National HRD Network

The National HRD Network, established in 1985, is an association of professionals committed to promoting the HRD movement in India and enhancing the capability of human resource professionals, enabling them to make an impactful contribution in enhancing competitiveness and creating value for society. Towards this end, the National HRD Network is committed to the development of human resources through education, training, research and experience sharing. The network is managed by HR professionals in an honorary capacity, stemming from their interest in contributing to the HR profession.

The underlying philosophy of the NHRDN is that every human being has the potential for remarkable achievement. HRD is a process by which employees in organizations are enabled to:

• acquire capabilities to perform various tasks associated with their present and future roles;
• develop their inner potential for self and organizational growth;
• develop an organizational culture where networking relationships, teamwork and collaboration among different units is strong, contributing to organizational growth and individual well-being.
The National HRD Network publishes a semi-academic quarterly journal where in each issue is dedicated to a theme.

The journal publishes primarily three categories of articles:

- Conceptual and research based
- Contributions from thought leaders including a limited number of reprints with due permission
- Organizational experiences in HR interventions/mechanisms.

About this issue:
The current issue is on the theme of ‘HR in Indian Organizations’.

Editorial Board Members:

Dr. Pallab Bandyopadhyay, Managing Editor, is a Leadership Architect, Career Coach, Change and Transition Specialist with thirty years of successful professional experience in managing entire gamut of Human Resources Management with proven expertise in managing multicultural globally distributed knowledge professionals. He has rich experience in Companies like Citrix, Dell Perot, Cambridge Solutions, Sakken and ALIT. He is a doctoral fellow in HRD from XLRI, a product of IIT Kharagpur and IIM, Calcutta with close to thirty years experience in H.R. field. He founded and runs an executive search firm Exclusive Search Recruitment Consultants. He is associated with a number of academic institutions. He is trained in TQM in Japan and in human processes from ISABS and NTL, U.S.A. He is the Past National Secretary of National HRD Network.

Dr. Arvind N. Agrawal, Ph.D. serves as the President and Chief Executive of Corporate Development & Human Resources and Member of Management Board of RPG Enterprises. Dr. Agrawal has worked at RPG Enterprises since 1999 and his current responsibilities in RPG comprise of HR and TQM. He is a product of I.I.T., Kharagpur and IIM, Calcutta with close to thirty years experience in H.R. field. He founded and runs an executive search firm Exclusive Search Recruitment Consultants. He is associated with a number of academic institutions. He is trained in TQM in Japan and in human processes from ISABS and NTL, U.S.A. He is the Past National Secretary of National HRD Network.

Dr. P.V.R. Murthy is a product of I.I.T., Kharagpur and IIM, Calcutta with close to thirty years experience in H.R. field. He founded and runs an executive search firm Exclusive Search Recruitment Consultants. He is associated with a number of academic institutions. He is trained in TQM in Japan and in human processes from ISABS and NTL, U.S.A. He is the Past National Secretary of National HRD Network.

Dr. Arvind N Agrawal - Dr. Arvind N Agrawal, Ph.D. serves as the President and Chief Executive of Corporate Development & Human Resources and Member of Management Board of RPG Enterprises. Dr. Agrawal has worked at RPG Enterprises since 1999 and his current responsibilities in RPG comprise of HR and TQM. Agrawal held senior positions in Escorts and Modi Xerox. He was the past National President of the National HRD Network. Dr. Agrawal is an IIM Ahmedabad alumnus and also an IIT Kharagpur alumnus, and also holds a PhD from IIT Mumbai.

NHRD firmly believes in and respects IPR and we appeal to the contributors and readers to strictly honour the same.

For any further clarifications, please contact:

The Managing Editor
Dr. Pallab Bandyopadhyay, Leadership Architect and Career Coach, HR PLUS
Sri Nrusimhadri, Flat No 303, Third Floor, No 12, 7th Block, Jayanagar, Bangalore-560070
bandyopadhyaypallab@yahoo.co.in
Dear Readers,

First of all let me wish you all a Happy New Year. Wish you all the best for 2015.

This is the first issue for me as a Managing Editor and I look forward to your support and encouragement to expand the reach of this journal and also to build on the great work which has been done by my predecessor Dr PVR Murthy for last nine years.

This issue has been dedicated to the theme “HR in Indian Organizations”. Our heartfelt thanks to all the writers who have taken time off from their busy schedules to contribute to the theme, which I am sure, is close to their heart.

On behalf of our editorial team I would like to acknowledge the sincere effort and dedication that has been put forward by Dr Sandeep K. Krishnan, Associate Director at People Business, who has lead this issue from the front, right from conceptualizing the theme of this issue, choosing the contributors and relentlessly following up with them to get their contributions in time. We also acknowledge the editorial support rendered by Ms. Bina Raju to bring out this issue.

We have started a new section on “Readers Corner” to capture the feedback that we receive from our esteemed readers. Do continue sending your feedback and valuable suggestions to improve the quality of our future endeavours.

We are happy to inform you that we will have Prabhakar Linga Reddy and Prof Dr Hrishikesh Krishnan as Guest editors for our next issues. I am sure you are going to appreciate the themes that they will be selecting as their focus for the future issues.

Look forward to continuously interact with you all at bandyopadhyaypallab@yahoo.co.in.

Happy Reading!

Dr Pallab Bandyopadhyay
Managing Editor
(On behalf of the Editorial Team)
Dear PVR,

You made a remarkable contribution through the journal. It is a lasting contribution that far exceeds that of any one else to NHRDN and the profession. The journal and the books will remain for decades as a reminder and inspiration of what has been done and what needs be done.

KUDOS to you and all those who helped you in this journey.

Best wishes to Pallab

God Bless you all.

– Dr. TV Rao
Chairman, TVRLS

My dear Doctor Sahib,

I am absolutely delighted to see the quarterly NHRDN Journal for the period July-September, 2014 edition under your Guest Editorship. The edition has come out really well, and we are getting rave reviews from our readers. My heartiest congratulations to you, your editorial team and the contributors. I am sure that a huge amount of brain and brawn must have gone into the process to produce this priceless gem. You have raised the bar for the NHRDN Journal and subsequent Guest Editors will have to work hard to maintain the high standards set by you.

Warmest regards & grateful thanks,

– Rajeev Dubey,
National President - National HRD Network (NHRDN) & President (Group HR, Corporate Services & AfterMarket) & Member of the Group Executive Board Mahindra & Mahindra

Dear PVR Gaaru,

All of us at NHRD are indebted to you for your phenomenal dedication and sense of purpose for having made such a seminal contribution. Your stewardship and the patient ways in which you have established the Journal is in itself a befitting tribute to you. A mere ‘Thank you’ is not enough for your selfless contributions.

I would like to extend a warm welcome to Pallab into this special role of safeguarding and taking the Journal to newer and greater heights.

Warm regards,

– Dr. NS Rajan
Group CHRO, TATA

My Dear PVR,

I have known you for more than 35 years as an esteemed colleague and therefore I am not at all surprised with the sentiments expressed by our friends and I can only add that you have made seminal contribution not only to NHRD
Dear Dr. Pallab,

Welcome aboard. I am extremely happy and delighted for your kind acceptance to take the Journal of NHRDN forward. With your excellent & rich expertise, I am sure, under your stewardship, we will witness the Journal scaling greater heights and going from strength to strength that will be most eagerly and avidly awaited for by the NHRDN membership.

Warm Regards,

– Siddiqui,
Chief Mentor,
Maruti Suzuki India Ltd.

Dear PVR,

I echo sentiments expressed by TV and others. I had privilege of working with you as part of your editorial team. In that capacity, I have personally experienced your passion, relentless drive and uncompromising standard with which you have worked over the years to create this exemplary contribution to NHRDN. We are truly grateful.

I also take this opportunity to welcome Pallab to take on the baton. Pallab, as a fellow team member in the Editorial team as well as in various NHRDN forums, I have experienced and witnessed your deep commitment to indigenous research and publication. We are fortunate in NHRDN that you have agreed to take on this responsibility and are positive that under your leadership, you will steer it forward in the right course and take it to even great heights.

– Dr. Santrupt Misra
CEO, Carbon Black Business and Director, Group Human Resources of the Aditya Birla Group
Wishing both PVR and Pallab, my best wishes.

Warm regards,

– Dr. Arvind N Agrawal,
  Management Board Member,
  President - Corporate Development &
  Human Resources,
  RPG Enterprises

Dear Editor,

I have read the article “Organisational Fairness and HR” with great interest. My observations: – paraphrasing the good old saying, ‘One cannot be made to feel unfair unless one accepts to be feeling unfair’.

In my humble opinion, all organisations, mirror what its constituting people are. Since no human being is 100% professional, no organisation can claim to be fully professional.

Thanks and best regards,

– Varun Arya,
  Alumnus of IIT Delhi (1976-81 Batch) &
  IIM Ahmedabad (1981-83 Batch)

Dear Editor,

You will have to take a look at the list of contributors to know the kind of journal you are going to be reading”. It is extremely stimulating and fabulous the way the NHRD Journal is guiding the reader through the minefield of Human Resource management.

Each article will kick start the brain to deal with the events of the corporate world and the menu provides some of the best thought templates that is enlightening and useful.

– Nilanka Chatterjee,
  Senior GM - Learning & Development at United Spirits Limited

NHRD Journal is the one go-to source for information on the latest in HR, with a lot of insightful articles. For me it provides a balanced, data-driven view of the real issues, challenges and progress in HR.

– Tara Cherian,
  Assistant Manager HR at ACIS-A Company of Allianz,
  Technopark, Trivandrum, Kerala
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EDITORIAL COMMENTS

It is interesting that we as Indians have started taking a lot of pride in what we do in the country. This is reflected in Indian organizations as well. When I was given an opportunity to choose a topic for this issue, I suggested, **HR in Indian Organizations**, which was welcomed very well by the editorial team. For me it came from a deep belief that Indian organizations are now in the tipping point of moving from good to great in terms of HR Practices. Many of the experienced HR Leaders from Indian Organizations, I have interacted with, were quite excited about three aspects in their role. A) Many Indian organizations are growing fast and it provided a great opportunity for them, B) Unlike some of the multi-national organizations, Indian organizations provided a great ground for them to experiment, build, and sustain best in class HR practices, C) They are seeing that the promoters or board is taking HR very seriously as a driver of business growth - all encouraging signs for HR in Indian Organizations.

This issue showcases engaging and diverse perspectives on HR in Indian organizations from both Industry and Academia. The interviews with leading thought leaders like T V Rao, Fr. E Abraham, and Richard Mosley provide food for thought in terms of weaving the present, past and future together. Prof T V has shared his wisdom and deep sense of commitment towards guiding the HR profession and professionals in India in the right direction. XLRI has been in the forefront of advancing HR profession in India and the interview with Fr Abraham is a guiding light for how academic institutions can support the progress of the profession. Richard Mosley, a researcher, thought leader, and consultant in the employer branding space, has given an independent view of how organizations in
India are advancing in this space and compares India to another leading economy, China.

The articles that are covered in this issue provide both conceptual and practical aspects of how HR is advancing in India. Articles by Dr. Pallab Bandyopadhyay, Divakar Kaza, Dr. Prasanth Nair and Prof T N Krishnan provides a deep view of how we can view HR in India and its influence in the work place. Pallab’s article is a very scholarly view of looking at HR in India and conceptual view of understanding the uniqueness of it – the very foundation of relevance of having an issue dedicated to the subject. Drawing basis from philosophies of the west and the east (emphasis on Indian literature like Bhagawad Gita), Divakar Kaza has provided a view of how “Indianess” is an essential part of the values and culture of organizations. He also provides a very clear view of creating “workship” that is underpinned by national culture and values. Dr. Prasanth Nair provides a framework of understanding and managing Indian family organizations. In the article, he brings out the interface with family in the organization and how HR can influence business outcomes in that context. In his article on Talent Management, Prof T N Krishnan, explains the need for talent management bringing in the relevance from an Indian perspective. Amit Pande from Times Group has provided us with an interesting view of how compensation works in India while Srimanto Bhattacharya from Spearhead Intersearch has studied the evolution of search industry in the country.

Articles by Mr. Rajnish Nayak, Dr. Arvind Agrawal, and Dr. Gopal P Mahapatra from RPG Enterprises, Harsh Bhosale from Essar, Geethaa Ghaneckar from Raymond, Prof Biju Varkkey from IIM Ahmedabad and Johnson of Popular Vehicles, and Rajesh of Synthite, provides wholesome view of how Indian organizations are evolving new practices and moving from good to great! Ratish
Jha and Anvesha Singh from Raychem RPG, Chunduru Srinivas and Meenu Bhatia from Piramal, Rajeshwar Tripathi, Namrata Gill, and Neha Londhe from Mahindra, Aluru Chandra from Wipro and Lakshminarayanan K V and Shaily Rampal Misra from HCL have written excellent articles on how new practices and changes are managed to take organizations to the next level. Articles by Arvind Katageri and C K Mudaliar, and Pranab Chakraborty and Tanaz Mulla from Wipro show how learning as a function is progressing with advent of technology and the need of the new age workforce. What I find interesting in these articles is also deep linkage of evolution of Indian HR with social and business context. Last but not the least, Shreyashi Chakraborty, a student of the Fellow Programme in Management from IIM Calcutta has done a wonderful job of a book review.

Articles reflect very interesting trends. One important aspect is the message of “progress”. Authors give the message that their organizations are forward looking, embracing change and growth, and imbibing practices that would help them be prepared to meet business needs and also workforce aspiration. The articles also show that what organizations give importance to – alignment of culture and values, governance, embracing technology and social media, and partnering with business. What I find interesting is that articles do not speak about our organizations blindly following any global best practices. This surely indicates that Indian HR is well-evolved and our HR professionals are competent to meet the growing demands from their organizations. Let me quote Max Mueller here, “If I were asked under what sky the human mind has most fully developed some of its choicest gifts, has most deeply pondered on the greatest problems of life, and has found solutions, I should point to India.” I am sure that in the years to come the world is going to look
with awe at the solutions that Indian organizations have brought out in the field of HR with its unique challenges and nature of workforce, the world is going to look with awe what we have achieved.

This issue also brings out some unique features. There is a reader’s column where some of our readers have given their feedback on the previous issues. We also have got a new interview section with thought leaders and veterans from the field.

This is also an opportunity for me to thank the editorial team of the NHRD Journal – Dr. Pallab Bandyopadhyay, Dr. PVR Murthy, and Dr. Arvind Agrawal for giving this opportunity and making the issue happen. I would also like to mention the timely support of Dhananjay Singh. Special thanks to the team at Nagaraj & Co., Printers and Bina Raju for the support in proof work of the articles. I thank all the authors who took time and wrote insightful articles. I also express my gratitude to Mervyn Raphael, MD of People Business for his encouragement in making this issue happen.
People Development, Employee Engagement and Talent Management have come to the centre stage. Learning and Development occupies an important part in the lives of managers and all employees. HR departments play a very critical role in making businesses successful. The role of HR has got tremendously enriched. The IT applications in HR have caught up and are progressing well. The entire movement of HRD started when L&T became the torch bearer and created the first HRD functional head as DGM HRD under the major function of Vice President Personnel and OD, in the mid-seventies. Then SBI and its associate banks began to implement the integrated HRD Systems as early as 1976-77 and slowly Crompton and Greaves joined in. The 1980s was the decade of wait and watch for some, jump into the band wagon of HRD for others. Soon the word spread and HRD became a movement to reckon with. However, some organizations changed their Personnel into HRD and others their T&D into HRD creating a lot of confusion and dilution of HRD as conceptualised by the two of us (Dr Pareek and Dr Rao). The confusion that what is real HRD- A Philosophy, an integrated system, a self renewal mechanism or a link between all of these? Dr Pareek advocated strongly to differentiate HRD and not to mix the terms interchangeably with Personnel Management/Training and Development etc.

The quest to create right awareness and knowledge dissemination gave birth to Centre for HRD at XLRI and through it the National HRD Network to correct the misconceptions and put people specially those carrying HRD roles on the right path.

The Nineties focussed on the struggle to disseminate the concepts through Diploma and Degree programs, collaborations, and saw the birth of new Institutions like the Academy of HRD, and diploma programs run by AHRD for AIMA, SCMHRD, TAPMI and Fellow
program with XLRI. By 2000 Talent had become expensive with huge salaries pouring on them and technological revolution started hitting a big way. HRD made use of this. A lot of innovations evolved and Technology started facilitating and even driving HR. HRD as an umbrella function envisaged continuous learning and evolving. The next decade demands every manager to be HR sensitive, a paradigm shift from managing performances to developing competence and to focus more on value, even a day may come dismantling HRD and outsourced completely.

(2) How do you see emerging vision for 2025 in changing economical/technological scenario particularly in Indian/global context.

Frankly I don’t know. I only have a wish list but can’t predict the way the wind will blow. I am only optimistic. My wish is that everyone should become learning focussed. Children, adolescents, adults, old people, mothers, CEOs, teachers, students, workmen, politicians and all categories people should strive to learn and enhance their capabilities. These capabilities include both knowledge and attitudes and values. People should become more honest, transparent, and trustworthy and so on. Organizations should score high on OCTAPACE values and all employees and all citizens of India should live in an atmosphere of openness (receptivity to ideas of all), trust and trustworthiness, collaboration and team work (with an integrative mind set rather than divisive orientation), authenticity (speak what they think and feel than think something and speak another), be more proactive and initiative taking, have some freedom to pursue what they want, than all the time being directed by someone outside them, confront issues, and experiment with new ideas and solutions. OCTAPACE is my HRD prayer as I mentioned in my second edition of HRD Missionary. Only OCTAPACE culture in every organization, institution and the country as a whole can take India forward.

(3) Has HRD matured?

Well, HR has grown substantially, has become vast, it has reached the Board room, has taken a role of business partner, however, the time has still not come after almost more than 35 years where organizations can claim that our HR has matured.

(4) What do you think are the critical competencies/skill sets for HR professionals in India. Are they any different from any global benchmark?

I am not sure if Indian HR professionals need any different skill sets than the rest of the world. Dave Ulrich has very rightly identified all skill sets required for HR professionals. I am enlisting them below:

1. Credible activist (professionally credible, interpersonally competent, develop positive chemistry with all stake holders, and contributes to business results through grounded data and opinions)

2. Strategic positioned (understands business context-global, social, political, economic, environmental, technological, demographic, customer, competitor and supplier trends and translates trends to business implications).
3. Capability Builder (creates, audits, and orchestrates an effective and strong organization).

4. Change Champion (develops organizations capacity for change and manage the same).

5. HR innovator and Integrator (innovates and integrates HR practices systems and processes into business imperatives and results) and

6. Technology Proponent (constantly keeps in touch with technological developments and leverages them for HR to deliver results). I would like to add to this in India the most critical one is an example setter and OCTAPACE value promoter. HR professionals have to live by example and treat all people as their stakeholders. They should be integrative and not divisive and self less and not self focussed. Uday Pareek’s extension motivation should characterise them. Most HRD professionals need to graduate from working for themselves to working for the society and honesty and truthfulness should overtake business mind set and excessive personal career orientation. Professionalism should replace personalism.

(5) NHRD-AHRD has been playing a critical role in developing the field both by the way of knowledge creation, trend setting, research and bench-marking. Has there been tangible and intangible impact? What is your vision for making this work better.

NHRD and AHRD contributions have been good but fall short of many things we wanted to do when we set up both the bodies. National HRD Network was to be a Network of all HR professionals. It was expected to facilitate learning from each other in all professions: Teachers, Doctors, Nurses, Lawyers, CAs, Engineers, Government, NGO workers, Agriculture workers, Universities etc. There were to be HRDNetworks in Universities, schools, Medical colleges, nursingschools &Institutions etc. If you see the original objectives and memorandum, it was meant to all sections of the society. Unfortunately it got itself limited to corporate sector and does not work for other sectors adequately. We had more government and CEO participation in the first Conference held at Madras in 1987 than any of the conferences held in recent years. We had more academics at that time than later. It has changed its course and has become more self perpetuating body than knowledge growing body to include and spread. It should have treated HRD as a philosophy and a way of living rather than as a set of tools and processes and systems. AHRD has unfortunately also not grown. It was to be a research centre- A global research centre. Unfortunately it still struggles with finding funds for its Doctoral program. There had been a good impact by both these bodies. Their impact is undoubtedly good but far from what was desired or dreamt. To be fair to them both have done their best given the circumstances they faced. I can’t blame any one and if I have to I am also a part of those to take the blame. May be, I should have followed Kurien model. I followed Ravi Matthai model. It has not worked. What should they do in future? Sit, think, reflect, review and rechart the path. NHRDN needs to downsize itself and AHRD to upsize but both these will not happen. There
is a great need of collaboration and co-existence, not the competition. While NHRDN is a professional platform for sharing and nurturing, AHRD is the knowledge centre. The subject, individuals, institutions all grow together.

