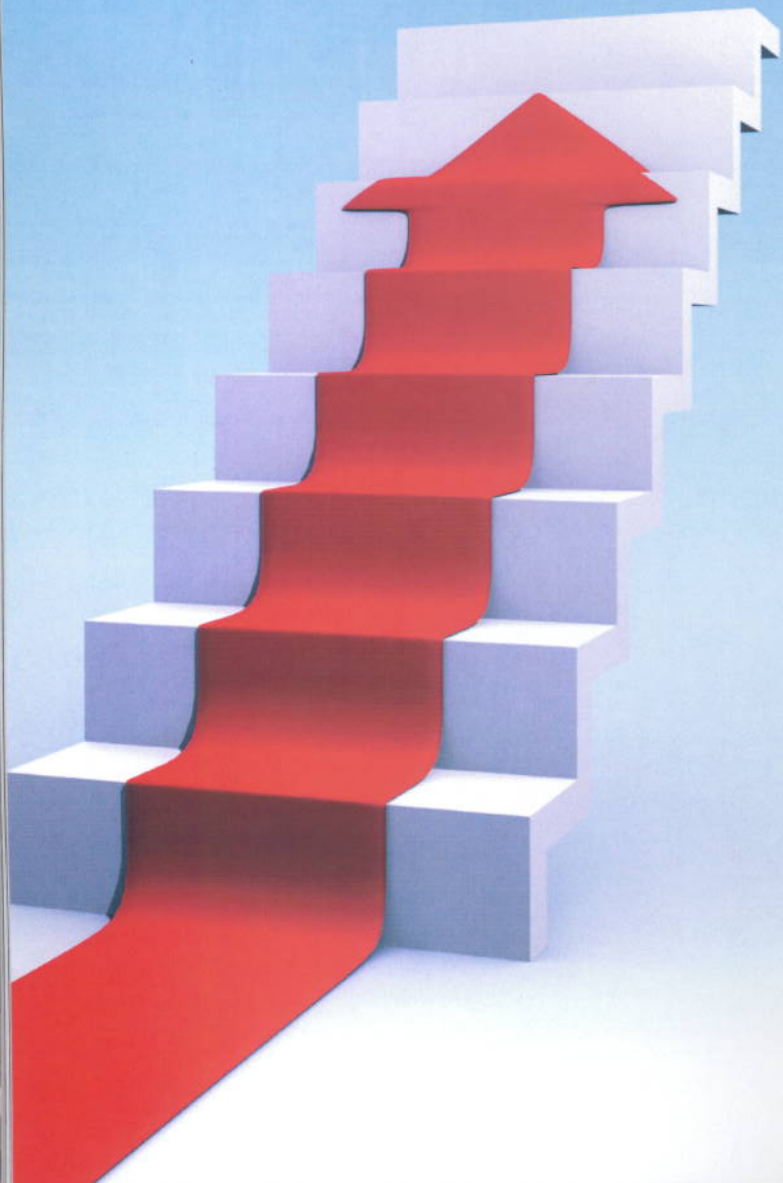


# stairway to \$20 million

Rituparna Chatterjee traces the phenomenal growth of AKRAYA, a Silicon Valley-based staffing company.



Walk into Akraya headquarters, and you are likely to be hit by a wave of energy. It is no tornado, just employees doing their job. The primary work is to dig up the perfect candidate (consultant) to match a particular client company's recruitment needs. The place is so abuzz with activity that it is hard not to be mesmerized. No wonder, I'm having trouble focusing on my meeting with Amar Panchal, CEO, Akraya. Somewhere in the middle of this struggle and my interview, an exultant employee barges in to enlighten Panchal about a brand new deal. The excited CEO beams and exchanges a hi-five with the employee. I have yet to see another CEO do that, let alone be so unbelievably open and available to each of his employees.

Perhaps this attribute is a key contributor to Akraya's extraordinary growth. In just six years, this staffing company has grown from a meagre gross revenue of \$57,000 in 2001 to an impressive \$20 million in 2007. Equally impressive, Akraya has grown from a one-man show, to a company of 200 employees, spread out in the U.S. Silicon Valley as well as Indian software hub cities, Pune and Bangalore.

