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The African Safari: Managing a Team in Crisis (A)

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Introduction

A Christmas carol played somewhere in the distance while the implementation team from MDS Software argued about whether to stay on in Bungoma, Kenya to complete the project or head to their base offices with the morning flight. The tension was soaring as the team members argued and were divided into two groups, one group comprised of experienced team members aged in their late 30s and 40s who wanted to return to their homes and the other comprised of young and passionate 20-somethings who wanted to stay and complete the project. The project manager, 25-year-old Nimesh Dayal, was sitting in the middle listening to both sides of the argument when a sudden phone call from the managing director silenced the room. Nimesh left the room to speak to the director in private.

The management team back in India had asked Nimesh to make a final decision and communicate the course of action to them. After being confined in the hotel for the last two days due to enhanced security restrictions, Nimesh decided to take a drive with a security guard to clear his mind and find a solution. He had three days to make the decision and there were still unresolved issues in the team.

The Background

The Agriculture Industry

Agriculture was the biggest source of revenue for most African countries and economic conditions depended on the quantity of produce exported every year. Sugar production in Kenya was a major industry which not only employed hundreds of farmers in the growing of sugar cane but also many workers in remote locations in sugar mills. Looking at the employment rate at these mills, the government had decided to keep three of the biggest sugar mills in Kenya under its own ownership to ensure that employment opportunities were generated and that the economic situation of these remote locations improved.

This case was prepared by Professor Anneloes Raes and Mayank Dayal, MBA 2021. March 2022.
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Agriculture was key to Kenya's economy, contributing 26% of Gross Domestic Product (GDP) and another 27% of GDP indirectly through linkages with other sectors. The sector employed more than 40% of the total population and more than 70% of those living in rural areas. The sector accounted for 65% of export earnings, and provided the livelihood (employment, income, and food security needs) for more than 80% of the Kenyan population. It also contributed to improving nutrition through the production of safe, diverse, and nutrient dense foods.

The economic viability of the industry attracted private industrialists and the Seth group entered the sugar industry with two small mills named Kabas and Suki. The privatization of the industry led to the realization that a great deal of work was being done manually and that automation would lead to increased profits.

Agriculture automation had been extensively practiced in Latin America and India in the early 2000s. It had yielded great results by increasing the output and reducing cost of labour. The advent of the Seth group in the sugar industry in Kenya opened doors for the Indian agriculture automation software providers to enter the lucrative African market.

MDS Software

MDS Software was founded in 1984 by Amar Singh in New Delhi, India. An engineer from a top school in India with a family background in agriculture, he started a software company focused on automating the agriculture industry. The company began with a focus on sugar cane farming and the sugar mill industry, which was abundant in the north of India. The company went from strength to strength and in its first 20 years on the domestic market it grew from a 10-member to a 200-member company with more than 100 clients in the sugar industry. Their biggest success was a farmer portal launched in December 2000, which had more than 10 million farmers registered in 2015.

In the early 2000s, when the sugar companies in Kenya started looking for companies to automate the factories, MDS Software was the first to respond. With extensive expertise in the sugar industry, it was an obvious choice for the Seth Group. MDS Software entered the African market with a $330,000 project and within the next 10 years expanded its business extensively to cover most of the Kenyan sugar market, generating total revenues of $20M.

The company set up a sales office in Nairobi and the development and implementation teams used to travel back and forth from India with the development center based in New Delhi. The company expanded business rapidly in Africa but lacked people who were good at developing software and at managing clients, who sometimes became very unreasonable.

Until 2013, MDS focused on hiring developers from small colleges in northern India at a minimum pay package and hiring highly paid sales professionals from top business schools in India. The reason behind this was that developers were expected to mainly provide support or implement an already developed and tested solution with little-to-no customization, whereas the sales team was needed to sell the products and generate revenue. In 2013, to cater to the ever-increasing demand for developers who could also work alongside clients, they decided to hire from the top engineering schools in the country. This led to the hiring of Nimesh Dayal in December 2013.

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Nimesh Dayal

Nimesh, a graduate from one of the top engineering schools in the country, joined MDS Software as a software developer in January 2014, right out of school. He was immediately put on the African projects. Over the next two years, he worked in several East African projects, both in backend and client facing roles. He reported to the then Africa project head Utkarsh Pandey and they developed a strong bond. Seeing Nimesh grow over the years, Utkarsh suggested that he should be allowed to lead the deliveries of projects in Africa.

In April 2016, the government of Kenya decided to automate the biggest publicly-owned sugar factory and invited foreign tenders for the multimillion-dollar project. It was the biggest tender for MDS Software and Utkarsh was supposed to handle the bidding and the presentation. Nimesh was also asked to travel for the tender to provide support during the demonstration. The duo arrived in Kenya for a three-day long demonstration of their abilities, but as fate would have it Utkarsh was stopped at the airport due to a high temperature and put in quarantine due to the risk of EBOLA outbreak in East Africa. He was supposed to stay under observation for two days, which meant that Nimesh would have to do the presentation all by himself. Management back in India were sceptical, but there was not much to be done about the situation. The project demonstration went ahead as planned and to everyone's surprise the project was awarded to MDS Software. As a reward, Nimesh was made the youngest project manager at MDS Software at the age of 23 and became responsible for the entire delivery of the project.

The Project

The project to automate the biggest sugar factory in East Africa began in June 2016, and the team flew to Kenya to implement it (see Exhibit). The developers flew in from India, the SAP consultants from Germany and the business analysts from Peru. Nimesh joined the team in a beautiful countryside hotel in the town of Bungoma. It was a team of people aged 22 to 57 and with a range of different nationalities, so Nimesh ensured that a sense of mutual respect and admiration was always displayed and the different team members got along well as could be for a six month long project.

The project kick-off was successful, and the entire team was divided into sets comprising of two developers, one SAP consultant and one Business analyst who were responsible for different parts of the business. Nimesh was responsible for the overall project health and had to present the report to the client management team and his own management on a weekly basis. To ensure that the project was on track and all the members were comfortable, he decided to have daily dinners together in the hotel and discuss the day's work over dinner.

The first few months of the project went smoothly, but when it reached the implementation phase the team realized that the data had not been cleaned in years and they would have to clean it themselves. The data cleaning was a time-consuming process, and they were fast approaching the Christmas deadline. The financial year in Kenya began on January 1 and all the software which affected financial accounting could only be started on that date.

Nimesh decided to set up a war room in the hotel's conference room, which he booked for a month. He got the server from the Nairobi office and set up a place for the developers to work in the hotel on data cleaning while he went to the client's office to train the employees there. The work distribution helped to speed up the process and with the help of some highly configured laptops the war room became a replica of an actual server room. The ease of access of the server room made it easier for the developers to work extra hours and the whole team