As far as tangibles are concerned the books, CDs, volumes of newsletters, newspaper articles, trend setting practices that emerged and shared, and career growth of many thousands of members associated with NHRN, and the amount of knowledge dissemination behind it. Similarly 30 plus doctoral dissertations, 400 trained in individual and organization assessment centre and 170+ diplomas by AHRD all are tangibles. Hence there is a huge impact created

**6) The work Culture Dynamics is the most crucial role HR plays and how can we bring best in individuals and organizations?**

Change the work culture. Technology helps a lot. Help people to enjoy work. Help employees to take charge of their lives inside the organisations. Focus and work on culture and values. To expect HR or CEO to create work culture is unrealistic, they can only facilitate. Hence work culture has to be creating the jobs to be exciting, enjoyable and valuable and most importantly it has to be a job of everyone, remember one’s happiness cannot be dependent on a function. Help people realize this and convince them to craft their own happiness in jobs, make it a larger picture don’t restrict it.

**7) Which practices in HR do you think will need most attention in the current context of Indian organization?**

At present there are no practices that promote and focus on culture and values. OD used to be defined as a systematic attempt to promote culture and values. Very few organizations undertake real OD. We have to start new practices on the values and culture and promote OCTAPACE culture and values.

Performance Management continues to be a great system. Our orientation has to change. PMS has to be owned by every employee. HR needs to work out strategies and incorporate intangibles and move away from forced distribution and incentives. I recommend everyone to read our consultant report for L&T written in 1975 and pick up the threads.

**8) How can we strengthen the academia-practitioner-professional partnership in India for HR profession?**

National HRD Network should enrol all teachers and professors of Management as its members and especially all those who teach HR and OB and strategy. It should shift its focus or should equally focus on CEOs and Heads of Institutions, Vice-chancellors, teachers and others from all sections of education institutions and not merely management schools. AHRD should undertake a lot of research to cover all other sectors apart from Industry. Both should work hand in hand. Consider merging them with autonomy to each other.
(9) The image of HR in the eyes of HR has been a critical issue. How do you value it?

Image of HR in the eyes of HR has never been an issue. It has been rightly self-perpetuating profession. The issue is the image of HR in the minds of others specially line managers and CEOs- it has not always been in the right direction. I tend to blame HR for it more.

(10) There are many thought leaders who have nurtured the subject from India, including you having worked for 360 degree as a concept. However when it comes to world recognition/patronizing it, US and other experts lead. How do you see that and why we have not been able to aggressively work for IPR of the same.

India has never been an IPR country. Frankly I am not bothered about it. Innovations are part of life. We don’t innovate for commercial purposes. We innovate for the challenge and the necessity. India will always remain so and I like it to be that way. On recognition part: I think we got enough of it in India and elsewhere. Only uncomfortable part is that we have to talk about it. I have learnt one lesson long ago: Indians recognise fellow Indians only after the rest of the world recognizes them. That is why Management Gurus like Dr Prahalad, Ramcharan and Govindarajan prefer to work from USA. Even our new planning Commission Vice Chair has to come from USA. The problem is with our mind set and those who prefer to remain in India and work for the country should be satisfied with what they get. They don’t have to aspire to be top ranking Management Gurus or thinkers. The thinkers in the thinkers list are good but they are the ones who sought to be voted so or voted for. There are millions who are not in the list but think a lot and influence many.
1. **What is your view on Human Resource Management in India now? How has this discipline evolved?**

Though Human Resource Management practices existed in one form or the other, after the World War II, with the onset of industrialization, HRM as a function evolved in India only in the late 1970’s. HRM function began to play a critical role with L&T and State Bank of India taking the lead. Dr. UdaiPareek and Dr. TV Rao played their role well with the introduction of HRD expanding the scope of Human Resource Management beyond IR and Personnel Management. By the year 2000 HR became a crucial function in most of the organizations in India. According to me, though HR is recognized today as a functional Area of management; HR is yet to become a well-recognized discipline like OB. More detailed research and theorization is required for HR to become a scientific discipline. The contribution of AHRD in this context is praiseworthy. I must say that the NHRD journal too will contribute towards this endeavour.

2. **What do you think would be three biggest challenges for HR professionals in India and why?**

According to me the first challenge of HR managers is to become strong in the fundamentals of HRM. HR managers go after currency use of terminologies and design and implement things that are fashionable. This will not take them or the HR function anywhere. Research on the fundamental aspects of Human Resources must be conducted to build a body of Knowledge in HR by which human resources can be developed and competencies built to meet the emerging challenges of business. Secondly, HR professionals do not specialize and implement technical HR (Like BEI, Competency mapping, Assessment Centre etc.) and engage themselves only in HR systems and process. For technical HR they tend to depend on consultants and thereby lose all the
credibility. Thirdly, after having worked so many years what is the contribution that the current HR managers have made to the body of knowledge in HR through research or through innovation? This according to me is a sorry state of affairs. Last but not the least, I understand that highest turnover among any managerial functions is in the HR function that too at senior level. Some sense has to prevail among HR managers themselves.

3. XLRI has produced some of the best HR professionals in the country. In your opinion what are the key competencies that make them successful?

I myself have thought about this and have reflected on what makes our Alumni unique and special. I have seen that during the two years that they spend in XLRI, each of the batches become very close to one another and they give out an impression that they own the institute. The secret behind the comradeship and the service orientation is the value that the institute inculcates in them during the two years of their education in the institute. The competencies that make them successful are: Social sensitivity, professional excellence, ability to manage change and personal Integrity.

4. In the evolving HR space, how is XLRI leading the change from an academic perspective?

Last year, in the institute we had a restructuring and created an integrated functional area of ‘Corporate programs’. Besides, MDP, In-company programs, consultancy works and Executive Coaching XLRI meaningfully engages the corporate to initiate innovation cell at XLRI with the collaboration of our faculty and Doctoral scholars. Over the last five years we have focused on research and publication to create body of Knowledge to take HR to the level of a scientific discipline.

5. Is Industrial Relations as a subject getting replaced by HRM? Or is the relevance of IR increasing?

IR, Personnel Management and HRD shall remain as HR functions in times to come. In sunrise industries like IT, aviation etc. it is a matter of time we will have strong IR like in the Europe. The incidents that we had in the Maruti and in other organizations are clear indications that we need to develop the IR functional Area and develop that too into a scientific discipline.

6. What would be your advice to the practitioners of HR?

Take up the challenges as mentioned in the question No.2 and face it with courage of conviction and determination.
7. What would be your advice to the students of HR in the country?

Students must be strong in their fundamentals of HR. You have been introduced to a profession, work hard and smart to contribute back to the profession. For an HR manager, social sensitivity and high integrity are crucial.

8. What would be your vision of Human Resource Management for 2020?

Industry and businesses are losing credibility over the past one decade. By 2020, HR must become a management function that integrates all the other management functions like production, marketing, finance, systems etc. and would enable business to take place with integrity and sustainability.
1. We recently heard from you that the war for talent is back. How do you think India is going to experience this?

According to Manpower’s recent employment outlook survey (Q4-2014) employers in India have recorded the most optimistic forecast among all 42 countries and territories participating in the survey for the third consecutive quarter. Nearly half the companies taking part in the survey reported that they plan to add to their workforce in the near future. Given this vigorous upturn in hiring activity talent supply is expected to remain extremely tight in India, with two thirds of organizations reporting difficulty in filling jobs (the third highest level reported across the world in 2014). In addition to the growing demand for talent between established companies Manpower’s research also suggested that talent supply is likely to be further constrained by the growing trend among Indian professionals to walk away from high-paying jobs to pursue entrepreneurial opportunities. The three most likely side-effects of this trend in India will be increased employee turnover, wage inflation and greater investment in employer brand marketing.

2. There is always an India-China comparison in terms of growth, in the employer branding space. How distinctive are the challenges between the countries?

Like India, organizations in China have also had to deal with relatively high levels of wage inflation and employee turnover; however, with the recent cooling of the Chinese economy, the employment outlook is far less optimistic than in India with hiring activity at its lowest level for the last five years. While the challenge for HR professionals in India is to decide the best way to strengthen their employer brands in order to compete effectively for talent, the challenge for HR practitioners in China is persuading senior management teams to maintain investment in their employer brand and talent management programs during a period in which the immediate return on this investment may not be as self-evident.
3. You have done multiple assignments in the employer branding space in India. How was your experience?

Over the ten years I have been involved in employer brand development projects in India, I have been extremely impressed with the level of senior management involvement and the degree to which brand development has been founded on strong people management rather than simply seen as an image-driven exercise in creative communication. This was evident in my recent experience of working with the Manipal Group (Manipal Global Education (MaGE) and Manipal Health Enterprises Private Limited (MHEPL) where there was significant involvement and commitment from the top management in building the employee value proposition and shaping people management practices to deliver on the desired promise. Similarly, when working with Genpact, I recall their leadership team reaching the conclusion that the ultimate aim of their employer brand management activities was to make the employment experience so positive that employee advocacy and recommendation would remove the need for any further employer brand marketing!

4. What do you think would be the key challenges Indian HR managers will have to tackle to attract and retain talent?

I believe the 3 key challenges in attracting and retaining talent are:

i) Avoiding the temptation to over-inflate your employment promises in a competitive marketing environment in order to attract greater attention and convince more people to join you. This may work in the short term but in the longer term you will drive higher levels of attrition and negative word of mouth. While it may take longer you need to ensure your external promises remain in step with the employment experience.

ii) Identifying what makes you special as an employer in order to differentiate your organization from your key talent competitors. HR has a tendency to focus on ‘best practice’ which will certainly help you maintain healthy levels of engagement and retention. However, HR people also need to think more like marketers and identify the more unique aspects of your culture and working practices to give people clearer reasons to choose your organization over others.

iii) Staying vigilant in a fast changing labour market. As the talent market heats up its important to step up the frequency with which you check the pulse of your organization and the external environment. If you only run an employee engagement survey every other year you should probably consider making it an annual or even bi-annual event. Likewise you should probably consider benchmarking levels of reward on a more regular basis to ensure you remain competitive.
5. You have published the new book “Employer Brand Management: Practical Lessons from the World’s Leading Employers”, What are the top three lessons for Indian organizations from the book?

In addition to the points made above the top 3 lessons from my book are:

i) Build your employer brand from the inside out. The ultimate test of a strong employer brand is the quality of the employment experience not the quality of the advertising.

ii) Do everything you can to encourage and support employee advocacy. The voice of employees is more powerful and persuasive than any other form of marketing communication.

iii) Invest in joined-up talent metrics and analytics. For the value of employer branding and talent to be fully recognized within the business it is essential that HR adopts more rigorous and integrated measurement systems, capable of diagnosing the complete talent management cycle from external reputation, marketing investment, source of hire, selection, orientation, engagement, development and deployment through to business performance.

6. How do you compare Indian organizations from an employer branding maturity perspective with the world’s best?

From my experience, the leading Indian companies are equal in employer brand maturity to the world’s leading multinationals, and in general I believe that India is far ahead of the other BRIC markets in terms of its adoption and practice of employer brand management. However, there are still many areas that individual companies can make more effective use of employer brand marketing to improve their ability to attract and retain talent. With hiring activity on the rise, is no better time to upgrade your employer brand marketing efforts to ensure your emerge a winner in the next war for talent.
As a HR Executive, can YOU deny having faced with queries from your clients, relatives or friends such as:

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INTEGRATING REBADGED EMPLOYEES INTO MAIN STREAM: VIEW FROM INDIAN IT CONTEXT

ALURU CHANDRA

About the Author

Aluru Chandra is a consultant working in Corporate Human Resources Development (CHRD) group of Wipro Technologies. He has 20 plus years of experience in IT. In his current role, he consults with Delivery managers on issues related to strategy, execution and people development.

“Marriages are made in heaven and consummated on Earth”
– John Lyly

Similarly rebadging decisions are made in board rooms and consummated in people processes!

Over the past decade, we have seen several IT Services Organizations signing transformational contracts with large Businesses. Often these contracts involve taking over IT wing of the customer organization by an external vendor who specializes in delivering services in a cost-effective manner. Such contracts not only bring the IT assets but also the people on board. In the industry, it is referred as rebadging. The employees of the IT wing continue to deliver services to the same set of stakeholders but as part of the service provider. They (employees) are said to have been ‘rebadged’. Technically speaking, rebadging is a form of acquisition and involves same set of sensitivities as any classic merger and acquisition.

This article is a small step towards developing insights about how to manage the rebadging process smoothly for an effective integration of new employees.

Here are a few examples of such acquisitions that happened in the Indian IT industry in the last few years:

1) Cognizant Technologies acquired India Service Center (ISC) of UBS in 2009. There were 2000 employees working in ISC at the time of acquisition and they were providing IT and ITES services to the parent group. This was a part of a 5 year contract signed by Cognizant with UBS to provide those services. (Business Standard, 2009)


2) Wipro Technologies acquired the IT Arm of Citigroup in India in 2008. This involved rebadging of around 2000 employees into Wipro. (Business Standard, 2008)

3) Tata Consultancy Services acquired BPO Arm of Citigroup, with around 12000 employees in 2008 (*Business Standard, 2008*)


Integrating rebadged employees is one of the most challenging assignments for an HR practitioner. If not orchestrated smoothly, the consequences can be counter-productive and may severely impact business. Conversely, when it is done with care and as per plan, the new entity can propel the customer’s business to the next level.

My first brush with rebadging happened some years ago. I was a delivery manager at an IT Service Provider company. During a review meeting, our customer broached the topic of a group of IT professionals from another service provider and asked us to hire them into our organization. The other service provider was going through a very difficult time and was fast losing grip on projects. The customer did not want to lose the services of people from that company and asked us to consider rebadging and deploying them in the same project, on our payroll. So the deal was to take over the project along with its team members from the other service provider. We went ahead with the suggestion after carefully examining pros and cons of the recommendation and it proved to be a good decision. The rebadged people brought in specialist skills that complemented the capabilities of our team. However, it took them some time to feel at home and comfortable in the new organization.

In later years as I moved into a consulting function, I came across many more rebadging situations. I observed that different stakeholders operate under different pressures while transitioning rebadged employees and their work. For instance, for customers it is important to complete the transition with minimal disruption. The rebadging employer (the service provider), on the other hand needs to look at driving efficiencies and demonstrating business value to his customers while retaining knowledge in the team. In the process, the rebadged employees could go through a sense of insecurity and uncertainty.

After interacting with transition managers, HR Leaders as well as rebadged employees, my take is that it is still an evolving subject and demands much more attention from managements than it currently gets.

What are the sensitivities involved in rebadging?

What role should HR managers play in ensuring integration is smooth?

What should the hiring organization do with excess resources (if any) after rebadging?

Let us take a close look at some of the dynamics in rebadging situations and answer a few questions related to people practices and processes.

**What are the reasons for companies to allow their IT departments to be taken over by third party service providers?**

For many large corporations, IT is an enabling function and plays a major role in keeping the business going and staying profitable. As the company grows, the IT division needs to scale up and keep delivering newer levels of services and cater to newer set of stakeholders and so on. Sometimes, the captive IT units find it hard to match up to the needs of growing business and fall out of sync with global advances in technology and platforms. As a result, IT starts hurting acceleration of the
company and becomes a bottleneck for its growth. In such situations, the company may find it prudent to outsource IT services to an external firm and free themselves from the responsibility. Similarly, a company may choose to outsource its ITeS (IT Enabled Services – BPO) group.

The Chief Information Officer (CIO) may choose to keep skeletal staff before letting the entire IT department be taken over by the service provider.

All the three parties i.e. the company, the IT staff, and the service provider stand to gain from the arrangement, though for different reasons:

- The company can focus on its core business and need not worry about IT systems and also make year-on-year savings in Operating expenditure (Opex) as a part of the contract.

- The staff can get benefited by being part of a larger IT organization and get to work on latest technologies and also become multi-skilled.

- The IT Service provider can leverage the workforce and their unique skills beyond this engagement.

So it is a win-win-win situation for the three sides! However, such acquisitions are not as simple and easy as they appear and can cause plenty of people challenges for HR managers overseeing integration.

What are the people challenges when an IT arm merges with another company?

**Emotional** - At the outset, it is emotionally difficult for the employees to accept the reality of being sold to another company. People feel unwanted and lost. They carry anxieties about their future and job security.

**Cultural** – Being a part of an organization leads to getting enculturized to its ethos. Moving to another organization will mean reset to zero and start all over again. It naturally causes stress.

**Procedural** – People get used to organizational processes over a period of time. New organization is more likely to introduce new processes (such as expense claims and procurement etc.) and that usually leads to frustration. Approvals take longer; expectations become tougher; bureaucracy sets in;

**Managerial** – Adjusting to the style of new management is quite slow and generally starts with low trust. Every action and word by new management is seen through a magnifying glass and is interpreted with doubt and suspicion. **People lose purpose during change.**

**Technological** – People are skeptical about being forced to new technologies and tools and fear being seen as incompetent by new management. They have to part with their comfort zones of legacy tools and techniques and be ready to adapt new.

**Social** – Changing to a new organization does have an impact on social status as the new company may not carry the same image as the parent company. Also it may not be as well known in the social circles. For example – there is a difference between being part of a large bank and an IT service provider.

**Financial** – The rebadged employees’ salary structures may not be in line with the hiring company. In case they are at higher level, they feel the pressure of being seen as expensive resources. Conversely, if they realize that they are at lesser level compared to the employees of the hiring company, they expect their salaries to be normalized. In either case, there is stress and anxiety.
In general, people from the new group come with completely different frame of reference, work style and communication protocols. Soon after merging, they start discovering not-so-pleasant surprises in the form of processes, reports and templates etc.

Interestingly enough, the challenges listed above (many of them) are applicable in most Organizational Change Management situations – be it an external merger or an internal merger of two departments.

What happens when an informal relationship turns into formal business relationship at people level?

Colleague yesterday; customer today!– People in the captive unit are no longer in the same organization. Transition to new role of an external service provider requires change in the way they see business users. They are no longer colleagues; they are customers now!

No more water-cooler chats about organizational politics! – If you are a part of the acquired group, you can no longer get away passing remarks about what is going on in the company and share your opinions freely with people from the ‘client organization’. Reason is simple. You now represent an external service provider and it is not professional for you to comment on internal matters of your customer!

From P2P, the relationship turns into B2B suddenly! – From an informal people-to-people relationship, there is a transition now to a formal business-to-business relationship. Both sides (the company and the IT arm) represent two different businesses. If you could get away calling a business user and asking for extra time to fix an application issue earlier, it is no longer easy now. Performance is measured more stringently and delays are less acceptable than before. Time lines, service level agreements (SLA) and delivery schedules can be overwhelming to the newly joined group. They tend to continue their old style of work.

As a result, the change starts hitting the acquired group rather harshly. Granted, it may not be as dramatic as an over-night change in behaviors and expectations. One point is certain. If not handled sensitively and carefully, rebadged employees will start thinking of quitting.

What is the role of HR before, during and post-integration (rebadging)?

If there is one function that cuts across all phases of integration, it is HR. Therefore its role is very crucial for smooth execution of each phase i.e. before, during and after.

Before integration – participate in business discussions and represent people at the table.

• Ask for a detailed database of employees with their grades, work experience, performance ratings for last 3 years and job roles etc.
• Build a skill inventory that includes employees’ technical, functional and other relevant skills. This helps in developing a high level picture of available capability and staff composition in different groups.
• Progressions, role changes and rotation plans etc… already committed need to be documented

During integration– in this phase, transition managers are busy developing processes and systems and tend to pay inadequate attention to the fears and anxieties of people.
• Conduct town-hall meetings and share the overall plan of integration along with milestones. Talk about opportunities and newer options for career that open up as a result of integration.

• While town-hall meetings are required to communicate with employees, they are not enough to quell the anxieties about job roles. “I am a mainframe computer professional. But there is a plan to replace Mainframe technology in near future. What will happen to my job?”

• Plan small group discussions and meet people to pick up their thoughts. Let people know the big picture, what the new structure would look like and more importantly how it impacts their roles. This needs to be done for every unique role.

• Design a survey that captures inputs from people on their career aspirations, expectations from new management and suggestions on making the integration smooth.

Sample survey questions:
• What are your short-term career plans (next 2 ~ 4 quarters)?
• What are your long-term career plans (2 ~ 3 years)?
• What technical skills are you planning to acquire in the next 2 quarters?
• What other skills are crucial for your self-development and long-term plans?
• What are the policies (and benefits) that you would like to be continued post integration?
• What aspects of policies should be stopped?
• What support do you need from management to meet your performance objectives?
• What are we doing right for our customers?
• How can we make our services better – post-integration?
• What challenges do you see in the operations?

• Once the survey is conducted and responses received, it is important to publish key trends and results emerging from it. Share details of what is possible to be implemented and what is not. Also release those changes in phases (not all at once).

• Transition managers deployed by the service provider, are usually busy drawing out plans for moving the services to new systems. They work on tight SLA windows owing to limited time available for implementing change. During such times, it is more than likely for leaders to ignore people’s anxieties. In order to reduce the gap, design two parallel tracks for transition i.e. business & operations and people processes. That way, both aspects get attention.

• People track needs to include focused group meetings, clarifying performance appraisal processes, training plans for individual as well as groups.

• Most cases, employees (rebadged) get offer letters from the service provider as a part of formally joining the organization. That is the most sensitive transaction during transition and HR leaders must make sure that employees’ queries are answered and information given.