## The first baby step

However, things were not so ideal when Panchal founded Akraya in 2001. The dot com bust had hit rock bottom. Several start-ups that had initiated the Internet revolution were going bankrupt or closing shop. Companies were downsizing and the last thing they needed was human talent. In short, it was the worst timing possible to set up any company in the Silicon Valley, and even more so, a staffing company. Sensible friends and acquaintances discouraged Panchal. Only one friend shared his vision and encouraged him – his wife Sonu Ratra.

And so Akraya was formed, with Panchal being its first consultant. At the time, he was managing Internet-based campaign management software solutions for Cisco's Japanese wing. Despite it being a one-man show, Ratra insisted that Panchal rent out an office, instead of working from home. "When you have to start something on your own, you have to be completely focused. Hence, working in a professional environment, in an office, works better than working from home," says Ratra, Co-founder and President of Akraya. From the turn of events, it appeared Ratra was bang on target. The Cisco project only grew bigger and in a mere four to five months, Panchal had to hire five consultants to work on the project. He also had to swap roles from consultant to boss, to focus more clearly on the larger goal of managing the company. In 2002, Akraya's gross revenue leaped up to \$700,000. It grew even further, to a whopping \$3 million the following year. Ever since, Akraya's gross revenues have continued to soar by a few million dollars annually.

## Stepping up on strategy

How did Panchal do it? "Perseverance, luck and help from a few friends," he quips. But scratch an inch deeper and out pours a simple smart strategy. Right from the beginning, Akraya has focused on being the top services provider (vendor) for large customers. It is a wise lesson learnt from the dot com bust when several start-ups had absconded from payments because they didn't have money to even pay their own janitors.

The situation has perked up radically. Today, the Silicon Valley skyline is once again dotted with successful start-ups, but Akraya's strategy is still in place. At present, it has about 30 customers, several of which are Fortune 100 companies. Paypal, eBay, Cisco, Genentech, Ross, Google and Yahoo are a few of them.

There is another mega advantage of having huge companies as clients. Large companies operate on a large scale. Thus, they are likely to need some of the other IT-related service more frequently, than smaller companies. Not only does that imply more business, but also less labour spent on building fresh corporate relationships.

## The employee stepladder

Another success strategy is Akraya's unique treatment of employees. "We hire really good people," says Panchal. Give me one CEO who wouldn't say that about his or her employees, but there is an evident X-factor in Akraya's employees. The reason for that could be Akraya's thoughtful attitude towards its employees. A few examples illustrate this well. Srishti, Account Manager, commutes from the nearby city of Fremont. She is allowed to skip rush hour traffic by working and attending telephonic meetings from home during rush hour traffic.

She has to stay in office, only from 10am-3pm. Next employee on the radar: Saranya, Recruiter. Saranya had to move to Chicago for personal reasons, but continues to work for Akraya out of her Chicago home.

Moreover, employees get unique and sensible benefits like house cleaning services. And of course, every now and then Panchal plays Santa, be it with bowling and mini golf trips or shopping sprees. Since Christmas 2006, Panchal gives each employee a shopping allowance of \$100 to be spent in one hour, flat. They can't spend a cent beyond. Even the regular Christmas, Halloween and other festive corporate celebrations are planned in detail by the employees themselves.

Akraya claims that not a single employee has left it for the competition. "Even if they have left, it was to pursue another career or another industry," says Panchal. With all those lovely bonuses, why would they?

## The next step

Akraya plans to run on the same trail in the future – albeit, on a larger scale. So it would continue to chase large companies to whom IT services are crucial. No wonder healthcare giant Kaiser Permanente, and financial force Wells Fargo, feature on Panchal's current wishlist. Then, Panchal intends to shoot up Akraya's gross revenue to \$100 million in the next five years. That still seems to be quite a climb away. Akraya's game-plan for 2008 is to spiral up its gross revenue to \$30 million. Judging by the speed of things, a stairway won't be necessary to trace this new spurt of growth. What would come in handier would perhaps be an elevator. ☞



Photo: Rituparna Chatterjee