G-Lab Intergroupo, Columbia

Growing a business by cultivating relationships

Interviewer: Today we welcome to the studio Ramy Hakim. Ramy is a member of the Intergroupo G-Lab team.

Ramy: Thank you very much, it’s very nice to be here.

Interviewer: Thank you. Maybe we could start off, if you could share with the audience a little bit about what Intergroupo is. And maybe what the project was that was laid out for the team?

Ramy: Great, Intergroupo is an information technology firm based in Medellín, Colombia. They started out in the mid-90s by selling Microsoft Software and they’ve quickly expanded into actually software development themselves, and supporting of different large company systems. So they have several large clients, including Ben Colombia, which is the largest firm in Colombia. And they work with a number of other clients, mainly in Colombia but they’ve recently expanded into other parts of Latin America and with their quick expansion they’ve entered into markets like Ecuador, Mexico, the U.S., they’re trying now possibly looking at Brazil, and other markets. But they have the vision really of becoming not just a well-known Colombian firm, but a well-known Latin American firm, and then a well-known global player. So they have actually have been expanding at quite a rapid rate. Something like 300 plus employees last year alone. So they’ve realized they’re a bit of a unique project themselves in terms of G-Lab, but what they have done, and they’ve realized, and this is something we appreciate, that there’s an issue within the firm right now. The issue being how do they control their human resources, how do they control their employees with regards to recruiting, employee development, and retention. So we appreciated how much they really looked at themselves and they were honest with themselves and said this is an area we definitely need to improve in, we know we’re an IT firm, but at the core are our employees. And so they brought in the G-Lab team asking, how can we improve our human resources and should we go another direction with regards to strategy and structure.

Interviewer: Now do you or anyone else on the team have a background in human resource management?

Ramy: The interesting thing is nobody really did have a background in human resources management; they’re actually hard to come by. And I think, part of it is that as business school students, I think we get a false impression that human resources is just something that comes along with once you’ve developed your product, or your service, and you’ve done sales, you know human resources will fall into line.
You know, myself before school I actually had gone to India and started a financial services outsourcing company. And so I think I realized how tough it was to recruit the right people. But then once you think you’ve recruited the right people, the retention issues really come up. And so how do you combat those retention issues? And you do that by looking at your recruiting processes and by looking at your employee development. And so we all came into it and quickly felt the challenge, but one thing we had to do, we knew we had to reach out to people, to primary resources that were involved in human resources management, but those are few and far between.

**Interviewer:** So Colombia sometimes has a bit of a scary reputation to the outside world as far as maybe being a little bit unsafe to travel to or things like that. Could you tell us how you found the area and the place where you were?

**Ramy:** Sure, absolutely. So Colombia was one place I really wanted to go to. So that definitely helped with regard to the project. You know, it’s funny because I’ve traveled quite a bit throughout Latin America, you know being from the Middle East myself, Latin America is somewhere that fascinates me with similar culture, similar food, except they dance better there. But the interesting thing is, everywhere I go I feel like, my mother’s like oh be careful, you know there’s always the stigma. Oh be careful, you know I’ve heard this about the country, mother’s do that, but bless their heart unfortunately they’re always wrong. When I went to Colombia, I had spent a good amount of time in countries like Costa Rica, I’d spent a good amount of time in Argentina, and I hadn’t read all the stigmas that there were about Colombia. You know I’d read a great book called *Killing Pablo* that was all about the rise of Pablo Escobar as a businessman in Medellín and eventually his downfall. And so I had heard all the interesting stories and about, you know, La Violencia, and the history that Colombia had been through. But obviously when you go, you know, you’re meeting the people and you’re having personal interactions, and so all those things quickly take a backseat. They quickly go to the back of your mind and you focus on the interactions that you’re having with the people. And it’s interesting because talking with the people, nobody brings that up, you know, it’s a part of their history that a lot of people try to forget. And they’ve moved on, and they’ve done a great job of moving on because when you go there you don’t feel it. You know, you, you obviously as a foreigner, you enter thinking, okay, you know, maybe things have died down, but I’m going to keep an eye on my wallet, I’m going to you know, try to be two people at one time, I’m going to try and not attract attention, but those are things that you always do anytime you travel. But Colombia itself and Medellín specifically, even though it still has one of the reputations of being one of the most dangerous cities, it’s unbelievable just because every single person you talk to is trying to be your friend. And sometimes, you know, some people shy away and get defensive about that, but people are very genuine there, and people are very nice. You know, I don’t think I went through a single experience, and I was there for almost a month, I didn’t go through a single experience where I ever felt threatened, where I ever felt unsafe. You know, I think that they realize the stigma that they have and so they’ve put forth measures to counteract that. You know, you see a lot of police around. You know, people recommend certain things like don’t take a taxi just off the street, try and call a taxi. But these are simple things that you experience anywhere you go. You know, even in Paris for example you’d expect something
like that. So we definitely, definitely felt safe the entire time. And Medellín specifically is a terrific city. You quickly again, put all the safety issues to the back of your mind because it’s a great place that’s, we feel is just about on the cusp where it’s going to boom with tourists. Very similar to how Costa Rica was you know, early 2000s, 2003, 2004, where it was turning a tide and becoming a tourist destination. You know, great food, great people, nice and very beautiful I might add, and something that it’s called is the city of eternal springs so beautiful weather all the way around.

Interviewer: Now on that same sort of cultural, you mentioned you’d worked in India, how did you find working in Colombia? Are there certain things universal, are there things that are specific to how business operates there?

Ramy: That’s a great question. I think that it is very similar to the U.S. I think with the one caveat that relationships matter even more. You know, that’s something I experienced in the Middle East, where it’s not about what you know, but it’s almost about who you know. There it’s not about privilege and you know that person is going to put you in a different position, or your project is going to go through and another person’s is not, but the relationships really matter. So when you’re working with somebody, you want that friendly relationship, you want that camaraderie. So that was something that we definitely experienced. You know, we would go into the office and I think we’d spend about have our day, you know, speaking with people, and with other people coming into our conference room and just sitting around us and working with us. They love camaraderie there, and you feel those relationships. And actually I think that, that actually helped us to turn out a better project, is the relationships that we forged, we were able to test some of our hypotheses with the people that, you know, we spoke with every single day. And really, I think the friendships that you develop in the business place really propel the work that you’re doing,

Interviewer: That seems to fit in with what you said about them caring about human resources and retention.

Ramy: Absolutely, absolutely, no you’re exactly right. I think it does fit into that. The only problem was that none of them had experience in that. So it was something where I feel like they have the skill sets to do human resources well, they just don’t have the processes and they don’t have the know-how to put the proper structure in place and hopefully they do now.

Interviewer: Do you think they’ll be successful going forward?

Ramy: I do think that they will be successful because I think that, you know, they have their products and services down pat, they have great sales, they have a great brand. The one thing that they were experiencing was, you know, hiring sometimes people that they found later on were maybe under qualified or losing a bunch of people to a multi-national that maybe just entered into a country, mainly Colombia, but other countries. But I feel like now, after we gave our recommendations, the great part was that the next day they were implementing them. You know, the very next day the CEO was in the boardroom implementing it with his top vice presidents. And so that was
something that you know, not to say, it didn’t validate our work, but I think we took a special appreciation with how much they valued our work. And so yeah I think they will be successful going forward. They’re growing at an alarming rate. It was just a matter of how they control that growth. But, you know, they do have the vision and the know-how to get to where they want to go.

**Interviewer:** Well thank you so much for coming in and best of luck in your post-Sloan career.

**Ramy:** Thank you.