• HR Leaders have to equally pay attention to the employees of the Service
Provider Company to make sure that they speak an inclusive language and accept the new colleagues with open minds. Build trust between teams and constantly speak positive language. It is similar to the way expecting parents debrief the first child about the arrival of the second!

**Post integration**—it is important to follow-through with focus on people processes and keep a close watch on how the change is being taken by the employees.

- Continue with small group meetings and enquire how they are doing and ask if they need any support.
- Help them liaise with other functions and get started with leveraging resources and knowledge of Service Provider organization.
- Conduct post-integration survey to check how perceptions are and take necessary steps to resolve issues if any.
- Create opportunities for both sides (rebadged folks and the rest) to interact extensively—joint participation in social events, non-business projects and so on.

The following table summarizes key activities of all the three phases discussed so far:

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<tr>
<th>Before Integration</th>
<th>During Integration</th>
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<td>• Town halls</td>
<td>• Small group meetings</td>
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<td>• Skill inventory</td>
<td>• Small group meetings</td>
<td>• Connect rebadged employees with other functions</td>
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<td>• Progressions, role changes committed and under discussion</td>
<td>• 1-2-1 meetings</td>
<td>• Survey</td>
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<td>• Survey</td>
<td>• Emotional bonding</td>
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<td>• Dual track execution i.e. business process transition and people process transition</td>
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Having discussed possible approaches to smoothly implement rebadging, it is now time to answer the question we asked in the beginning:

**What should the service provider do with excess resources (if any) after rebadging?**

It is a question of short-term versus long-term thinking of the organization. In most cases, HR is under pressure to cut manpower cost in the newly rebadged team. It is forced to carry out the ‘agenda’ of transition managers and quickly move to ‘Business as usual – BAU’ state. However, HR needs to keep in mind that their actions are recorded in the history of the organization and affect its image as an employer.

- Rebadged people who leave the IT Service provider soon after integration, will not project a positive image of the organization.
- Cost of hiring, training and inducting technical resources into projects far exceeds that of reskilling and redeploying rebadged employees.
• Leaders, who take rebadged people into confidence and jointly develop long term career plans, are likely to win their trust.

• Creating an inclusive culture that builds on strengths of people helps in business growth.

• Next time when the business team negotiates a similar rebadging deal, their past will act as a testimony! They don’t want to be seen as an unfriendly employer for rebadged employees.

**Conclusion:**

“They say marriages are made in Heaven. But so is thunder and lightning”.

— CLINT EASTWOOD

In summary, rebadging experience is truly like marriage! Its success depends on commitment from both parties. HR needs to play a catalytic role by engaging early on, with every single employee affected with the change, think long term and develop an inclusive strategy that binds the rebadged employees emotionally. That way, they not only integrate rebadged employees into mainstream but also create a conducive eco-system that avoids thunders!

Note: “The views expressed in the article are in author’s personal capacity and do not represent that of Wipro Limited”

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**References:**


In the last decade a large number of Indian organizations have adopted some form of stock-based long term incentives to reward their employees. The most commonly used forms are Employee Stock Option Plans (ESOPs) and Stock Appreciation Rights (SARs). A large number of Indian Companies today offer a stock based plan to their key executives and it can form a sizeable chunk of compensation (up to 50% of total cost-to-company in some organizations) for some of the senior management executives.

Some of the primary reasons for adopting a stock-based compensation plans are: firstly, there is no immediate cash cost borne by the organization, secondly it is an incentive and not an entitlement and hence the grant and exercise can be made conditional on multiple factors, thirdly It can help motivate and retain key employees over a long term and finally It can help in aligning the individual and organizational goals. Given the growing importance being placed on stock based incentive plans, it becomes imperative to evaluate the effectiveness of such plans/incentives in the Indian context.

Besides ESOPs or other stock-based options, there are several challenges that employees in a growing economy like India face. The following scenarios will explain the dilemma faced by executives with respect to stock based incentive plans:

**Scenario 1:** Roy is a mid-level management executive in a large Indian Firm, managing a large portfolio. He has been looking out in the recent times and is evaluating two offers, one with a hike of say 25% and a slightly senior designation and role and the other with a vertical head role in a start-up firm, but with similar salary though he would get attractive stock options that may be worth a fortune over a period of next 5-7 years.

**Scenario 2:** Roy is a senior level executive currently working in a rapidly growing Indian bank for the last 5 years. He was awarded multiple stock options 5
years back and he has made immense contributions towards growth of the organization. When he was awarded stock options, the stock market was at its peak and he assumed huge gains over time. However today his stock options are underwater and he is not sure if the stock market will rebound any time soon.

In both cases, there is a risk involved for the employee and the final outcome will be decided by the individual propensity to take risk. Further if we look at the above scenarios the key challenge remains the same — lack of a clear link between the firm performance and stock market performance. In the first scenario, Roy is not be sure of the returns he would get if the company performance at X or X+Y levels and as a result he will have to take considerable risk in letting go of cash he is assured off today. Similarly in the second scenario, he is not sure about the timeframe within which the stock performance will reflect the firm’s performance and he will be rewarded for his hard work. As a result he will not be sure of staying back at the firm in the coming years versus looking out for better opportunities.

In the recent years we have heard of many employees (largely in IT or ITES sector) hitting the bulls-eye through stock options route. We have also witnessed success stories of organizations such as Infosys, HDFC, Axis and others who have successfully used Stock Options to align employee and organizational goals and have delivered excellent performances. However for every success story with respect to LTIs, there are multiple untold stories of how stock options have remained underwater due to volatile stock markets and a weak link between the firm and stock performance. So let’s look at various questions we need to ask about Stock Based Long Term Incentives in the Indian Context:

I. Are ESOPs culturally suitable for Indian Organizations?
II. Are ESOPs meant for all kind of Indian Organizations?
III. Are ESOPs meant for Employees across the board?
IV. How can Organizations reduce perceived risks associated with Long Term Incentives?

I. Are ESOPs culturally compatible for Indian Organizations?

The stock options have mostly emerged from Anglo-Saxon cultures (Such as US & UK) with higher traits of Individuality and lower scores of Uncertainty Avoidance (Hofstede, 1980). Uncertainty Avoidance may influence acceptance of stock options in a society as it deals with the degree to which the members of a society feel uncomfortable with uncertainty and ambiguity; Indians score do not vary much from UK or US. This indicates that culturally Indian employees may be as willing to accept stock options as employees in these countries, given everything else is same. Another dimension of National Culture that may be important in this context is collectivism versus individualism (Hofstede, 1980). Indian culture is high on collectivism (as against US and UK) and as a result the decisions of an individual may be influenced by several factors/stakeholders such as family, friends and acquaintances. As a result in Scenario-1, Roy may want to let go the opportunity of joining a start-up with future growth opportunity to take up a role at an established firm with higher current pay due to influence from family or friends.

Another interesting dimension of National Culture that may influence usage of ESOPs or other stock based incentive plans is “future orientation” (Trompenaars & Hampden-Turner, 1997). National cultures
with higher future orientation will tend to save more and invest in long term assets such as real estate and gold, whereas cultures with short term future orientation will tend to invest in instruments such as mutual funds or stock-based instruments. Comparing India and US on the long term orientation dimension, Indian culture comes across as one with strong future orientation as compared to US. This may influence the acceptance of ESOPs or other stock-based plans by the Indian employees who may be more inclined towards cash based incentives that will enable them to save more for the future.

Having said that use of Stocks Options or other stock based incentive plans are accepted globally with few exceptions, hence the impact of national culture on usage is lower. Further Indian Conglomerates have taken global overtures and have started mirror similar compensation practices. However the organizations offering ESOPs in India will need to focus on two aspects: robust communication around the plan that ensures clear understanding across the targeted sections of employees and finding ways to reduce perceived risk (we will discuss more on this in the later sections).

II. Are ESOPs meant for all kinds of Indian Organizations?

A large number of Indian Companies have adopted stock based compensation plans, irrespective of the utility that it may offer to the organization. Organizations may offer stock options due to multiple reasons: to mirror global trends, to conform to industry trends or to match competition in the talent wars. However the use of ESOPs may be influenced by several factors such as organizational life stage, type of industry and organizational goal. Let’s look at some of the circumstances where ESOPs may be more effective for Indian Organizations:

1) **Life-cycle Stage** - ESOPs can be very effective for organizations that are in a nascent stage and may not be that cash rich to attract and retain quality talent. Here stock options can be very effective as retention and motivational tool and can help such organizations attract and retain key talent. In the start-up phase, the key employees will have larger opportunity to define organizational strategy and control the environment. They will also have an opportunity to see direct link between their performance and firm’s performance and hence will be highly motivated to take the organization to its next level. From an organizational perspective there is no cash outflow for the firm at this point in time and future employee gains are driven by firm’s performance. However, recent studies have shown that in-spite of offering stock options, hiring remains a challenge for the start-up firms in India as employees at low-to-mid levels may prefer to go for higher salaries against stock-based rewards in future. The decision to join a start-up firm may be influenced by other stakeholders such as family and friends.

2) **Industry growth** - The Industry may be in an explosive growth phase and need to hire and retain quality talent from other industries. Since such industries face a talent crunch and talent is at a premium, it may be a good approach to offer stock options. The employees from other industries may be willing to take the risk and ESOPs can be used to compensate them for the risk. Some of the examples here can be the e-commerce industry today, IT industry in last two decades, and Telecom Industry a decade back. Such explosive growth phases require organizations to tie shareholder and employee goals tightly in a way that high growth
is achieved and ESOPs can be used effectively to achieve this purpose.

ESOPs can also be very useful in industries where Talent is the most important resource and a key driver of the firm’s performance, such as Advertising, Consulting, Media and Investment Banking. In such industries exit of key talent can make and break market reputation, and severely impact the bottom-line of the firm. Also residual knowledge is lost when key employees exit these organizations and hence ESOPs should be used to retain them for a long term period.

3) **Organizational Goals:** ESOPs can be highly effective when the organization has a clear vision in the mid-to-long range time frame, or wants to implement large scale change. In such a scenario the organization can use ESOPs to align employee and management goals to shareholder’s vision. For example, when an organization goes through Rebranding exercise such as Axis Bank (From UTI) or has a clear goal to be a market leader in its chosen vertical such as HDFC Bank, it makes sense to offer broad based stock options plans to align goals across the organization to the overarching vision of the firm.

There are also many scenarios where use of stock based long term incentives may not be very effective for Indian Organizations. In cyclical industries where economic environment plays a more important role and the lows and high can be easily predicted, the stock options may lose their shine. It will be difficult to differentiate the impact of stock performance due to better executive decision making versus the external environment. Further, the timing of offering grants will be very critical. The stock options vesting during Industry upward cycle will offer handsome rewards to the employee without much effort at the employee’s end and vice-versa. Similarly, organizations that do not intend to list or divest in the 5-10 year span may also find it difficult to use stock options as a retention tool. Here employees will find it difficult to trust judgment of a third party for firm valuations and can lead to several trust issues. In other scenarios such as if the promoter holding are lesser (say around 25%), offering stock options to a large base of employees within the organization will bring in risk of further diluting the overall shareholding and fear of loss of control for the promoters. Finally if the organization is mature with a stable industry outlook, it should definitely evaluate the intent to use stock-based stock options. There is a remote possibility that executives may tend to take unnecessary risks or play aggressively to ensure that stock prices are positively influenced, hence putting shareholder interests at risk. Thus, stock options should be designed to ensure that executive and shareholder interests are aligned in a mutually beneficial way.

Further stock options may not be suitable for all kind of organizations, and should be used selectively based on life-stage of the organization and its medium-to-long term vision.

### III. Are ESOPs meant for Employees across the board?

ESOPs globally are mostly given to senior and middle management staff, and the scenario is not very different in Indian Context. In Indian companies ESOPs are generally offered to the Senior Management employees and the prevalence at middle management staff is still much lesser. Different individuals will have preference for different incentives and hence ESOPs may not work with every employee. Several surveys have indicated that employees at junior to middle management positions in India find fixed compensation and career opportunities...
as the biggest driver of attractiveness and may be more inclined towards cash based compensation. Further since compensation levels in India are lower as compared to the developed economies, the employees will view the future earnings (through stock-based incentive plans) with an associated risk and hence may prefer cash based compensation.

IV. How can Organizations reduce perceived risks associated with Long Term Incentives?

In the previous sections we looked at some of the possible risks associated with the stock-based long term incentives. We looked at the facts that the stock markets in India are volatile and hence some employees may not be comfortable due to the risk involved. In this section we can look at the possible risk mitigation strategies/alternatives to ensure buy-in from Indian employees.

Let’s look at a possible scenario where stock options may fail to deliver and organizations may need to have a plan B.

**Scenario 3:** Employees deliver on a set of metrics (such as market share, cost savings, growth), but the stock market is volatile and the achievements are not reflected in the share price of the firm. In this case, the employees might have given their best, but if the stock option is underwater, they might feel disengaged and may look at other pastures. In this scenario many organizations try to issue fresh stock options, however their effectiveness as a retention and motivational tool may take a huge hit.

**Scenario 4:** The stock prices have doubled due to a strong stock market rally, but the relative performance as compared to the benchmark companies is average. The shareholders will feel uncomfortable as the external factors are spurring the stock price that may not be sustainable in the long run. But the employees can go ahead and exercise their options and reap a windfall while they may not have significantly contributed to the company performance.

The stock markets are influenced by multiple factors including global market performance, oil price, political tensions and wars among other factors. Hence there will be scenarios where firm performance may not be reflected in the stock price performance, due external conditions. How do firms ensure that they are able to engage and retain talent in these conditions?

**Cash-based Long Term Incentive Plans**

Indian companies depending on the employee preferences (or risk averseness) can provide employees an option of long term cash incentive plans that can be tied to various metrics reflecting firm performance. The long term cash based incentives can also be planned with a specific vesting period and can be distributed in a staggered manner over a period of time. These can decouple the impact of stock market on compensation, while maintaining a strong link between company performance and employee rewards. However the obvious downside will be the cash outflow that will hit the bottom-line down the line. However since the cash outflow will be linked to pre-set goals, it impact will be minimal. These cash based incentive plans may also be useful in scenarios where the organization is unlisted and may not have an inclination towards going public anytime soon. In such a case, cash based incentives will be more attractive for the employees. Further organizations where promoter stock holding are smaller, may prefer a cash based long term incentive plan over a short term incentive plan.

**Hybrid Models for Long Term Incentives**

One of the other possible solutions is to look customizing the stock based option...
plans to Indian context and explore new possibilities such as introducing a hybrid model of stock and cash based long term incentive that can have a cash based component that works like a minimum guaranteed plan. Based on a set of metrics defined by contributions to market share, firm performance (top and bottom-line), relative performance (again benchmark companies) and innovation, the organization can design a ESOP or other stock-based incentive plan. The plan will also include a parallel cash based long term incentive plan that will be activated only if the stock option remains underwater (Scenario-3) or if the shareholders feel that the stock price is not an actual reflection of the firm performance (Scenario-4). This will tie-in the shareholder and employee goals in a better way and both the sides will have a say in the outcome of the plan. Since the cash based plan can be planned in parallel with the stock option scheme, the organization can plan the cash outflow in advance.

**Summarizing the Discussion**

In this short article we explored the issue of stock-based long term incentives in the Indian market. We looked at the national culture models and argued that the Indian culture is highly future oriented as compared to the US culture (relatively short term oriented) and hence Indians are more like to invest in long term assets such as real estate and gold instead of short term assets such as mutual funds or stock based instruments. In the Indian context, the prevalence of stock options is more likely to be at senior management levels as employees at mid to lower management levels may have a higher preference for cash based compensation. Though stock options are used by a large number of Indian firms in-line with the global trend, there are possible scenarios where stock options provide are more useful for Indian firms and the scenarios where they may not be very effective. Stock options have multiple advantages, but the introduction of stock options should be aligned to factors such as organizational intent, industry, life-cycle stage and shareholding patterns. The perceived risks associated with stock options can be reduced through proper communication or looking at other alternatives such as cash based long term incentives or hybrid models that can be customized to Indian context and can be possibly more effective.

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In today’s economy, if the organization does not respond to the changing environment, not only will it lag behind its competitors in the short term, it may not find a space to exist in the long term. The responsiveness of an organisation depends upon the people representing the organization and their ability to understand, forecast their client’s needs and respond effectively. An organisation’s employees are the ones who fulfil the promises that an organisation makes to its customers.

As organisations grow at a rapid pace, the sustenance of this growth and continued success depends on the continual learning of its employees. During 1980’s and 90’s most of the organisations focused on training as developmental strategy and it made sense in an operational and process intensive work environment. This adhered to the conventional - outside-in view of training and works best when an organisation needs its employees to acquire new skills or comprehend new information. Organisations could therefore put in place an expansive training curriculum, run employees through the maze of training and see the benefits of training demonstrated at work. The training equipped employees to respond to
largely predictable scenarios. This method fits the bill of a ‘production centred’ approach to training.

We also had training that focussed on developing the individual – the assumption being that a capable person results in a capable employee (in changing situations). This method of training – that focussed on Personal mastery also produced good results and in most cases a combination of Personal Mastery and Production Centred training did the trick for most organisations.

Businesses have continued at a more rapid pace than before and have become more customer oriented. Gen Y & Gen Z customers demand very different products and services and customisation is expected - it can no longer be sold as a feature. Within organisations, we are now required to train individuals born after the 1980’s. Our customers are increasingly from this bracket as well. Many of us find this situation akin to being ‘between the devil and the deep blue sea’.

While we develop the language to deal, integrate and engage Gen Y, Gen Z customers and employees, our learning structures and systems need a bit of churn as well. The process of employee development must therefore encompass methods which help individuals to learn. Organisations are increasingly implementing systems of learning that nudge its employees into being creative and open to experimentation. This is more of an ‘inside-out’ learning view.

Organisations realise that in order to make a difference in the market they need to enable their employees to respond to situations that are not yet defined. This new language is something organisations are trying to piece together and learn as it is being built. Organisations are exploring options such as Design Thinking and Creative Problem Solving as ways to build a different mind-set. It is no longer about specified solutions, about going through cases to understand different ways of dealing with a business situation. The best part of this changed approach is that topics such as Design Thinking cannot be taught in a classical training or a production centred manner. It drives participants to start looking at situations from various points of view, appreciate its context and explore creative options to come up with solutions and insights.

This also means that participants in such a journey need to be keenly aware of their own abilities and shortcomings. Interestingly this also brings up organisational abilities and shortcomings.

While the new generation of learners take to this reflective journey of learning more willingly than others before them, those dealing with customers in a fluid and agile workplace – also benefit from the change in mind-set that a reflective learning journey brings. They feel energised in a participative and involved journey; they feel valued and not ‘preached to’.

We understand that learning by definition is a choice that learners make to grow – professionally and personally. The process of learning itself is about improvement by reflection. Reflection on feelings, thoughts, speech and action. The learning also continues much beyond the specific instance that helped the learner in this reflection.
Here again, the word ‘learning’ proposes that people are gifted enough to steer their own development in a conducive learning environment. Increasingly therefore, organisations would need to be the creators of the environment rather than the facilitators of the learning conversations. This also brings the focus back on the learner and his/her need to take responsibility of his/her self-development and learning. If being a passive learner was possible in the past – a reflective journey approach to learning eliminates such a possibility – even before you get into class.

Does this approach therefore discount Training in its traditional sense – be it Production Centred or about Personal Mastery? Can the inside-out reflective style of learning be the one key to all our problems?

It surely does not mean we throw out the baby with the bath water. While we understand that ‘real’ development takes place when people find a larger meaning to the work they do. We also serve clients who expect incremental value each day that we continue to be in business.

When one looks at developmental approach adopted by most of the companies, approximately 70% of methods are still traditional and people are engaged in “formal learning.” And that is necessarily not a bad thing. One should not forget that development begins with knowledge accumulation. At an organizational level, everyone should have consistent knowledge and to do that organizations have to persuade and engage people in “formal learning”. For example, if an IT company decides that it is going to adopt AGILE methodology for all the projects, everyone needs to have a common understanding of this methodology. This does not lend to different people defining the methodology in their own different ways.

Formal learning helps accomplishing this core of knowledge and consistent understanding of systems, technologies and business critical skills. Here again, formal learning yields better results when
learning experiences are created for people to apply new acquired knowledge.

Therefore this argument doesn’t propose that training is no longer relevant. It does however, encourage a thought that organizations should think beyond developing skills. It needs to develop individuals and make them aspire to identify and utilize their potential. Organisations need to define the learning journey that their employees need to undertake and provide the right environment to facilitate this journey. It also means that in the interim and as part of a more involved approach, training to build skill will continue and is necessary.

Rapid growth in technology and a plethora of informal approaches to learning has helped organisations build this environment of learning. This includes social learning, just-in-time learning through mobile apps, simulation based training, off & on-the-job training, as well as the new kid on the block MOOC’s and flipped classrooms.

