at why they do not generate many more entrepreneurs who go on to build great companies like Infosys and Sun Microsystems.



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