At Wipro, we use a journey approach in a number of situations. This includes formal training to set the base of information, bring everyone up to speed on what is a necessary level of knowledge. This may also include a series of programs and not just a one-off training session. This is followed up with simulations, action learning projects, or Experiential Learning programs. During this we also help creating learning communities using our internal social network on Yammer. Another variation of this journey approach is where we create an academy for team or a group of individuals with a common work setting. In this scenario the training content is aligned with the roles they perform. Content is created and updated continuously by owners of the academy and stakeholders from the business contribute time and feedback on assignments or during the programs. The big change we are attempting to evangelize is from viewing training as an event versus a learning journey. Teams and individuals who have gone through these learning journeys have seen a dramatic increase in their individual and group performance.

The final link in the chain is the need for the journey to be long-term, continuous yet flexible to include changes as the need arises. Here an organisations ability to invest for the long haul will be tested to the hilt. Can organisations invest time and effort in building a learning a journey for employees? What about the investment in this effort when employees quit?

These are very important questions that organisations need to answer even though the obvious answer may show that the effort cannot be justified. Here it is important to realise that training or learning are not just for the result that an employee is able to affect with a customer. Training also builds engagement with the employer – even when they are discrete events. A learning journey demonstrates that the employer is interested in the growth of the employee. It demonstrates that the employer is interested in a partnership with its employees and is willing to invest in this thought. This can and should also be driven in explicit terms to the employee as well.

It is key to note here that learning also takes place every day while the person is on the job. Individuals learn from their colleagues, through coaching and feedback from supervisor, by observing
others and implementing what they have learnt. According to a recent research, 75% of employees build new skills by working closely with someone, through observation, through trial and error while doing their daily jobs. When a forum is created for people to share these kinds of learning during training, the learning becomes more meaningful and serves to attract participants to training events.

These forums could be social media platforms such as Yammer that further means of collaboration that will encourage employees to share information and learn from each other. Social forums are not the only means of promoting this learning journey. Coaching and mentoring also are still very relevant means of continuing the learning journey – especially for senior members in a team or an organisation. As part of a learning journey for a group of Senior Delivery Managers in an account we built an Action Learning Project as a conclusion to a series of learning events. This was alongside a series of mentoring sessions where the individual works with a mentor on identified areas of improvement and also explores opportunities for personal growth.

What organisations have learnt in time and over the years is something that seems to come naturally to students who are in college now. A group of IIT students are offering one-on-one mentoring to kids who are struggling in academics. Similarly closer to home, a group of students who are preparing for their medical entrance test have a fixed time for studies and they share their understanding on WhatsApp or Facebook. They study with their phones by their side. They get to learn more than what they would have if they studied alone. The group study is still happening but it now utilises the technology of the day. Again, it is not about technology, it is about usage of technology for learning.

By the time these students are out of college organisations would have had enough time to try out and test learning environments. The individuals who will work with us in the future will be much smarter than us, and it is up to us to engage their minds and help them focus their energy to the goals our organisations strive to achieve.
A STUDY ON 360 DEGREE FEEDBACK SYSTEM IN RPG ENTERPRISES

RAJNISH NAYAK, Dr. ARVIND AGRAWAL and Dr. GOPAL P MAHAPATRA

About the Authors

**Rajnish Nayak** is a Group Management Resource at RPG Enterprises. He did his Masters in Human Resource Management and labour Relations from Tata Institute of Social Sciences, Mumbai. Prior to RPG Group, he has worked in Ericsson Global and Tata Teleservices after completing his engineering in Electronics and Telecommunication.

**Dr. Arvind N. Agrawal**, serves as the Member of Management Board and President of Corporate Development & Human Resources and of RPG Enterprises. Dr. Agrawal has been working at RPG Enterprises since 1999 and his current responsibilities in RPG comprise of HR and TQM. He served for 2 decades in the HR function in Escorts and Modi Xerox. He was awarded the National HRD Award in 1992. He is a PhD from IIT, Bombay; an IIM Ahmedabad alumnus, specializing in Marketing and Human Resource Development and BE from IIT, Kharagpur. He served as the National President of National HRD Network during the year 2000 - 2002.

**Dr Gopal P Mahapatra** is Chief Learning Officer at RPG Enterprises. He is a Doctorate (FPM) in Management from IIM Bangalore & Post-Graduate in Personnel Mgt & Industrial Relations from Xavier Institute, Ranchi. He has over 28 years of diverse experience in Organisational transformation, Leadership Development including Assessment and Development Center, 360 degree feedback, Strategic HR and Executive Coaching. He was the President of NHRD, Bangalore during 2006-08. Prior to RPG Group, he has worked in Oracle, T V Rao Learning Systems, BPL, Gujarat Gas, INDAL, XIMB and BEL.

Organizations have become more global and building organizational capability with people leadership has become a strategic priority to gain competitive edge. This is considered as a key intangible asset too. The RPG Enterprises believes in people capability building as a fundamental part of its organization culture. In this journey of building capability and culture for growth, 360 degree feedback has been
a powerful tool to develop leadership strengths. In this article, we will look at how the RPG capability framework based 360-degree feedback instrument has been critical to its culture building and leadership development. RPG group of companies have used this capability driven 360 degree as a strategic tool to develop leadership. They have used this multi-rater feedback system as a competitive tool to systematically collect the opinions from multiple stakeholders. How RPG has used 360-degree feedback system to strengthen the leadership capabilities of more than 1500 managers in general, top talent and critical talent in particular is elucidated in this article.

Introduction

Organizations have become increasingly more competitive in a global, volatile, uncertain, complex and ambiguous (VUCA) world. Given the abundance of technological and financial resources, Human Capital Management with focus on leadership strengthening is now a critical dimension for global and multinational companies. Thus, developing employees for organization growth has become essential. In this paper, the authors share, how, for developing the employees in a more holistic way, RPG group, an Indian Conglomerate, has successfully implemented a capability framework driven 360 degree feedback for managers with multiple advantages.

What and why 360 degree feedback

360 degree feedback is a multi-rater feedback system whereby employees receive anonymous feedback from their multiple and critical stakeholders; e.g. from supervisors, subordinates, peers and other internal and external customers. Through this feedback, managers and leaders within organizations gain a perspective of their strengths and weaknesses. The major objectives of this feedback are not only leadership development with strengthening the core and improving the areas of focus, but also ultimately leading to enhanced organizational effectiveness (DDI, 2014, Rao, 2014).

Overview of RPG Group

RPG Enterprises, established in 1979, is one of India’s fastest growing business groups with a turnover of around US $3 Billion in fiscal year 2014. The Group comprises of multiple companies with diverse business interests in the areas of: Tyre, Infrastructure, IT, Electricals, Life sciences, Plantations, and the like. Today the Group companies have partnerships with many transnational corporations and have worldwide presence with 49% of the businesses coming from overseas settings. RPG group has developed a capability framework and identified five capabilities; namely, Valuing People, Result Orientation, Process Orientation, Business Focus and Openness, that are needed to accelerate on this global growth journey.

Early Initiatives

Since the last decade, the global business environment is experiencing unprecedented change. As the companies are growing globally, the workforce characteristics are also changing significantly, with more diversity and influx of Generation “Y”. With the changing workforce in RPG, it was imperative to transform the business growth, with relevant HR strategies and develop suitable leadership capabilities. To cultivate the leadership capacity, formal 360 degree process was introduced. For successful implementation and to get the entire company to buy into the capability development process, a strong buy in as well as commitment from leadership about the tool was necessary. Hence, to achieve this, the CEO and her direct
reports were to be the first participants to experience the tool personally in each of the companies. To help them understand the interpretation of 360 degree scores and feedback, an external coach was engaged. The coach held one-on-one meetings with each of the participants and helped them to set Development Action Plans (DAP). Subsequently, the coach facilitated a management meeting where each of the participants shared on how they identified their development needs, their action plans to bridge the gaps identified in their DAPs and how it is going to make them more effective in their current position. Once the buy in from the top management was accomplished, the same was cascaded to subsequent levels of management.

**Behavioural Change through 360 degree Feedback**

The 360 degree feedback tool is an exclusive tool, in sync with RPG Capabilities Framework and used by RPG group to provide feedback to managers on their leadership behaviours. To create ownership and assimilate the tool in sync with the culture of each of the companies, they were asked to brand this tool locally. The relevance of the tool was also enhanced by adding more questions related to specific company’s own culture. However, the RPG core capability questionnaires were kept constant for each of the companies. The managers receive feedbacks based on five capabilities; namely, Valuing People, Result Orientation, Process Orientation, Business Focus and Openness. As well-understood, low score in a particular capability or sub-capability (from the tool) indicates higher expectation from the leader or gap in leadership behaviour which is imperative for the leader and organization to correct or strengthen by various Developmental Action Plans (DAPs).

The data represented below has been collected over the years and it speaks about the successful acceptance of the tool for leadership and organizational development.

**Figure 1. Year wise managers covered**

Approximately, 1500 Managers and 2800 raters participated in the 360 Degree Feedback process in 2014. The coverage of managers over the years has grown more than 5.5 times since 2010; with more and more companies and their managers availing this opportunity (Ref Figure 1).

The response rate for 360 degree feedback has been very encouraging since its inception. Despite a 5.5 times increase in the number of responses expected, the response rate has always been on higher side i.e. 90% and above, which is again very stimulating for the Top management and HR (Ref Figure 2).

As depicted below in **Figure 3**, the overall 360 degree score for the managers
has increased by 12% over the years; specifically, it has risen from 70% in 2010 to 82% in 2014. Further, it was heartening to see that the cut off score for being one of the Top 5% Managers was 93% in 2010, but in 2014 this cut off rose to 98% demonstrating an increase of 5%. Also, in 2010 a score of 80% would have placed a manager among the top 25% percentile but in 2014 this would result in a below norm score; from 80% in 2010 to 92% in 2014. In addition, Figure 3 below indicates the overall 360 degree scores of managers over the years, which is a very positive sign indeed to the top management regarding enhanced Leadership capability impact. Figure 3 Overall 360 degree Scores of managers over the years

Significantly, the data shows that there have been major improvements in various capabilities and sub-capabilities of RPG managers; e.g. Business Focus, Result Orientation, Process Orientation, Valuing people and Openness of RPG Capability framework.

Business Focus:

To sustain in the VUCA world, business focus through Innovation is a necessity to gain competitive edge over others. To promote innovation, it is important for a leader to play an entreprenuerial role at times so that he can encourage and facilitate people to try new things. It was heartening to see that there has been 10% increase in encouragement by managers to try new (innovative) ways of doing things. Also, there was a 11% increase in facilitation of performance by removing barriers /constraints.

Valuing People:

RPG believes that one of the most important competitive advantages of an organization is its employees. It is critical that we use the right practices to acquire, develop, engage and retain our people. Therefore, valuing people is one of the key pillar of our capability framework. Since 2009, there has been a 10% increase in the score of managers who ensure and support their people to develop through their individual Development Action Plans. Also, there is a 12% increase in understanding of the organization and individual career goals by managers. The managers actively recommend names from their teams for the appropriate career opportunities within the company and across the group. It is important that a leader gets honest and frank opinions from its assessors for self-awareness, performance and overall development. It has been found that ‘giving negative feedbacks in private’ over the years has risen from 43% in 2009 to 56% in 2012. However, on this aspect, there is still scope for substantial improvement.

Openness:

In today’s fast-paced and hyper-competitive market place, building a culture of openness and trust is critical. And to improve openness, it is important that the leaders model the desired behaviour. Since 2009, there is a 10% increase in sharing of companies information (openly and regularly) with sub-ordinates. It shows the commitment from managers in improving communication and maintaining a culture of openness and transparency. They regularly inform team members about the current successes and future potential of
the company and group. The scores have increased from 61% in 2009 to 71% in 2012.

**Way Forward**

The process to give and receive feedback at RPG is now well-established. It appears that the RPG managers and their critical stakeholders have become more comfortable over the years in accepting and giving feedbacks (number of responses has grown three times since 2010). The managers have accepted the constructive feedbacks considerately from 360 degree process and the interventions such as coaching have helped them in utilizing the feedbacks for their development plans and actions successfully (overall score has risen from 70% in 2010 to 82% in 2014). More specifically, there have been major improvements in Business Focus, Valuing people and Openness capabilities of managers. Also, while there have been multiple capabilities that have grown, giving negative feedback in private has continued to be a challenge for most of the respondents (continues still at 56% though all other areas are much above 60%). Therefore, even though ‘giving negative feedbacks in private’ has increased over the years, it needs improvement and remains a focus area for the group.

The top management and the group companies have demonstrated their commitment to 360 degree process and their linked/related advantages. For sustaining the positive effects of this tool over time, various interventions have been planned. In some of the group companies, the top management has planned to develop Internal Coaches for holding one-on-one coaching dialogues and follow up action plans. This leads to enabling and empowering the coachee managers to strengthen their leadership with enhanced ownership. Further, there is a plan to carry out Group Coaching for the “GenY” employees.

In other words, it is becoming increasingly evident that by involving line managers as coaches, we will be able to sustain efforts towards leadership development and organizational culture.

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**REFERENCES**

c. www.ddi.org
BALANCING PEOPLE CARE AND BUSINESS PRIORITIES AT POPULAR VEHICLES AND SERVICES LTD.

JOHNSON MATHEW and BIJU VARKKEY

About the Authors

Johnson Mathew is a Post Graduate in Personnel Management and Industrial Relations from Rajagiri Centre for Business studies, Cochin. He joined Indian Aluminium Company Ltd. in the year 1990. Subsequently worked with Tata Telecom and Soft systems. Currently he is heading the Human Resources department of Popular Vehicles. The company was awarded the All India Best HR Practices by Maruti for 5 Years in succession and is recognized as one of the best in the industry.

He is actively involved in NIPM, ISTD and NHRD. His guiding principle is Excellence driven by passion.

Prof Biju Varkkey works in the Personnel & Industrial Relations Area at IIM Ahmedabad. His areas of interest include SHRM, Leadership Development, Performance Management and Rewards and Employment Relations. He leads the Paycheck India Project (www.paycheck.in), which is a leading pay comparison site in India.

The success behind any automobile dealership is largely driven by quality of dealer personnel who interface with customers at multiple touch points. At the same time, automobile dealers have to work with thinning margins and operating cost pressures in a competitive and crowded market. Hence, generally automobile dealership companies do not have a large number of permanent employees. Popular Vehicles and Services Ltd. (PVSL) head quartered in Kochi, Kerala is among the top dealerships of passenger cars in India. It is also known for its unique HR practices, having won multiple awards from Maruti Suzuki India Limited (MSIL) and outside for dealer performance, including for HR excellence.

The company believes that the success of an organization is built upon core values and how the values can be practiced in daily life. The HR department of PVSL has a human touch, as communicated in its tagline, “Popular HR: We care”. PVSL is not driven by giving discounts to customers; but by giving customers a unique car buying experience, fair dealing with all stakeholders and assuring high quality after sales services. The above aspects of PVSL have been recognized by
Maruti also. Some of the awards won by PVSL in the last few consecutive years include MSIL Overall Excellence Award, All India Best HR Practices Award, All India Selling Skill competition Award and All India Technical Skill Competition Award. TNS Singapore conducted an “Employee Satisfaction Survey” for MSIL dealerships, and classified PVSL as one of the top dealerships. MSIL also recognized PVSL for “Highest manpower retention in service”. In September, 2011, it bagged the productivity award from Kerala State Productivity Council.

The Genesis

Popular Vehicles and Services Ltd is a family owned venture of the Kuttukaran Group which started the first automobile dealership for Maruti cars in Kerala. The group’s origin was in the laundry business, and gradually they entered automobile spare parts trading and established service centers. Once the second generation family members joined the business, they realized that running a workshop or a spare parts business will not a sustainable option, once the Indian market became open for investment. They sensed the future profitability of automobile dealerships and attached services.

During the early 80’s, the small car manufacturer Maruti was seeking to expand its network, and in 1983, PVSL was awarded the first and only dealership of Maruti vehicles at Trivandrum in Kerala. The company subsequently has expanded across Kerala and South India by adding more dealerships and service centers. When more car manufacturers entered India and established dealerships, Maruti also allowed competing dealerships in the same market (locality), and encouraged healthy competition between them.

Today PVSL is the flagship business of the Kuttukaran Group and is among the largest chain of passenger vehicle dealerships in India. MSIL allows dealers to operate within the sales and service protocols that are common to all dealers. However, as a leading dealer, PVSL has historically enjoyed higher flexibility to innovate, within the framework. The innovations introduced by PVSL included the approach to dealer personnel training, professional event managers handling product launches, and reaching prospective customers through alternate channels. PVSL had pioneered “e-outlet” concept, i.e. having two shutter shops with a single car displayed and a small sales team in down town areas. It increased the sales, expanded the reach and clocked higher volumes and MSIL soon propagated the concept nationwide.

Family members continue to be directly involved in the company, through the Board, while professionals have been inducted at senior managerial positions including COO. The family has adopted a unique system of sharing power, wherein the Managing Director position would switch between the owner directors, every four years. The owners primarily handle the relationship and interface with principals (Maruti) and take investment decisions, while strategy, operations and day to day management is left to professionals. PVSL’s top management tenure is average of more than 10 years, and even with a workforce in large numbers, it remains union free.

Building the culture

The trust, respect and the freedom given to PVSL managers, makes the working environment different. There is sufficient delegation of authority across levels. The most distinct proof is, the stability of non-family top management and a few among them are home grown, nurtured through the management trainee program
started during 80’s itself. The work culture ensures that while managers will support employees even if they make mistakes, but at the same time integrity lapses or low performance are not tolerated. The performance oriented and customer centric culture of PVSL also plays a major role in its business success.

MSIL prescribes the recruitment norms, basic training framework and some elements of service conditions to all its dealers. Going beyond the established, the HR department has introduced many initiatives. When new employees join the dealership, irrespective of location and level, they attend a common induction program. The move helps PVSL to spread a uniform message and a high level of positivism is maintained in the system.

Walk the talk culture requires any organization to do what is said and say what can be done. PVSL believes in providing careers to employees through promotions and development from within, and it’s a feature used to attract qualified talent. Unlike the general practice of large numbers of temporary employment, with low base salary and high incentives, PVSL institutionalized long-term career oriented employment model. To facilitate the model, career paths have been developed for different roles, and they are shared with employees during the induction itself. Apart from structured training, intensive on the job exposure and supervisory support, regular feedback etc. are part of internal talent grooming process. At the senior levels, managers attend executive education programs at IIMs and other B-schools.

Job descriptions are available for every position to provide role clarity, supported by a PMS process. The endeavour is to make sure all employees are committed to work, just like the owners of the business.

Balancing strategy by being people friendly

Current employee strength of PVSL is 4755 employees, with an average age of 30 years. The HR mantra at PVSL is “An employee should feel happy to come to work, an employee should be happy and productive while at work, an employee should go home and spread happiness”. The mantra aims at allowing employees to contribute their best, and at the same time providing work-life balance and personal growth. Generally employees are not encouraged to work after the stipulated working hours, unless there is an emergency. Trained personnel are always in demand owing to the growing market, more companies are opening dealerships and these competitors would often entice existing dealer employees by offering better salaries and incentives. All competitors are on the lookout for PVSL trained employees since they are highly valued in the industry. The company has a unique initiative titled “Popular Alumni Club” which encourages former employees to rejoin PVSL or its group companies, while it was also common for dealerships to reduce manpower when sales decline, PVSL’s approach was to retain and continue to develop employees even during these difficult times for automobile industry (Poor sales cycle is very common to the automobile sector).

PVSL considers car selling as a knowledge game, because dealer personnel have to interface with learned customers, who are well aware and connected. Hence the treatment of employees befits a knowledge worker, because they not only have to anticipate the customer requirements, but also act as a solution provider. For example, helping customers to choose between diesel and petrol versions of a car, after understanding the customer’s car driving behaviour or helping them
to choose accessories that suit their personality and requirements are common situations for an employee. Such touch points directly impact business, build good will, good word of mouth, referrals and continued relationship with PVSL for service and future buys. As a strategy, PVSL aggressively markets its service facilities and quality of workmanship to attract cars sold by other dealers (who may have offered discounts or freebees) and service income contributes significantly to the bottom line.

As a model employer, all relevant statutory benefits are given to all eligible employees. Compensation of front line and service is benchmarked to be attractive, and are generally above Maruti norms. A suite of incentives have been introduced to recognize and motivate performances. While the team leaders receive team performance based incentives, individual incentives were introduced at lower levels. Front line staff could earn additionally through up selling, spot incentives and regular performance contests. Management staff receive an annual bonus based on company and individual performances. All employees receive annual increments which is added to their base salary, after yearly appraisal rating. The efforts made by the employees and their achievement of Key Result Area’s (KRA’s) together add up to their overall assessment which decides their career progression.

Adherence to ethics in business conduct and relationship with customers is emphasized across all levels. PVSL makes no compromise on integrity, and instances of deviances would be handled strictly, but after a fair process. Employee counseling and coaching is of paramount importance to the organization.

An open door approach for communication is followed across the organization, including opportunity to interact with the top management. Employees’ suggestions for improvement are welcomed, and implemented. The aim is to make each employee feel sufficiently empowered at the workplace.

All top managers (HODs), the COO and owner directors are members of the apex body called Management Council. MC meetings are held every Monday, for half a day. The meeting is a platform for HOD’s to interact with each other for decisions on policy matters, discussing any inter-departmental issues and evaluating corporate performance. Meeting of Branch/Unit heads are held every month. Morning meetings are held daily at all outlets, and it serves as a medium for branch/unit managers to connect with employees and share information. Further, there is open house meeting which happens once in 3 months attended by top management, which serves to connect between them and employees. An internet based e-window communication platform is open for all employees, which is used for sharing business data and also other useful information regarding leadership, stress management, work-life balance, six sigma, etc.

Based in the state of Kerala known for trade union activities, the company has not lost even a single man-day due to strike in the past 30 years. It’s because of the company’s openness and transparency with its employees. The Company cares to listen, redresses grievances and moreover no employee request is kept pending from the Operational Managers or from the HR front. The performance management is used as a developmental tool. The performance appraisal system are based on KRA’s (Key Result Areas). In the beginning of every year the KRA’s are set and the same is reviewed after 6 months.
(half yearly review). Through this process, the training needs, job rotation plan and promotional potential of the employees are identified.

Additionally, employees are kept engaged through fun at workplace initiatives like corridor cricket and various competitions and celebrations of festivals and events. Star performer of the month is rewarded to motivate best performers. Cross functional recognition for unique contribution is a unique method used to give recognition to employees from different functions.

**HR Challenges and Key focus areas for future**

The HR department of PVSL is focused to address two major challenges faced by any service firm i.e. recruiting the right talent and retaining them. PVSL doesn’t believe in adding just people and achieve numbers, it seeks people with the passion to serve, the right attitude, potential as well as ability to perform well.

Employee retention strategies introduced include providing flexible working hours, mentoring, counselling cell, action based on stay interviews and employee engagement programs like birthday celebrations, festivals, competitions etc. HR works actively to help in retention of the increasing number of women employees joining front line, through flexible arrangements. Over a period of time women have grown up in ranks, to occupy positions with independent P&L responsibility.

Another challenge to any dealership is the long gestation period for the new talent to become productive. The time taken, affects business in terms of costs and revenue earning. PVSL has faced this challenge, and through structured orientation and induction programs and high quality training has been able to reduce the incubation period from 6 to 3 months. The challenge is to reduce this period further to one month by introducing new initiatives.

The different operational divisions of PVSL are continuously seeking new leadership pipeline to fill the expansion/growth requirements. As an initial step, few high potential employees have been identified out of the existing talent pool. A one-year development program is being worked out, in which they will have to visit the corporate learning center once a month for 3 days. These employees will be groomed for future requirements in leadership roles. The initiative is strategically monitored at the highest level, for ensuring future succession planning in the organization.

However, the HR department is gearing itself to face other unique challenges thrown in by the environment. Unlike in a manufacturing firm where it has a product in hand, a service firm like PVSL has limitations to predict the extent of future business. The industry is dynamic and the knowledge has to be updated every now and then, as new products and features are introduced regularly. Today the customers are well informed through various social media and their own research. An employee facing these customers may have limited knowledge. This knowledge gap is a challenge to PVSL which has to be addressed continuously.

Managing change is also a biggest challenge in the service business. In future, the expansion across different geographies could pose a threat to its existing culture. The challenge for the HR department will be to preserve the best of its culture and to make necessary reforms based on macro environmental requirements. Initiatives like induction, corporate learning centers and mentoring will help PVSL to face such challenges.
You are what your deep, driving desire is.  
As your desire is, so is your will.  
As your will is, so is your deed.  
As you deed is, so is your destiny

As one enters the Piramal office, the quote adorns the walls and speaks to every person who sees it. And as one studies the culture of the organization today, it is deeply inspired by these four powerful lines quoted in the Upanishads.

Today, every root of the business that Piramal is into, links to its core values – Knowledge, Action and Care (The three main paths of Yoga given by Shri Krishna in Bhagavad Gita).

Going back to genesis of the organization and its evolution from the Morajee Mills days, the Group has come a long way to create its identity from a commodity-based business to a knowledge-intensive business. From marking its foray into
the pharmaceuticals business (strategic takeover of Nicholas Labs) to the news making deal of its Domestic Formulations Business with Abbott, the Group today has metamorphosed into a diverse conglomerate having global interests in Healthcare, Manufacturing, Real Estate, Financial Services and Information Management.

**Values bind the group together**

Piramal entered the newer territory of pharmaceuticals in 1988 by acquiring Nicholas Laboratories Ltd for **Rs.1.6 crore** at a time when most multinational drug makers were exiting India. In 2010, US-based Abbott Laboratories bought its Indian branded generics business for **$3.72 billion** in a blockbuster deal that valued the unit at nine times the annual sales and 30 times EBITDA. Post the sale of the formulations business and venture into diversified businesses, the senior leadership of the organization had an important question in front of them. What would bind all our businesses at Piramal? If there is one thread that is uniform across all Group companies, what is that and how does it look like?

The questions took the leaders back to the Group’s textile mills days and the answers were sought in the form of reflections along the following lines:

1. What have we as a Group stood for over these years and over various transitions that we have seen in last so many decades?

2. What do our 7500 employees know us for? Why do people come and work with us?

3. Why do our shareholders believe in us? What value do we bring in to their investments and the underlying trust in us?

These questions really made us examine our strengths, the things that have stayed with us and the things that have made us. The answer seemed like a unanimous choice. Our guiding principles in the form of Knowledge, Action and Care were what each of our businesses believed in and practiced every day. So what did that mean to our employees? The questions led us on a journey of defining these core values further, understand the meaning this held for our employees and how it can be made ‘real’.

With the help of our consulting partner, People Business, we reached out to more than 300 employees (from our Chairman to the last shop floor supervisor) across the group from various functions and various geographies that we operate in, to understand what values mean to them at their work. Based on their observations and the aspirations of the group the values were further described as under:

**Knowledge**

Expertise – We strive for the deeper understanding of our domain.

Innovation – We aspire to do things creatively.

**Action**

Entrepreneurship – We are empowered to act decisively and create value.

Integrity – We are consistent in our thoughts, Speech and Action.

**Care**

Trusteeship – We protect and enhance the interest of our customer, community, employees, partners and shareholders.

Humility – We aspire to be the best, yet strive to be humble.
Once defined, the challenge for the HR team was to communicate these values in a way that inspired, help retain and develop a general connect with the employees. The challenge also was to take a standard message out to more than 7500 employees from 21 different nationalities sitting in 30 different nations across the globe.

We decided to make it a fun experience for the employees. Right from letting employees click their favorite picture, that depicts values, to letting them replicate the values through Lego sets, employees were allowed to be truly ‘hands on’ in understanding the values as is. Every Piramal office across the globe had a values wall and employees were encouraged to stick quotes, pictures etc. that depicted our values on that wall and make it lively. The wall was a common sight across the offices although with varied degrees of fun, interactivity and liveliness. Gradually, employees underwent 120 activities at 19 different locations (India and International) in a span of one year (some of them as interesting as flash mob and adventure trail) to understand our values in a little more depth. The similarity of experiences and understanding of values across the regions helped us since the cascade happened uniformly and seamlessly across the group.

As we started thinking about the values and how to take them further deep into the hearts and minds of our employees, an innovative concept of telling stories from across cultures, mythology, folk tales etc. and how they linked back to our values was devised. These stories were very beautifully and innovatively presented in a book – Doing Well and Doing Good (aptly named after the purpose of Piramal Group)

While the stories were presented, employees were also encouraged to tell us their values stories. They were encouraged to re-visit their past, their traditions, and their ethos and were then asked to submit the stories that had relevance to our values. In a span of 21 days, we received more than 6500 stories globally and it was fascinating to witness that our values could be traced back to over 1000 years and how different cultures across the globe adapted them.

Through this process, we reached out to every single employee in the Group and touched them through our values. During our annual employee engagement survey, approximately 88% employees responded favourably (>4 on the scale of 5) that they have seen the cascade process happening in their respective teams and that they truly believe that values is the way of life at Piramal. When asked about one thing that they would not like to change at Piramal, employees unanimously mentioned that our values are the key differentiators for us at Piramal and that we should keep reinforcing them at every stage.

As a continuing measure and in an effort to involve families with our values, a drawing competition was launched for the kids to provide creative manifestations to our values. Similarly, in a quest to improve the presentation skills of our managers across the Group, a unique concept of Pecha Kucha was launched that involves employees sharing their real life values stories in 20 slides with not more than 20 seconds spent on each slide. All this was aimed at improving the employee connect with our values.

**Streamlining our HR Processes**

Each of the HR processes at Piramal Group has been scientifically mapped to the external best practices/industry standards in the quest to partner with business better. The Group has devised its growth agenda for each of its businesses and one of the crucial pillars to help achieve that has been people development.
To support the agenda, the Group has undertaken various measures to align HR processes with its key business priorities and some of the key pillars were mapped in the HR processes excellence journey of the group. Each of these processes is mapped and Service Effectiveness Teams (SET) across various locations of the group monitor gaps, improvement and progress made in each of these pillars. Presently, nine different SETs are operational in HR across various locations, of which seven have crossed the level 1 of Six Sigma process benchmark.

**Re-defining the Performance Measurement System**

Like most business organizations, employees feel that the PMS system has limited alignment with the rewards, and therefore does not completely differentiate chalk from the cheese.

The new business agenda of the Group helped us re-look at our PMS measures in the backdrop of competencies that our people would need to help achieve that vision. This meant correcting some of the basic fallacies in the system that had stayed with us for some time. To do so, a Six Sigma Black Belt study was commissioned to implement certain process level changes and measure them over a period of them. As a first step, the results of five years employee engagement survey were studied to understand the basic concerns that employees had expressed around the system. Key stakeholders were met with to understand their experiences with the system and their expectations around the alignment with Group’s larger agenda.

Some of the highlighted issues were:

1. Every company within the Group had different matrices to measure performance, had different formats and therefore different timelines to start and conclude the process.

2. Managers and employees were given limited orientation on the merits of the
system, effective feedback giving and seeking methodology, alignment with the learning needs identification etc.

3. KRAs alignment was limited and therefore there was less clarity in linkage to overall financials, rewards and the overall rating of the employees.

4. Performance evaluation had gaps since every manager evaluated his team basis the matrices devised in the team and therefore rating definition varied across the Group. Moreover, processes and parameters were not documented, hence employees did not have clarity on the parameters that they were being evaluated upon and rewarded for.

The data was also statistically analyzed and opportunities of improvement were identified for overall satisfaction. Based on this, the following measures were taken by the Group to improve the overall effectiveness of the process:

1. PMS Timelines for the year were standardized and calendars were shared with all employees at the beginning of the year. Formats were standardized across the Group.

2. Workshops were internally designed to support managers and employees on how to review performance during mid-year review set KRAs and logically present and evaluate performance during the final reviews. More than 3000 employees attended these trainings across various locations and the post training feedback showed a positive weighted average score of 3.45 on the scale of 4.

3. The variable pay scheme was tightly linked to the Economic Value Add (EVA) achieved by the firm and the same was communicated to the employees in the beginning of the year. More than 50 batches of training were conducted to orient employees on EVA calculation and how they could contribute to strengthening it. A specialized simulation board game was developed in house to give participants a live experience of company’s financials and thus impart learning of financial concepts in the process. The board game has received various accolades from various HR forums and institutions for the sheer simplicity in which it explains complex financial scenarios and profitability parameters.

4. KRA pulse check was done for all mid management and up employees and for 20% of junior management employees.

5. The performance evaluation moved from mere KRA evaluation to a holistic system whereby key differentiators or elements crucial for the businesses in form of competencies are also measured and presented during the evaluation discussion.

6. The Learning calendar is designed a quarter in advance, after keeping the business priorities at the group, individual businesses and at the team level in consideration and after a rigorous vetting process with each of the HR and business heads. The same is given as an annexure to the KRA setting form to help managers have meaningful and focused discussion on the individual development path of their team members.

These changes were incorporated over the period of two years and the improvement trends were periodically monitored in form of various process satisfaction surveys. The PMS satisfaction survey measured 10 parameters (related to the process) and
The employee engagement survey results, pertaining to the PMS process, also improved substantially as a result of these measures. A below 50th percentile score (benchmarked against high performing companies across the globe) in 2012 went in the 75th percentile in 2013 in the same bucket of benchmarks.

over the last 3 surveys the trends have improved as shown in the table below:

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<th>Survey</th>
<th>Number of participants globally</th>
<th>Score on a scale of 10</th>
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Aligning Talent Management and Development Practices

As the Group ventured into varied segments and propelled growth agenda in each of those segments, by design, most of its priorities needed strong bench strength of Talent with scalable capabilities at one end of the spectrum to transferable skill sets on the other end. The Group needed its employees to constantly learn, unlearn and re-learn thereby continuously exploring emerging frontiers in their respective domains.

Over the last few years, the Group has extensively worked with its crucial talent pool and has designed opportunities to keep them engaged and on top of their learning curves. Right from providing them cross business opportunities to moving some of the key talent across the globe, the focus has been around creating internal pool of leaders that is ready to help propel growth for the businesses in their individual terrains.

Some of the areas that the Group has focused upon in the last few years to develop their internal talent have been around:

Developing leadership pipeline:

The renewed performance measurement system has brought out high performers at each level in the organization and this has resulted in creation of intensive development plans to enhance capabilities for success in their current and future roles.

The Group has devised innovative methods of developing leadership pipeline across various levels in form of development programs to develop competencies of its middle managers and to enhance team leadership capability of first time managers in the Group. Each of these programs involves competency assessment and development and requires participants and their managers to do an extensive pre-work involving psychometric assessment, detailed role evaluation, career plans envisioning etc. Every participant makes an action plan during the program that is then vetted by the manager for its specific measures, linkages to KRAs, development plan, future role requirement etc. and the plan is then followed through by both the participant and his manager. HR and the senior management steps in after 60 and 90 days to evaluate the business impact that the action plans have had and in most of the cases, the manager presents the behavioural and functional knowledge change witnessed in the participant and the business as a result of this program.

Businesses like Pharma Solutions, OTC, Financial services, Real Estate etc. have also worked extensively on amalgamating business critical skills like Customer Centricity, Sales Process Mapping, Negotiation Skills, and Coaching skills for managers etc. into the overall DNA of their individual businesses.

The Group has also tied up with a leading business school in India to enable employees to pursue Executive MBAs while working with the Group. This is to enable the business retain high performers, create bench strength for key positions and groom existing technical employees for general management roles.

As a means to induce continuous learning within the organization, unstructured learning platform called “Learning Days” aimed at personal learning and growth of employees was introduced. These learning days are tied with the values of the organization and are introduced with and objective to enabling performance through non traditional ways. Some of the sessions enabled so far include Financial and Tax planning, stress management, self-motivation, diet and health counseling, stories of unsung heros etc.
Employee Value proposition with a difference

Today the Piramal Group has expanded its frontiers beyond the pharmaceutical business and has developed global footprints in diverse sectors. Currently, 70 percent of its revenues arise out of the businesses based outside of India and 30 percent of its workforce is based in multiple geographies outside the Indian terrain.

This has warranted a need to develop a compelling value proposition for the employees and various stakeholders. One of the pillars within the value proposition offered to the employees has been the Piramal Foundation and the culture within the organization lets its employee get in touch with the social side of the organization through various initiatives. Right from lending strategy making skills to resolving taxation related issues within the projects, employees get to indirectly contribute towards creating a better world around them. Employees are also involved in activity based projects that our Foundation takes along with other NGOs and they actively contribute their skills in form of teaching, writing manuals, volunteering etc.

2015 marks the beginning of an exciting journey for the employees at Piramal Group as we embark on our long term HR Strategy project – SEEDS (Strategy for Employee Engagement and Development Support). The project involves cross functional teams (with equal HR and business representation) that will re-evaluate our current practices in the light of our vision and mission as well as upgrade and develop the HR landscape of the organization for the future. Specifically, the focus would lay on Talent Management, Development, Value proposition and Employee Engagement etc. Steering committee, comprising of senior management of the group, will measure the effectiveness of the strategy in terms of it helping us attract and retain talent that will propel the business agenda of the Group. The journey is also meant to consolidate our businesses within common frameworks and processes thereby crafting the transition from an Indian Group to a global conglomerate.
‘WORKSHOP’ IN INDIAN ORGANIZATION: IMPACT OF VALUES AND CULTURE ON IT

DIVAKAR KAZA

About the Author

Divakar Kaza, President – Human Resources, Lupin Ltd. With over 3 decades of experience in Human Resources function, Divakar is the President – Human Resources of Lupin with responsibility for the Human Resource function globally. Key responsibilities are Organizational Transformation, Talent Management and preparing the organization for the accelerated growth envisaged. Lupin is now consistently ranked as a Great Place to Work. Before Lupin, Divakar worked in hi-growth and leading global organizations like Wipro and General Electric (GE) – both in India and the Asia Pacific Region. He has also worked in Tata Power, Asian Paints and Hutchison Telecom (now Vodafone). He is an alumnus of Tata Institute of Social Sciences – Mumbai. He is a frequent contributor to various business magazines and also used to publish a column (Alternate Track) for Outlook Money. He is also a visiting faculty in reputed institutes like IIM – A.

This article examines the changing value system of the current generation of employees and its impact on the organizational and work culture.

Work is necessary and desirable for both individuals as well as society, is one of the most deeply ingrained beliefs in the value system (Markov, 1985) and when work becomes worship, it’s called Workship.

Needless to say, the concept of work is one of the most widely spread and deeply embedded elements in individual psyches, the structure of societal institutions, and the value system of industrial civilization. It is the measuring rod of individuals, the goal of organizations, and the basis of society. It is almost as encrusted with value-orientations and transcendental meaning as is religion. The very notion of work involves an element of usefulness and respectability. It is an expenditure of energy, designed to overcome the resistance the object offers to change (Schrevkar, P 1948). Attitude to work is socially and culturally molded as men are taught what to expect and want from work through a variety of socializing agencies.

Over the last couple of years, the meaning of work has sharply shifted along with changes in the social order. For ancient Greeks and Romans, work was nothing more than a curse. The Hebrews saw work as painful drudgery, but also as a way of expiating sin and recovering lost spiritual dignity. In primitive Christianity, work had little intrinsic value or importance, but was instrumental in promoting health of body and soul, making possible the virtue of charity, and guarding against evil thoughts.
and habits. In medieval Catholicism, work was the natural affliction of the ‘fallen man’. But later development conceded that work is a form of service to God. Work is valued as a means of spiritual salvation. The virtues of austerity were added to it (Fox Alan 1971). The Bhagavad Gita advocates the philosophy that an individual should do his work (karma) as a duty and not bother about the fruits.

The importance of organizational culture and value system is now well-established in organizational literature (Deal and Kennedy 1992; Peters and Waterman 1982; Sathe 1985; Schien 1983, 1984, 1985). While Jin & Rounds quote a definition of a value as an “enduring belief that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end state of existence” (Rokeach, 1973, p.5), Deal and Kennedy describe values to be ‘the bedrock of any corporate culture’ (1982), values has been a key concept in almost all formulation of culture (Hatch 1993; Peters and Waterman 1982; Schien 1985). As per Morris Masey, values provide an internal reference for what is good, beneficial, important, useful, beautiful, desirable, constructive, etc. Values generate behaviour and help solve common human problems for survival by comparative rankings of value, the results of which provide answers to questions of why people do what they do and in what order they choose to do them. The value concept is a powerful one because it can be meaningfully employed at all levels of social analysis – cultural, societal, institutional, organizational, group and individual.

Values can have a major impact on how employees approach their work and on their feelings about their jobs and the organization itself (Boxx, Odom, and Dunn 1991), and consequently influence the work culture of the organization. Dr. Robert Rue emphasizes that: “Values are the essence of who we are as human beings. Our values get us out of bed every morning, help us select the work we do, the company we keep, the relationships we build, and ultimately, the groups and organizations that we lead. Our values influence every decision and move we make, even to the point of how we choose to make our decisions” (Rue, 2001, p. 12).

A developing economy like India can achieve its highpoint of advancement if it can increase its productivity appreciably. Raising productivity, especially in the short term is decisively affected by the employee’s attitude towards work, which in turn is clearly determined by the manner in which their work places are organized and run by management. Here-in lies the importance of work culture of the organizations, i.e. work related activities in the framework of norms and values regarding work. Divining a bit deeper on that, how we conduct work, our behavior, our style of work, our use of language, how we solve challenges, problems, and conflicts, how we negotiate, how we go about creating relationships etc., is driven by our values. Obviously, values and beliefs are learnt in a national culture, and they may be unconscious. There is a possibility that we may not even be aware of our own values and beliefs until we are confronted with someone different than us, e.g. working with a colleague from another country (and it may be quite a challenge) etc. Values vary enormously, especially across national cultures. We have a tendency to judge others’ behavior based on our own cultural norms, the “lens” we see through. And here, we have lots of opportunities for potential conflict, misunderstandings and miscommunication. Different values lead to different behaviour, behaviour one may not even understand.

Work organizations in India are not self-contained. They are conceived as instruments of nation building. They are much more open to societal forces. In short, there is a basis for postulating a desirable
direction for building organizational culture. Consistency among the facets and levels of organizational functioning and assumptions are not enough. They have to be directed towards work: ‘Organizational culture has to be built around work’. This notion gives rise to the evolution of work culture as a concept, which needs to be diagnosed and studied. If a particular organization has a non-work culture, there is ground for wholesome change – including changing the basic assumptions, which lead to non-work orientations and activities.

Work culture means work related activities, and meanings attached to such activities in the framework of norms and values, are generally contextualized in an organization. An organization has its boundaries, goals and objectives, technology, managerial practices, material and human resources as well as constraints. Its employees have skills, knowledge, needs and expectations. These two sets of factors – organizational and individual – interact and over time establish roles, norms and values pertaining to work.

The concept of work culture has been, examined by different theorists and conclusions drawn by some of them are as follows:

Pettigrew (1979) identifies “work culture as the system of personally and collectively accepted meanings of work, operating for a given group at a given time”. According to Peters and Waterman (1982), “Work culture is defined as a system of ‘shared values’, which results in high performance in organizations”. Singh (1985) says that: “The work culture is the prevalent and common patterns of feeling and behavior in an organization”. Sinha (1990) labels work culture as “the totality of the various levels of interacting forces around the focal concern of work”. Work culture means work related activities in the framework of norms and values regarding work. MSG Experts say, “Work culture plays an important role in extracting the best out of employees and making them stick to the organization for a longer duration. The organization must offer a positive ambience to the employees for them to concentrate on their work rather than interfering in each other’s work.” To quote them further, Work culture is a concept which deals in the study of beliefs, thought processes, attitudes of the employees and ideologies and principles of the organization. Experts also points, “…it is the work culture which decides the way employees interact with each other and how an organization functions.” In layman’s language work culture refers to the mentality of the employees which further decides the ambience of the organization.

Overall the literature indicates that the individual work values may have a lot to contribute to the work culture of the organizations. Chakraborty (1991) researched three organizations to examine their value systems. A closer look at the value statements examined in these organizations showed a mixed pattern of indigenous and universal values. These value structures substantiated the initial assertion that Indian organizations display certain unique characteristics in the way they function despite the compulsion of modern technology. Many Indian scholars have tried to highlight the unique Indian situations and how these situations have contributed significantly to our understanding of the functioning of Indian organizations.

There is a growing realization that Indian socio-cultural values are not dysfunctional to the functioning of organizations, provided that an optimal level of fit can be obtained between individual values and organizational values. One of the modalities for obtaining this fit is through organizational socialization in which the values of the members of an organization are integrated with the values
of the organization. Most organizations consciously encourage their members to think and behave in consonance with the goals of the organizations (Richer 1987).

Oliver Nick (1990) examined the influence of employee’s work values, demographic characteristics and organizational rewards on levels of organizational commitment, involvement, identification and loyalty in a U.K. employee owned firm. The idea that commitment can be understood as a function to ‘fit’ between employee’s values and organizational rewards was explored. It was found, demographic variables made little impact on the level of commitment, but both organizational rewards and work values showed significant relationship to commitment. Employees who showed strong participatory value exhibited relatively high commitment, those with strong instrumental values showed relatively lower commitment, providing some support for the ‘fit’ model.

To remain competitive, during the current period of accelerating change, organizations will have to continuously pay attention to the notion of work culture as the issues of positive work culture and improving productivity, not merely of labour but of all other factors of production have acquired special significance and urgency in the context of India’s quest for a place at the global market. It is widely recognized that if the Indian industry is to succeed in the ever-increasing international competitive environment, it will have to reduce costs, increase output and produce quality product at the right price. The change in approach to industrial development through thorough dismantling of controls and regulations, the pressures to modernize and invest in research and development, the resolve of Indian industry to become recognized leaders, at least in some selected segments, signal a welcome change and a new dynamism. But this, as well as foreign investor’s interest in the development potential and new investment prospects in India, can be sustained only by a positive work culture.

Work culture is the social interlocking mechanism upon which the enterprise can function effectively. Through this, organizations will be in a position to establish better psychological contract with the employees. This, in turn, could lead organizations to higher level of performance. To develop and maintain a functional work culture, organizations have to make conscious efforts. They cannot afford to take either inactive or reactive positions. If they have to succeed in the emerging turbulent environment, they have to be proactive and even interactive and work towards developing a positive work culture. If culture is manmade, organizations can make efforts to create a work culture, which will be complementary to employee’s satisfaction and organizational performance. It is with this forethought that this research design was envisaged which would help us in identifying the impact of individual work values on the work cultures of the organizations.

Given this, the next question that faces the corporate leaders today is how to understand and create a system of Value Based Leadership (VBL)? VBL connotes a plethora of meanings, but based upon my experience in the corporate world, the concept is primarily defined as leading by example, that is, doing the right thing for the right reasons and not compromising core principles. A leader who embraces this type of thinking can become very successful in fostering strategic vision and gaining the support and partnership of other potential business partners.

Steve Jobs, CEO of Apple Computer, Inc., once remarked, “The only thing that works is management by values. Find people who
are competent and really bright, but more importantly, people who care exactly about the same thing you care about.” (Koteinikov quoting Jobs, 2008). This statement has been personally influential and I have embodied its clear meaning in a saying that I keep at the forefront of my thinking: engage not only people’s hearts but their heads as well. This form of motivation appears to be idealistic and theoretical, but if practiced, reaps enormous benefits to the organization.

Based upon my experiences in the corporate world, I feel extremely fortunate working for an organization that has really taken the time to express what it thinks is meaningful, how its team members should be operating, and how the company as a whole wishes to be viewed both internally and externally. These statements are not empty words, but represent active coordinates in maintaining a healthy business atmosphere. As a result, I have become a team member who feels a close connection and alignment with my employer. I am more passionate about the work I do. I am more driven to achieve results. I care more about how my work impacts those around me in the workplace and in the community. There is no lure or incentive to seek employment with a competing organization. Moreover, I have found that the values of my employer fit neatly into the realm of my own established principles, ultimately allowing me to be more effective and successful in the workplace. I wholeheartedly adopt and emphasize my sentiment that shared values build trust, which builds the commitment of employees and customers. For me it’s all WORKSHIP.

I think for the business leaders who strive to accomplish great achievements in our global economy, it is important to always remember that values endure. They are absolute, unchanging and non-negotiable. In a world where change can be bewildering, values offer touchstones defining our actions, our decisions and the manner in which we treat others. They connect with the most powerful forces dictating our actions: conscientiousness, integrity, and self-respect. These factors represent the fundamental underpinnings which shape our capacity to lead. As business leaders, we are sometimes tempted to compromise these basic truths, dodging, ignoring or compromising our principles, however ultimately, we return to these simple truths. Chakraborty, 2014 said, policies are flexible, principles are not. Jargons can be changed, fundamentals can’t. If you hold firm the values that have been instilled deeply within your moral fiber and dictate your very existence, your life’s path may not be an easy one and your decisions may often place you outside of your normal comfort zone, however, I firmly believe that as long as you make the choices and decisions you believe to be right – your principles will be preserved and your decisions will generate respect from others and preserve self-worth and integrity.

Lately, it has been argued that the value system of the current generation of employees is changing and individualism is the new trend of the modern society, but is it really? How often does someone invent a new product all on his own? Or how often do we achieve something only out of our own efforts (no help from colleagues, partners or peers)? Concerning our values, most likely our individual values don’t change in a group. It is very likely that we adapt our behaviours to fit in with the group. This does not always happen, but it does occur more often than one probably thinks. We can still stay authentic to us, at the same time as we try to understand the other and flex our behavior to create a win-win situation for both of us. This is behaving in a “culturally intelligent” way.
Building on the literature on *Quality and the new management paradigm* by Lawrence M. Miller and Jennifer Howard, a few major paradigm shifts that demonstrate the swift change in thinking and behaviour of work environment of world-class Organizations of the modern era are:

**Unstated Values to Shared and Stated Values:**

In the past, the leaders were not accountable to those below and did not need to reveal their principles. They only answered to someone above. But now, quality organizations have clearly stated values that define desired behaviours, ethics and goals. When values are clearly stated and shared, they serve as a unifying force directing energy towards productive efforts. Stated and shared values create a problem for managers. They are expected not only to conform to those principles, but, to be an example. If an organization values teamwork, managers are expected to model teamwork. If an organization values continuous learning, managers are expected to model continuous learning.

**Control Management to Commitment Management:**

The culture of the organization is changing because the nature of work and workers is changing. In the past, work was controllable. On the assembly line, jobs were repetitive and required little thought. Performance could be measured simply and reward and punishment administered to provide control. The managers counted, controlled and determined reward and punishment. Today, however, the critical performance is thinking about better ways to get the job done, initiating actions to improve, and creating new products, services or methods. They are not so easily ‘controlled.’ They require innovative thinking, risk-taking and autonomy.

Managers must give up control to those who have their hands on the work. High control increases fear and reduces risk taking, initiative, creativity, and destroys the very performance that is the key to today’s success. Eliminating fear and unnecessary control increases commitment, creativity and other discretionary factors. Managers create commitment by sharing vision and values, involving employees in decision making, facilitating knowledge of customers and performance, and helping to improve the process.

**Task Focus to Process and Customer Focus:**

In the past, managers were responsible for defining employee responsibility in terms of specific tasks. In today’s work environment, the “right” task definition changes too frequently as methods and machinery are continuously improving. To optimize quality, employees at all levels must understand who their customers are, their requirements and they must be involved in efforts to improve their process to meet customer needs. A quality organization is a customer-focused organization which defines work in terms of responsibility for the complete process that serves the needs of the customers. The manager’s job is conditioned by his understanding of the needs of his customers.

**Command to Consensus Decision Making:**

Command decision-making has been the dominant decision making model for most of the mankind’s existence. In Henry Ford’s factory, the workers were mostly uneducated and had little knowledge of the work processes beyond their immediate tasks. Command decision produced the conformity and uniformity that led to success in highly repetitive work.
Things have changed. Rather than centralized command decision making, we need commitment, involvement and ownership, which leads to creativity and acceptance of responsibility. The degree of system integration or interdependence between organizations and people dictates a consultative or consensus decision process.

**Individual Work to Teamwork:**

In the past managers assigned tasks to individuals and then rewarded or punished them. This worked well as long as the tasks were simple and independent. Today, tasks are increasingly complex and interdependent requiring greater teamwork. Teamwork requires decision making by the employees and among employees. Today, in many team based organizations, employees are making their own decisions about the tasks that have to be completed and also about the members who would be performing them. They may take turns rotating tasks, or they may choose to specialize in tasks. Now the manager helps the teams make these decisions well and assures that the process is functioning well.

**One Right Way to Continuous Improvement:**

Products and Services, requirements, and work processes changed slowly in the past. These change overnight today. By the time the “right way” is discovered, a new way is required. We must adopt the racing spirit. Like continuous improvement of the racing cars on the track, we must constantly be looking for a better way. In the past, the manager was the authority on the right way to do things. If he did not know it, he was seen as weak. Therefore, he often acted like he knew the right answer, even when he did not. Now the manager is liberated from this dehumanizing assumption. It is assumed now that the ‘right way’ is constantly moving forward. The new ‘best way’ may come from the lowest-level employees who have their hands on the products. The manager is not judged by knowing the right way, but by helping to facilitate continuous improvement that is only possible if everyone at every level and in every function is involved and accepts responsibility for improving performance to customers.

**Tough on People to tough on Competition:**

One of the greatest misconceptions about leadership during the recent past was that leaders are tough on their people, which may not be correct. Work environment has to communicate the idea that it is tender and affectionate towards its own people but is hard on competitors.

In any organization, the importance of work culture can never be underestimated and overlooked – for work culture is central to any activity in the organization. In the present study, a modest effort has been made to study the effect of individual work values on work culture.

Remember, if organizations do not make attempts to socialize their employees, to develop congruence between the persons and the jobs, the personal work values may have detrimental impact on work culture. Organizational factors, which can be managed by the company make a direct contribution to work culture and, therefore, should be given due consideration.

**References**

Our Former President, Dr. A P J Abdul Kalam, identifies India’s human resource base as one of its greatest core competencies in a book titled ‘India 2020: A Vision for the New Millennium’. As India surges towards being one of the Global Super Power with an intellectually rich workforce and extensive foreign investments pouring in the country, the expectation of HR in Indian organisations has drastically shifted from Personnel & Administrative function to Strategic Business partnering. What differentiates India from other countries is the massive numbers of Gen Y employees joining the industry every year. It’s becoming increasingly crucial for HR function to balance between the experienced workforce with their ideologies and discipline while gearing up to accommodate a vibrant and dynamic Gen Y workforce with their youthful irreverence to dogmas.

Here I would like to dwell on some common emerging challenges India Inc will face as we go from here and HR responses to that. Each of the 4 elements have significant impact in the way workplaces will be experienced by employees and as a result how organisations will perform and thrive. By no means is this a comprehensive list but certainly what I see as most challenging in the current context.

About the Author

Geethaa Ghaneckar, Director – CHRO Lifestyle Business (Textiles, Apparel, Retail and Garmenting) has an interesting career spanning over 22 years. She has been associated with Raymond for more than five years now and has contributed significantly in her role both as Head of Corporate Learning & OD team and now as CHRO for Lifestyle business.

An Economics graduate with an MBA in Marketing, Geethaa Ghaneckar started her journey as a marketing professional with Aptech Limited where she also worked in the capacity of a business head. Following eight successful years at Aptech, she forayed into Leadership Transformation and HR in 1999 with MANFORD (Management Foundation for Organizational Research and Development). Geethaa has also worked with the RPG group as Head of Corporate Learning & OD and later at AIG at the capacity of Vice-President, Learning and Development before joining Raymond in 2009.
Managing a multi-generational workforce:

The most significant of them is the challenge of creating and managing a healthy multi-generational workforce. Diversity and inclusion have been steadily gaining traction in corporate India in recent years. Much of this is centred around gender diversity, and companies are beginning to realize the business imperative of hiring women and creating an equitable work environment. But there is another aspect that human resource managers in India need to wake up to i.e. the importance of effectively managing a multigenerational workforce. Even as the world is greying, India is getting younger. By 2020, the average Indian will be only 29 years of age compared with 37 in China and the U.S., 45 in Western Europe and 48 in Japan. Currently, more than half of India’s population is less than 25 years of age. Given India’s population of over a billion, these make for very large numbers. What’s more, this large pool of new workers comes with a mind-set very different from that of the earlier generations. Experts note that this difference between generations is far more striking in India than elsewhere because of the country’s rapid pace of liberalization and increasing globalization since the 1990s. India has also leapfrogged through tremendous advances in technology, including the adoption of mobile phones, the Internet and social media.

The current generation in India entering the workforce has seen abundance in options and affluence early in life. They are also more independent and more aware of global opportunities. This is reflected in the decreasing loyalty toward their employers and the increasing focus on short-term goals. Globally, the shift has not been so pronounced. Also the dissonance between the home environment and the workplace has increased as the parents in India have become far more open to including their children in decision making — what kind of house to live in, what make of car to buy, where to go on a holiday and so on — but the workplace continues to be in a “hierarchical set up that is planned, managed and reviewed” by seniors. This results in disengagement and distance at the workplace. The yearning to experience new and exciting challenges, freedom to bring in personal uniqueness, empowerment to do what it takes are all top needs of the youth at workplaces. This need for freedom and empowerment spans a host of issues: vocabulary, dress code, work - time, work-life balance, use of social media and so on. This is a generation that is not hierarchical in its outlook. It respects competencies and knowledge and not so much authority that simply comes with age or position. And herein lies the rub: In most organizations, policies are created by a group of senior people who don’t fully understand or appreciate the mind-set of the youth. The gap between the traditional outlook of people who are taking decisions and those who are getting impacted by these decisions is increasing. This is resulting in a mismatch.

But this is not to say that the experience and maturity that Gen X brings is not
of value. In fact quite the opposite. The youthful energy and sense of abundance needs to be balanced with wisdom that comes with experience and maturity. Currently in industries that are at least 5-6 decades or more old, there are at least 3 generations working together. I would like to see this more as an opportunity than as a challenge. Here’s where HR can play a role. Attempting to put down a few possible initiatives that can be taken to make multigenerational workforce dynamic work for the organisation

1. Recognise that each generation is driven by its own needs and they will respond to different strokes. Policies and benefits program may be devised based on relevance to age and life stage rather than designations and hierarchy

2. Create Green Channels for creative ideas to bubble up thru the hierarchy since in most cases the sparks are curbed far before its heat can be felt by reporting managers who either don’t understand or don’t give it any importance

3. Actively propagate the benefit of multigenerational workforce. Help senior people see the difference energy and creativity can make and also guide the young to actively seek wisdom and maturity to ensure plans are realistic

4. Reverse Mentoring by the young employees on matters like social media, E-commerce, technology etc can help build mutual respect.

Raymond has a rich heritage of 90 years and several of our Senior Leaders have spent over 2 decades with the company. At this point we have at least 3 generations working together. It is therefore important for us to be conscious of this reality and work towards engaging each group of employees differently and at the same time ways of bringing them together. Some of the things that we have done in the last 2 years to make it an inclusive place for Gen Y is mentioned below. But of course this in no way takes away from the wisdom, industry understanding and maturity that the older generation bring to the table. Our effort has been to create a workplace that is inclusive and accepting for all to work together and bring in their best.

1. **Green Channel:** It’s a platform for our Gen Y employees to be Seen & Heard by the Raymond Leadership Team. A “Theme” based conversation led by the Senior Leaders on various aspects of the business. This allows younger employees to speak their mind on radical new thoughts or challenge the status quo in a forum designed for the purpose and hence eliminating any fear of retribution.

2. **Raymond Leadership Academy:** This is to help identify and nurture bright young talent in the group and have focused development and investment plans for them. This includes their participation in strategic projects which allows them to contribute at a higher level.

3. **Rewards & Recognition:** Special recognition program called ‘Debutant of the Year’ and ‘Most Promising Raymondite’ that are designed to acknowledge the early spark.

4. **Sociability:** Raymond Yo! Forum created and managed by Gen Y. This forum engages them through interests groups in sports, cultural event, dramatics, books, music etc.

5. **Reverse Mentoring:** A few experiments with ‘Reverse Mentoring’ for senior leaders on design, technology and social media. While this is an exciting proposition and can be hugely beneficial for both the mentor and the mentee the challenge is in acceptance and the
willingness to take this on by both. We found that the success is best when it is informal and initiated by the senior leader.

Managing Change: As more Indian companies push towards aggressive growth strategies and as the Indian markets open for all time high foreign investments, many middle and senior management personnel in these companies grapple with significant challenges. They have to ‘go global and take charge’ in a very fast pace and learn how to manage complex business on global scale. There is a need to build capability of leaders to deal with varied customer needs and diverse competitive forces; work in team with members from different countries and cultural background; manage companies that have been acquired through the M&A etc. Also with more and more start-ups emerging from all corners and giving a run for money to large conglomerates with their innovative and agile moves, it’s time for organisations to be nimble footed and adapt to change fast before it’s too late.

HR is in a unique position to see the change coming far before it begins inevitable and so best placed to prepare the organisation to ride the change rather than be forced to change. Below are some initiatives that HR should consider to ensure that the organisation is ahead of the curve.

1. Keep in constant connect with the world outside in the industry, economy, technology and consumer spaces. Periodically expose leaders to new perspectives and thought leadership from across the industries and geographies.

2. Identify and define a burning platform for change, largely originating from the consumer end.

3. Create agile organisation structures that can allow changes and reconfigurations

4. Build skilling and re-skilling as a rhythmic, effortless process to ensure readiness as required.

In the last 24 to 36 months, Raymond is engaged in a transformational process that’s designed to adapt itself to the contemporary Fashion Lifestyle Business. A quick view of the key elements of this change process is give below:

1. We began the process in 2009-10 with an exhaustive diagnostic exercise to identify both internal and external elements that are working for and against us. This process involved major stakeholders. Consequent to this a detailed 24 months change map was designed.

2. Several organisational development interventions at Leadership Level was initiated to build a burning platform for change. This began with an intense behavioural process lab for the Leadership Team, followed by Executive Coaching to support their Individual change agenda. Several change initiatives on the business front like Business Process Re-Engineering, 4 year strategy Road Map, Operational Efficiency initiatives were also taken to move forward on the change agenda.

3. 2013 - 2015 saw a series of organisational design changes aligned to strategy. It was necessary to re-align the structures and processes to the strategy Road Map. Several people and capability movements were also part of this realignment process.

As I look back at the last 4 years what strikes me as the most important shift is the acceptance that change is constant. For an organisation with the rich legacy that Raymond comes with, the realisation that, what worked for us in the past may not necessary guarantee future success, in itself, will go a long way in setting us up for the future.
Technology:

The pace of change is being exhilarated by the pace of advancement in technology. The time gap between platform shifts, processing capability upgradation and disruptive new models is increasingly becoming shorter. This is certainly forcing behavioural changes in those making the products and services and also those using it. HR needs to be cognizant of these changes more than any other function because these shifts are fundamentally shifting norms on how Human Beings are relating with each other and responding to situations. While other enterprise technology platforms have seen a great deal of evolution, the HR technology space is far behind in India. However, this is going to be a big game changer for HR in the coming years and we have already started experiencing shifts in this space. Automation of administrative tasks, such as payroll and benefit is the 1st phase in this segment and then leading to management of the talent lifecycle within the organization, Performance management process, Rewards and Recognition programs etc. HR Analytics is changing the way we are looking at all HR effectiveness related metrics. Not only will administrative and operational tasks move to technology enabled systems but also areas like Recruitment and Coaching which is traditionally believed to be impossible without human interface will see more of technology infusion. This will relieve HR function from the transactional / administrative activities and enable them to spend more time in partnering with the business and engaging with the employees at a deeper level.

In order to stay ahead of the curve, HR will need to adapt and adopt new ways to manage their work and its impact on employees

1. Adopt tech enabled solutions to manage operational and administrative task so bandwidth can be released for doing meaningful contribution.

2. Understand that technology is an integral part of life today and keep this in mind while devising IT policies in the organisation e.g. Social Media access.

3. HR Analytics helps in deep diving into issues and drawing out insights. Adopting tools that help in HR Analytics and using it to help business leaders understand their people and productivity better.

4. Using social media / networking platforms / blogs and other interfaces to improve access to talent , quality of hire, research on people etc. is imperative.

Raymond is fast adapting itself to the rapid changes that technology is bringing to the way we do things . Technology inclusions in all areas of work is inevitable and last 2 years we have seen significant investment in Information Technology across all facets of our business like –

1) Retail Transformation: This effort is to make our front end, the real value creators for the business. Excellence on the Retail front is really where the rubber hits the road for our business and so this initiative is designed to create a front end organisation that is the best in class in the industry and geared to offer a consumer experience that is top of the line. Technology plays a pivotal role in this. All our retail stores are being wired with new generation consumer experiences like tech enabled merchandise selection, buying, omni channel access etc.

2) Sales Transformation: Gone are the days when the sales personnel used to carry swatch books with samples and take
booking. Now the only thing the sales guy carries is a TAB which effectively connects him to all customer data, inventory position and sales backend. This eases his effort and improves productivity several times over.

4) Business Process Re-engineering- This encompasses all major business process and an integrated solution that provides for business intelligence.

5) E-Commerce- Recently launched RAYMONDNEXT triggers our foray into the E-Commerce space and is already proving to be a channel to reckon with.

Culture:

Indian economic, political and social landscape is changing at a rapid pace. The work environment and organisational frameworks are also undergoing significant shifts. Start-up and entrepreneurs ventures are here to stay. The next decade or so will be predominantly owned by start-ups. With flexible, vibrant and open work cultures these workplaces challenge the conventional wisdom of hierarchical organisational design and also traditional people processes. All People Processes as we know it will become increasingly irrelevant in this new context. A new norm will emerge and HR readiness to lead that change will define how we succeed in the new game. While large complex organisations will still be governed by established organizational design and people processes, it will co-exist in a space that is dramatically different and the fight for talent will be played out in the same arena. Even as we speak the number of IIM graduates choosing to work with start-up and e-commerce companies have increased significantly in recent years and this trend will continue for a while. Large, complex organisational setups will struggle to provide an equally vibrant and energising experience of work.

Culture is the eco-system within which an organisation grows and thrives. It’s unique to the organisation and can be a powerful and sustainable competitor advantage because it can never be replicated in its entirety.

While the thought for long has been that Culture is top down and enduring, through my experiences over the last decade or so, I do believe that the Culture needs to be as nimble as it is enduring & as bottom up as it is top down. Culture, when aligned with Business strategy can become a significant enabler. But strategy is short term and will change as the business grows and market dynamics shift … hence organisational fabric needs to be nimble enough to adapt quickly and align its self to the new norm. For ex- Frugality for an organisation that has lived a lavish past will be difficult but necessary if it’s important to sustain in the new scheme of things.

HR plays an important role in recognising the need for the shift early, raising the awareness and enabling the process

1. Understand the Org medium to long term strategy and along with the CEO/Leadership team define the culture that will best support the agenda.

2. Build a basic fabric of nimbleness, agility and acceptance in the system through carefully managed processes like – planned periodic structure changes / reporting linkages / role movements etc. This will serve well because the readiness for change will become an internal capability.

3. Culture is experienced by all stakeholders hence it’s important to design shift in experiences across all stakeholder groups. Then it comes alive.
4. Constantly look at what can be done to align the organisational culture to the changing needs of the business, of rapidly changing workforce demographics while retaining the core enduring values.

Culture is all encompassing and experienced by all stakeholders. So it’s important to have a 360 degree view on any effort on Culture.

**Our framework:**

Some initiatives that are currently underway on institutionalise the Culture Pillars are:-

1. Alignment of Senior Leaders on Culture Pillars through the Appreciative Enquiry process
2. Story Telling and Adda conversations
3. Defining clearly the acceptable and unacceptable behaviour under each Culture pillar.
4. Clarifying consequence of serious misalignment
5. Redesign of all major people processes in alignment with the Culture Pillars.

As Indian organisations evolve, HR could play a central role in enabling the organisation make the shift and ease in the new way. HR as a function is also in the midst of a transformation from people process custodian to change agents and HR teams will need to invest in itself and build capability to comprehend the external changes, navigate the internal challenges and add real value so as to be relevant in the new era.
Antoine De Saint-Exupery, a French aristocrat, writer, poet, and pioneering aviator once said “As for the future, your task is not to foresee it, but to enable it”.

Given the strong role that HR plays as an enabler in any organization, it has gone through major changes over the past few years. This holds true for MNCs as well as home-grown Indian companies that operate in India. With skills and talent in short supply, every organization has to compete to sustain operations and break down the barriers that restrict performance. Employees today don’t mind moving across sectors for what they perceive as growth. Hence HR needs to move on from its traditional role of “support” and transform itself to an “HR Entrepreneur” and play an essential role which warrants organizational performance. Indian companies probably have a bit more advantage in this area. Where most MNCs have policies that trickle down from global HQs which need to be uniform, Indian companies enjoy more flexibility to ensure policies and processes are indigenous to the country.

Essar Group is an example of one such thriving multinational conglomerate and leader in the sectors of Steel, Energy, Power, Communication, Shipping, Ports and Logistics, Constructions, Mines and
Minerals. With a global footprint in more than 29 countries, the Group employs over 60,000 people and aggregate revenues of USD 35 billion.

Essar Group is known for its people practices. However, from the year 2007 it accelerated in modernizing and streamlining HR systems. With an HR vision of “...emotionally connecting people to +vely engage in value creation,” the organization started its voyage of taking human resources into the future. Every company in the group is realized with independence to align HR process to their respective company and industry while adhering to group’s HR architecture. Essar Group has come a long way since 2007 and has come to be an organization with proven HR practices that will see them as a whole into the future.

“Innovation” is the new buzzword in India’s corporate world. Today, India is at its helm of its relations with various countries across all continents. In this scenario, it is critical that we as HR introduce initiatives that maximize returns while utilizing minimum resources. We need to deliver strategically to sustainably improve for the organization’s future.

India is known to be the world’s fourth-largest energy consumer. The first oil deposits were discovered in 1889 in Assam. Traditionally seen as a public industry owned by the government, this industry has seen major privatization since 2002 (with the abolishment of Administered Pricing Mechanism). Today, Essar Oil is the second largest single location refinery in India. We are a fully integrated Oil and Gas company of International scale with a strong presence across the hydrocarbon value chain from exploration and production to refining to retailing of petroleum products. With operations spread across dispersed locations in India and abroad, the need to connect and engage with our employees becomes all the more critical.

At Essar Oil, over the last few years, we have transformed HR to ensure we impact our business. In a journey that began in the year 2009, we have been able to identify key drivers to acquire, sustain and retain the best talent available in the industry. It was a meeting that defined out future and was attended by key business stakeholders and HR. Christened People First, this meeting, initiated our transformation process and helped us introduce a sea of initiatives, which ranged from career management to rewards and recognition, to take Essar Oil into the future.

We have been blessed that these initiatives and our efforts as HR have been recognized at various forums like Golden Peacock, Greentech, and SKOCH. One of the high points in this journey was when we won Gold for Golden Peacock Awards for HR Excellence in 2013.

At Essar Oil, we have aligned our HR’s systems and processes by adopting the Total Reward Model in the organization while being true to our Group’s HR vision. Every year we have ensured we take one step to better our systems and that this step impacts the organization and puts people first. We have created a high impact, technology based HR solutions,
which covers all the aspects of the Model such as performance recognition, career development, opportunities and so on.

In each of our HR offerings we have taken advantage of technology and gone online to ensure that no matter which location Essarites are placed in, they are offered the same service as their colleague sitting in another location. We have even gone online with our Innovation product offering and have termed it “Out of the Box”. It not only pushes people to think outside of their limitations but also asks them to team up with colleagues in other locations thereby bridging the gap between geographies. Through “Out of the Box” schemes we have saved the company Two Hundred crores rupees over the last couple of years.

2012 was the year in which we expanded our refinery’s capacity to become a 20 MMTPA refinery. During that year, although we went through a major shutdown while capacity expanded, we were able to reduce our attrition rate.

At Essar Oil, we have implemented the Balance Score Card methodology of performance measurement. Since its introduction, every year, at the beginning of the performance year, an Annual Business Plan is created. The same is then translated into a Balanced Score Card (BSC) framework and regularly reviewed. The HR agenda is derived from this organizational BSC then cascaded to the last man standing in the department. Every month, the senior leadership team along with the Managing Director and Chief Financial Officer

Careers that allow the marrying of individual goals with organizational goals has been one our focus areas. Here, we have empowered our employees to take their development into their own hands. They themselves plan their own career growth and progress within the organization. Here, they can find information about their current role and the projected career path in their current function. In order to access their technical capabilities, each can take a test tailored for their current role. This test also enables them to learn and work on their areas of improvement.

We have a multi-generational workforce and therefore it becomes important to support inclusion between the Baby Boomers, Gen X, Gen Y and Gen Next through our diversity and talent management strategies by fostering career development, encouraging professional and social networking, driving innovation and promoting an inclusive culture in order to increase individuals’ and organization’s performance.

Growing from within has always been one of our mottos and this is evident in the number of individuals in senior management that have grown in Essar Oil through the ranks. Through robust processes like Aspire, which is aligned with the Group’s internal mobility program NextMoves, we have an almost negligible record of lateral hiring at senior levels and focus on cadre building. We allow one and all in the organization to develop their full potential understand and respond (better and faster) to market fluctuations, and foster more diverse thinking across all levels and functions.

We have developed an in-house Talent Management Portal (TMP), which is a “one-stop shop” for planning, scheduling, communicating, recording and reviewing all employee engagement activities of high performing employees. Through this portal, line managers and HR can plan an engagement activity, assign or escalate the same with timelines and review its execution on a real time basis. For example, if a line manager during her interaction feels that one of her team members needs traction with a finance head, she can through this portal assign this action to the concerned Finance Head indicating the reason and timelines. The Finance Head will then interact with the employee and upload his interacts on the portal. The line manager and concerned HR manager will receive his completion status through an email. On the same lines, all other engagement activities like learning, career discussions, etc. can be tracked.

While attracting and retaining talent is significantly essential for any business, we are aware that our growth plans can
only be achieved through the highly engaged and high performing talent pool in the organization. Thus engagement activities that sustain relationship building are encouraged in the organization. Through knowledge sharing sessions, cross-functional team meetings, team out bounds, and one-on-one meetings, our efforts strive to ensure that our people see a future with the organization and hence significant attention is paid to them as individuals. This has gone a long way in keeping employees at tuned to the expectations of the organization.

We have taken cognizance of the fact that the workforce of the Oil Industry is ageing rapidly and hence the need to build a sustainable talent pipeline. Essar Oil has been quite successful in ensuring multiple successors are available for roles and each of them have been suitably trained to assume these roles in case vacancies arise. Succession planning at Essar Oil is done keeping the role in mind, while providing opportunities to high performing – high potential talent to assume these roles. Talent Analysis is done on an annual basis and the actions and results are monitored throughout the year through Talent Dashboards.

At Essar Oil we have recognized and appreciated the difference between employee connect and employee engagement. Employee engagement does not stop at employee happiness. For Essar Oil that is where our ‘employee connect’ activities come in. Through our ‘connect events’ which range from management games, movie shows, festival celebrations, parties, get-togethers, quizzes, contests, we have been able to encourage camaraderie and networking between employees. For us, however, this happiness is not enough. Some one might be happy at work, but that doesn’t necessarily mean they are working productively and are emotionally committed to achieving the goals of the organization. While employee happiness is important and beneficial to the organization, it is only one step in the direction towards employee engagement. Happiness is different from keeping employees engaged. At Essar Oil, through engagement and connect connectives we align personal happiness to employees career and organizational goals.

At Essar Oil, we have aligned and implemented our HR strategy to holistically address all the engagement drivers of People, Work, Compensation, Opportunities, Procedures, and Quality of Life. Thereby we have managed retaining our top quality talent in the wake of environmental uncertainties and an ageing workforce. These employees willingly put in that extra effort, work with passion, and feel a deep connection to the company. We believe that these engaged people are the ones who will drive innovation and move us forward as a business.

We have gone beyond our immediate family (employees of Essar Oil) and also started to engage with our larger family (families of employees) through an intervention called Ladies Club. Being constructively engaged is a challenge for all HomeMakers and womenfolk as employees and husbands are away at work and the day does seem to drag. Recognizing this, a Ladies Club has been formed to organize a variety of programs for families of employees that include
various social, cultural and entertaining events. This forum gives employees and their families an opportunity to interact with each other, share their experiences and stories, support each other, and link to local resources. Ladies club has ensured that the womenfolk remain engaged through various events like refinery site visits, self-defense training, health awareness sessions and cooking classes.

We believe that as an organization, it is important to find ways to communicate the effect of engagement not as a one-time activity but as a practice throughout the year. This has been achieved by making use of every opportunity that is available to us. Managers, HR touch points, and communication mediums are used to reinforce and recognize the organization’s commitment to employee engagement and share best practices across the organization.

In Essar Oil, a better quality of work-life and a better physical and mental well-being for all our employees is important. Essar Oil as a business believes in having a holistic approach towards engaging with our employees and emphasizing their wellbeing. An induction for families of new joinees is planned so as to get them involved. A number of events have been conducted for employees and their families which have resulted in improving their quality of life. We have ensured that families get an opportunity to interact with one another through various family oriented events like Musical Nights and Plays. Our in-house magazine also regularly features articles, paintings, poems by kids of employees. All this has helped Essar Oil maintain a higher rate of retention as employees and their families now feel engaged and one with the Essar Oil family.

In a manufacturing sector, an organization’s margins are generally low. Thus Essar Oil has turned to creating and driving an awareness of process efficiency and cost consciousness across all levels of the organization. With HR Processes that focus on attracting, retaining and motivating good quality talent in the organization to give their best and succeed in all endeavours, we are now geared to take the organization into the future not as business partners but as HR Entrepreneurs.

Our advice – for HR to be seen as an entrepreneur it is important to avoid becoming too committed to a single point of view or direction of thought. Scan the environment for opportunities and then collaborate with business to deliver results, always keeping ROI in mind.
SOCIAL CAREER NAVIGATION – HCL EXPERIENCE

LAKSHMINARAYANAN K V and SHAILY RAMPAL MISRA

About the Authors

K V Lakshminarayanan referred to as “LN” in his close circles is a Sr HR Professional with two decades of rich experience handling various facets of HR Function. He holds a Masters degree in Human Resources and has subsequently certified in Senior Management Program on Strategic HR and General Management from IIM Calcutta. He has also specialized professional certifications in HR domains like T&D, Competency Mapping and P-CMM. LN has been in Senior Leadership role of HR for more than a decade – working with Captive Design Centres of Telecom and semiconductor MNC’s like Alcatel and KLA Tencor. He is currently holding the Position of Director Head – Career & Talent CoEin HCL Technologies Ltd.

Currently he is also pursuing a Doctoral Program with Academy Of HRD – in the areas of Employability and Harnessing Talent Power to leverage Indian Demographic advantage.

Shaily Rampal Misra is an HR practitioner with about 10 years of experience of having worked in multiple areas of HR. She specializes in organizational effectiveness and is one of the core architects of HCL’s proprietary Capability Development and Execution Frameworks. In her previous roles, she has worked in the areas of Performance Management, Talent Management, Campus Hire Onboarding and has been the HR Business Partner for industry leading business verticals in Engineering and R&D space. She is currently working as Practice Lead – Career and Talent Management Centre of Excellence at HCL Technologies Limited. Shaily holds a Masters Degree in HR and OD from the University of Delhi and is pursuing Coaching Certification from the Cornell University.

The Socially Anchored Workforce

How individuals spend their time and make their choices has seen a significant shift in the past few years. In many ways, the new age workforce has become more “Socially Anchored”. The volume of “Likes” has come to be one of the most critical measures for the affirmation of the aptness of a choice – be it a destination to be explored for a vacation or a field of study be pursued.
It is this desire for wider and larger social appreciation that in many ways forms an underlying theme of the choices they make. Whether this phenomenon can play a role in the “Career” choices that employees make at work – like the role they aspire to take up or the domain in which they strive to gather expertise? That is what we explored in our OD Intervention related to Career Management and found that the answer was a resounding “Yes”. If so, how does it span out? Let us see

*Let us first explain the “ingredients” which went in to our “Recipe” of Social Career Navigation*

**Career Aspiration put up for “Like”**

Organizational psychologists and behavioural scientists have found that the significant others around us like our peers, family, colleagues, managers and customers have insightful views about our strengths and weaknesses (sometimes so insightful that it comes to us as a surprise, but is quite real!)

Asking them what they think our professional area of strength is, or what our natural orientation is (like that of an expert individual contributor or a general manager) will act as a significant and value adding input for making a career aspiration decision.

**Crowdsourcing in Talent Management Practices**

Researchers define “Crowdsourcing” as the process of obtaining needed services, ideas, or content by soliciting contributions from a large group of people, and especially from an online community.

- Crowd sourcing the Development Plan

One of the early and daunting challenges faced by individuals pursuing a career aspiration has been to find out what experiences, exposures, knowledge, skill and competencies should be acquired to traverse from their current Point A to their aspired Point B.

What if this is derived from the career journeys of numerous others who have painstakingly traversed this path in their careers or are currently pursuing it…

- Crowdsourcing Career Counsellors

Another major challenge for individuals pursuing a career aspiration has been to find the right career counsellor who will guide them in their career journey. Someone who has the right expertise and skill set to guide the individual around how to gain the desired experiences, exposures, knowledge, skill and competencies in the most effective and authentic ways, and is willing to spend the effort to do the same.

What if this “Right” individual was sourced through a larger social network rather than by a few individuals attempting to make a match from the immediate organizational vicinity…

**Social Accreditation of proficiency in desired state**

Ascertaining whether an individual pursuing a career journey has really achieved the desired thresholds of proficiency of knowledge, skills and competencies for the aspired role has been a key challenge for Talent Management practitioners.

What if this credentialing is done by a process of social accreditation wherein various subject matter experts, colleagues and significant others rate the proficiency levels and growth journey of a person and “Vote” for it…

**Challenges in the approach - The Spice?**

- Aligning individual aspirations with the larger organizational agenda
The socially anchored approach might lead the individual to the right personal aspiration, but what is in it for the organization?

How can we get the Business Leaders interested in collaborating to guide employees towards their aspirations? ... Can there be a WIN WIN situation between employee aspiration and talent needs of business?

This self-initiated, network driven approach might not necessarily lead the individual to choose a career aspiration that the organization wants to inculcate and build in its employees. A part of this problem gets solved by the natural overlap between what an industry is maturing to in terms of future ways of working, emerging methodologies and technologies and what individuals working in that industry aspire to acquire to succeed in such futuristic scenarios.

**Some answers which Only Time would tell**

- Reliability of content and inputs
- Is it a sustainable model

**Now to the “Recipe” itself**

**Guiding Philosophy**

Being born in the Information age, HCL realized fairly early that it has to innovate and invent a new Management style other than the traditional “Command and Control” style of Leadership which would motivate the Knowledge workers. In a Knowledge Industry like Information technology, employees are the assets and until considerable investment was made towards their growth and development as well in exciting and challenging them in their work profile, it would be difficult to sustain and grow the organization. Out of this was born, HCL Core Management Philosophy “Employee First Customer Second (EFCS).

Employee First Customer Second (EFCS) is a transformative, disruptive and innovative management philosophy, which, as the name suggests, puts employees in the center of focus and essentially inverts the traditional management style and pyramid. Since really value gets created in the interface between employee and customer, EFCS philosophy advocates that management layers focus on enabling and empowering employees and being accountable and transparent themselves. It questioned the traditional top down approach and brought the spotlight back on those who created value for the organization – the “employee” as a catalyst of change. By channelizing the energies of 100,000+ employees, we see innovation happening many times over across HCL. By giving them the right tools, and creating the right environment, HCL is enabling employees to collaborate, communicate and create value freely across teams and across boundaries. In this respect our evolved Career Management process is definitely a successful story to tell.

**Genesis for Social Career Navigation**

HCL’s Career Management Framework also is rooted in the core values of “Transparency”, “Accountability” and “Individuality” of HCL’s inherent guiding philosophy - “Employee First, Customer Second”. Quite in line with this philosophy and the manner in which EFCS transferred the power of decision making in the employee’s hands, the Career Management Systems and Processes are designed to transfer the key of driving and chartering the course of their career paths into the hands of our employees. This has helped our employees ‘recast their role as the CEO’ of their own career and contributions rather than solely leaving this responsibility in the hands of their manager.
Like any futuristic talent management model which aims to bring about sustainable transformation, our Career Management Processes also aim to bring about a transformation by seamlessly weaving the Career Growth processes with other Talent management subsystems like Performance Management, Workforce Deployment, Demand Fulfillment and Reward and Recognition which would ensure that employee aspirations and organization demand are synergized appropriately.

As we know, our future workforce is going to be dominated by the millennials, it is imperative that we align our Talent Management practices with the changing aspirations of our future workforce. The findings of a recent Oxford Economics survey 2014 sponsored by SAP reveals that implementing “Defined Processes and Opportunities for Career Development” is the second biggest method to increase employee engagement. Another important most cited comment by employees at their workplace relates to “Self-Directed learning supported by formal learning programs and Informal mentoring”. Many studies have also proven that for the millennial workforce, collaboration, individuality, flexibility, constant challenges, newer areas for exploration etc. are the key motivating factors. The Gen Y has natural leadership traits as this generation essentially seeks independence in the professional as well as personal spheres. Individuals belonging to this generation are willing to assume accountability for their actions and lean towards a creative business approach. They tend to challenge conventional ways of thinking and leverage the same to bring about innovative approaches in the domain of business.

It is only therefore right that an organization which is being driven by these highly charged passionate individuals enables this environment and shifts the control lever in their hands and creates an ecosystem which would be in line with their tastes and behavioral patterns. This is what led us to create an In house Social Media Based Career Management Model.

The Internet has created a revolution wherein Social endorsements and Crowdsourcing have become the natural way of life for the Gen Y today and has given birth to a generation that cannot picture a world without the digital space. Social media has also democratized and globalized learning and networking in such a way that the world is a virtual classroom and opportunities have been commoditized.

Social Career Navigation through MEME

All this led us to host our Career Management Platform on our internal social media platform created and led entirely by our employees called - MEM-, instead of hosting it on our traditional intranet. Quite naturally, we called this social network driven Career Management platform as “Career Connect” where we have uploaded our entire career landscape. This was also in line with the preferences and orientation of the millennial workforce and they way this generation manage their work and life.

This platform enables employees to aspire for jobs in line with their interest and skills and empowers them to take realistic career discussions thereby transparently building trust, with an extended network of counselors, thus giving the key of driving their Careers in the hands of employees.

Career Connect enables the employee to connect with their peers, colleagues and managers to get information, guidance and references for the growth and development of their career. It also enables them to highlight their career preferences and collaborate with others on their career goals. By Co-creating an actionable Career
Development Plan and working towards the decided and desired goals, they intend to build a better employee engagement eco-system. At HCL, employees are encouraged to exchange expectations with their reporting manager, establish a professional social network that serves as counselors to help them shape their career, experience role based learning curricula that grow their proficiency, be recognized for their passion and rewarded for their proficiency, performance and potential.

**Charting the Career Path**

An employee begins his/her career journey by identifying an aspired target role which is different from the current role in his/her Career landscape. They can choose a maximum of two aspired target roles for themselves. Path Recommendations can be given by the manager’s pool consisting of Reporting Manager, Skip Level Manager and HR Partner. These recommendations are in the form of path(s) that you can pursue in future. There could be one or more career path that emerges out of such a recommendation(s). Role referrals, on the other hand, can be given by peers, team members, and by MEME network group and online communities on a target role/opportunity that the employee considers appropriate in the future. The employee’s own network can refer him/her to roles that can also link to an open job opportunity in the IJP Platform - HCL Leap. After getting these inputs the employee can trigger a career counseling discussion with a selected panel based on employee choice. The aim of this discussion is to clarify selected target roles, identify one target role and define the developmental inputs required to achieve the selected target role. The counseling panel may comprise, of manager(s), HR representative(s), and an expert/Coach. Employee can request for an individual session with the counselors or a joint discussion with the entire panel at different dates. The Employee can either finalize by choosing from earlier selected aspired role or choose a new aspired role based on the discussion. A key outcome of the career counseling discussion is a Career Development Plan, also known as the CDP. The CDP is a document that lists the activities to be initiated across five essential building blocks of a standard CDP which are: Knowledge, Skill, Behavioural Competency, Experience and Exposure.

The aim of the joint career discussion and creation of the CDP is to clarify the chosen target roles for the employee and define development activities to help fulfill his/her aspirations within an agreed upon Timeline.

Post Submission of the CDP, the employee gets a view of open positions (demand) against selected aspirations and skills (Including RM approved Skills in his SPS) and can apply to such internal job postings based on our Internal Career Opportunity Policy. Realization of Career Aspiration happens when the WPC (Workforce Planning Cell) prioritizes deployment based on CDP completion which is a status flagged on the Organization Deployment Portal.

**Career Connect – Enabling Features / Highlights**

We have also built in many enabling features which would catalyze adoption of Career Processes as below

One innovative feature of our CDP is that, we have made available sample CDP formats of high volume jobs which are uploaded as ready reckoner for counselors. The most important and interesting aspect of this is that these CDP’s are also created using crowd sourced ideas from Practicing managers.

Another highlight is that completed CDP’s can be flagged by employees for social
accreditation/ endorsement from relevant managers and experts of higher Career Level than the employee. CDP’s which gets maximum endorsements are eligible to be framed as “Internal Patents”.

Project teams having resource constraints are encouraged to advertise their short term positions which may require temporary manpower. These needs are provided as “Net Practice Plots” or “Learning Plots” for employees who have aspired for these jobs and have initiated their CDP to add to their “Experience and Exposure” components. Job shadowing is also leveraged to provide adequate work experiences for aspiring employees.

Apart from this we also have a category of projects called “I” or Internal Projects where employees are deployed to work on projects for tools and processes to be deployed within the company and not for the client. This gives a real time experience for capability development of employees.

Our comprehensive Job Catalogue called CDEX has all the Jobs and with Role Competencies and expected proficiency levels identified and documented. This helps in creation of a clear development plan with the required trainings. The Learning and Development team have a structured program framework to help employees develop such identified areas.

**Career Connect as a Talent Crucible for Business**

While our Career management Process through Career Connect is primarily designed to enable employees to drive their career aspirations, we have also envisaged leveraging the network platform for building “Talent Pipelines” for business.

This first pilot experiment in this area was initiated in 2013-14 when one of our business groups in the Software Engineering Space of our Engineering and R&D vertical had to incubate new business in the emerging technology areas of Mobility, E Commerce, Cloud and Big data. There was a projected need to have 50 Technical Architects / Business Analysts who would enhance our capability to bid for upcoming business opportunities. Hiring from the market was not a probable option due to shortage of skills in these niche areas and high turnaround time and the cost involved.

A program called “Architects Creating Excellence (ACE)” was designed to achieve this goal. A task force was set up to create a learning program to groom talent available in-house in these emerging areas. The program involved channelizing aspirations of chosen Hi-Potential employees who have similar skill sets by putting them through Career Development Plan (CDP) which involved a 90 day up skilling program to acquaint them with the new domain and acquire skills needed to play the role effectively. The potential aspirants were put through an aptitude evaluation and then groomed by the Receiving Business Vertical’s team’s academy. Additionally, each employee was aligned to a dedicated Talent Champion from the business line who would mentor them.

Stringent Performance Standards and evaluation methods were set up to ensure that the talents groomed were ready to be deployed in new projects. The outcome of this program was 31 deployable ready and motivated technical architects and business analysts who strengthened the organization’s capability to bid for opportunities and create successful professional practices. This pioneering success has encouraged us to create many such Talent Pipelines programs across the organization to ensure that there is a steady rotation of skilled talent pool across the organization and employees are also encouraged to look for growth within.
First Success Milestone

In the first year of its launch, the Career Connect platform has seen active participation of over 20,000 employees coming from different industry verticals, domains and skills and participating in different role capacities like those pursuing their aspirations, the subject matter experts acting as coaches and mentors to others, the HR partners and learning and development practitioners dovetailing the organizational capacities into the process, the demand holding managers offering actual job role positions once the individual is ready.

Conclusion

Integration of Career Connect with other Organization processes like Resource Assignment System, Performance Management System, HIPO Career Growth program, Project Initiation and Project Closure, Transfer Management System etc. resulted in the overall maturing of organizational work processes, each dovetailing the processes in other. This is followed by the integration of Work processes of different stakeholder functions that align their activities with our Career Management Guidelines. Thus by integrating Career Management as an indispensable element in a network of processes like Training, Appraisal, Promotions and deployment, we got it completely embedded into the DNA of the organization’s processes.

The technology industry has witnessed several fundamental changes in last few years. Many of these will impact how talented and aspirational professionals need to react if they are interested in strengthening and creating a niche space for themselves within this industry. People who will succeed will not be those who worry but those who are proactive and invest the effort to rethink how they can be future ready. Given the volatility in the market, there is a need to rethink the nature of capabilities – both capacity and abilities, needed in the workforce that will enable us to succeed in the new reality. What better way is there to propagate this mechanism than providing your employees with an integrated, socially guided career development platform so they never have to look outward to put their aspirations into practice?

We intend to continue creation and transformation of existing programs and practices to give our employees the power and confidence to build on their competencies, skills and knowledge, assume greater positions and responsibilities and then lead from the front!, there by doing justice to our Employee FIRST Customer Second (EFCS) Philosophy.

Such Innovations in practices may be new, but the fundamentals of human behaviour were discovered by our ancestors thousands of years ago

Paadham Aacharyaathaadhathe
Paadham Sishyaswamedhayaa
Paadham Sahabrahmachaarya
Paadham Kaalakramenaya

(“One’s chosen path is culmination of teacher’s guidance, inherent aspiration, influence of other peers and time”)

– ANCIENT INDIAN VEDIC PROVERB

References:


For more details on the HCL Story Contact:
Career&TalentCoE@hcl.com
HR IN INDIAN ORGANIZATIONS – IS IT DIFFERENT? AND IS THERE A NEED FOR A DIFFERENT PERSPECTIVE?

Dr. PALLAB BANDYOPADHYAY

INTRODUCTION:
What is so special about HR in Indian Organization that we should devote a complete issue of NHRDN journal dedicating on this theme? I strongly believe that the time has come for us to recognize that the HR function as practiced in organizations of Indian origin (primarily during post liberalization period when it got transformed both in content and form from personnel to its current avatar of HRD) is distinct and in many aspects stands on his own in terms of its structure, form and intended outcome. It is absolutely essential, therefore to look at what I define as 'Indian Perspective' of HR function and duly attribute its contribution and success that is evident from the emergence of number of billion dollar Indian MNCs that have established their foot-hold in global business arena.

During my personal work experience spanning around thirty-one years working for many MNCs and Indian organizations as an HR leader, I have experienced a distinct differentiation in the way HR philosophy, policy and practices have been implemented at organizations of Indian origin. However, I have also noticed, especially at global MNCs that HR leadership teams were sensitive to the Indian culture and were ready to amend its global policies and practices to suit the local needs. They were far more successful in implementing them, faced least resistance and experienced greater degree of sustained acceptance from their employees than those where HR leaders

About the Author

Dr. Pallab Bandyopadhyay is a Leadership Architect, Career Coach, Change and Transition Specialist with thirty one years of professional experience. A doctoral fellow in HRD from XLRI, Jamshedpur, he has also been trained in various human process and organization development interventions at NTL, USA. As head of HR function at Citrix Systems, Dell services, Perot systems, Cambridge Solutions, Sasken Communication Technologies and Ashok Leyland Information Technology he has experience in managing entire gamut of Human Resources Management with proven expertise in managing multicultural globally-distributed knowledge professionals across the globe. He has vast expertise in Change and Transition management having participated in twenty five M&A deals across the globe. A PhD guide and executive coach Pallab currently engages in HR consulting with various Indian and Foreign MNCs and start-ups.
believed in universal implementation of HR policies and processes without being sensitive to local needs and socio-cultural context. It will not be out of context to mention what Bjoérkman & Budhwar (2007) reported while studying the practice of implementing HRM policies and processes by MNCs for their subsidiaries in India. They concluded “Among the Indian MNC subsidiaries in this study, those that had implemented HRM practices similar to those of the MNC in its home country exhibited inferior performance. In contrast, our results indicate that a high degree of local adaptation of HRM practices in India leads to substandard performance on the part of foreign subsidiaries.”

Having said that, my purpose of writing this article, is to focus on the fact that HRM practices in organizations of Indian Origin (Indian MNCs as well as those with domestic operations) who have developed certain unique and indigenous ways in the way they developed their HR function have been in last two decades. As noted by Jain et. al (2012a) “Indeed, the function continues to evolve at an even rapider pace than ever before, primarily due to the pressures and opportunities created by the liberalization of economic policies that were initiated in the early 1990s.”

Distinctiveness of HR practices followed by Indian MNCs were clearly noticed when a group of researchers from Wharton (Cappelli et al, 2008) decided to do extensive research to understand the leadership and HRM practices that drove Indian success stories in high-skill, knowledge-intensive industries as compared to low-wage and low-cost manufacturing industries in China. After interviewing 100 CEOs from large and important companies in India these researchers concluded that “based on our experience with US and Western corporations, we believe the responses suggest that the Indian CEOs are much more focused on managing the inside of their businesses than their counterparts elsewhere. They place much greater importance on strategy formulation and especially much greater emphasis on employee-based factors such as organization culture and managing corporate vision.”

CHANGE IN PERSPECTIVE

Researchers (Laurent, 1993; Schneider, 1993; Hofstede, 1993; Budhwar and Sparrow, 1998) have long been arguing about how culture of a nation impacts the HRM policies and practices. As aptly put across by Budhwar and Sparrow (2002b) “….. debate about the impact on cultural practices has polarized towards an either or convergence-divergence thesis of management. Convergence researchers have suggested that managers’ behaviour is becoming more similar the world over under the influence of series of contingent and culture-free forces, such as technology, work process and structure. The contrasting view is that there is no universal theory of management due to the influence of national or even regional culture and the presence of contextual variables specific to the countries.”

My own experience of two and half decades of working with large number of MNCs and Indian organizations has lead me to believe that the way Indian MNCs are managing their HRM policies and practices to a large extent have been developed indigenously and they are certainly not universal. The fundamental difference seems to be in the way Indian MNCs have looked at HRM function and its end objective. Let me reflect back with my own experience as HR leader of various Indian subsidiaries of US headquartered IT services/product organizations. Being a part of large MNCs as a HR leader in India, my job was essentially focused at what I call it as “Outside In” perspective. This
“Outside In” perspective, demanded that I focus predominantly to create and transfer knowledge of HR systems, processes and more importantly the underlying guiding principles and philosophy originated at corporate headquarters in order to better co-ordinate, control and manage their operations at India centres. Needless to say the focus of HR strategy in India was guided by a business model that was adopted by the then global leadership at corporate headquarters. Embedded in this belief is the fact that the globalization strategy that has been adopted by the parent firm would require specific capabilities that needed to be built either for addressing the work being done out of India or for augmenting skill requirements that are needed to support global operations. Thus HR focus at any given time had to be contingent upon the global business strategy. However it is a well-known fact that impact of business strategies on HRM will vary, based on the cultural context where they are applied. Budhwar and Sparrow (2002b) while studying managerial cognition of Indian and British managers rightly commented to have expressed a similar view “……..HRM strategies, when considering in a cross-national context vary a lot. Different logic leads to the adoption of similar HR strategies, and similar strategies in turn are perceived as producing different outcomes.” Researchers like Harzing and Sorge (2003) found that although multinationals have highly internationalized operations, their need for organizational coordination and control practices at their international level tend to be guided predominantly by their country of origin.

Let me try to explain this with a concrete example. If we look at centres of successful IT Product MNCs (predominantly North American and European head quartered) for the last decade we will notice that Indian centres have been used predominantly as source of building skill and /or augmenting secondary tasks at cheaper cost for main functions. Examples would include testing function to support overall product development, transactional tasks associated with support functions i.e. finance, supply-chain and IT like vendor management, Bill processing, Receivables Accounting, Tech -support etc.. Needless to say these included tasks that can be mass-customized, co-optimized and essentially lower in the value chain. This strategy worked well for a decade and more and helped Indian subsidiaries to grow rapidly. However a) with the rise of number of Indian start-ups emerging from now-favourable eco-system in last few years; b) rising aspirations to perform tasks that are up the value chain like full scale product development and product marketing coupled with lack of initiative in building businesses for domestic market (which required significant change in global business strategy) these IT based MNCs have started facing serious challenges in terms attracting and retaining the best quality of talent. In my opinion this is the biggest limitation of this “Outside In” perspective in HRM. Budhwar (2012) commented about this when he said “Given the context-specific nature of HRM, HRM systems for MNCs need to be aligned to a given context. This is crucial for an emerging market like India, where not only are there unique local socio-cultural, economic, legal, institutional and political factors, but the business context is also rapidly changing due to fast economic growth. The ability for MNCs to evolve some kind of generalisability in their patterns of HRM systems may be questioned.”

Having talked about the HR strategies followed by large foreign MNCs operating in India and its possible consequences, let us now focus on HRM strategies practiced
by Indian MNCs. India witnessed a phase of rapid corporate growth following a policy of economic liberalization beginning in early nineties. One can distinctly identify two phases in the development of the Indian economy – pre-liberalization and post-liberalization. Prior to 1991 (pre-liberalization), the Indian corporates had to survive in a very restrictive policy environment for the domestic growth. Since the 1990s, India started experiencing dramatic transformation of her competitive and institutional environment. In 1991, India shifted its policy focus to globalization of the economy, and allowed the raising of capital for expansion. The shift moved the Indian economy from a GDP growth trajectory of 3-4 percent annually (often referred as Hindu Growth rate) to 6-9 percent annually. The new policy-push conceived transnational initiatives as key to the development and gave birth to Indian MNCs (what is now popularly referred as “India Inc.”). The final push came in again in 2005, when the Indian government allowed Indian corporates to float holding companies in tax-free financial centers abroad for the first time to finance acquisitions across other foreign countries to advantage of leveraged buyouts. As aptly summarized by Gupta & Qiu (2013) “The growing domestic market, and enhanced liquidity and access to foreign capital, led many business houses to upgrade technologies and compete on a global scale. They sought to develop and acquire new knowledge bases, and to bring maturity in their accumulated processes in order to facilitate rapid and cost-effective replication and scaling. Additionally, they began linking and leveraging learning opportunities across their international network of ventures, as a springboard to a stronger transnational profile. This had an impact on their ownership, location, as well as internalization of decisions”.

For the purpose of this article I will limit my focus to this post liberalization phase of Indian economy (till date) since scholars (Som, 2007, 2008; Pradhan & Sauvant, 2010; Jain et.al, 2012a,Gupta & Qiu, 2013) have already emphasized the fact that efforts put in during this phase have resulted in the rise of Indian MNCs. The strategy researchers have attributed several theories to explain this rise of Indian MNCs. They have discussed how the firm-specific competitive advantages has been evolved, and supported the rise of these Indian MNCs. India’s emergence as source of manpower especially in the high-tech industry further fuelled these efforts. Mentionable amongst them are Springboard theory postulated by Luo & Tung, (2007), according to which these emerging MNCS (EMNCs as they call it) invested abroad in order to acquire ownership advantages. Ramamurti (2012) proposed that the EMNCs have used a different set of ownership advantages, like their deep knowledge of the customers of the emerging markets, and ability to design, produce, and market affordable, low cost, no-frills products, while operating in difficult business environments.

According to Gupta & Qiu (2013) Indian EMNCs focused on reengineering western know-how and the ability to use domestic skilled labour to design and operate projects at low cost, and to lower the costs of technical personnel and management. Athukorala (2009) found that these Indian MNCs that operate abroad in order to exploit their local technological advantages set up plants predominantly in developing countries, in contrast to large MNCS that target developed countries that invested in other emerging economies, not so much to serve these markets as to broaden the number of low-cost countries from which they can serve rich country markets. By using the concept of value chain, Gupta & Qiu (2013) found evidences
that beyond the role of manufacturing, marketing and trading capabilities, they effectively used organizational capabilities to steer through their successes. According to these researchers “The basis for the organizational capability was the diversity integration skills, which helped Indian MNCs to work seamlessly across cultural, administrative, geography, and economic diversities.” Oswal, (2010) found that the Indian firms who introduced process and human resource changes for globalization enjoyed strongest internationalization performance”.

Som (2006), who studied eleven Indian organizations was one of the pioneers to study and understand how Indian corporates successfully adopted innovative HRM practices to brace competition from large multinational companies in India in the post liberalization scenario. He found the following four broad strategies formed the basis of what he described as “Innovative HR Practices” adopted by Indian firms to compete successfully in the rapidly changing competitive global environment.

These were:

a) HR synergising with changing business strategies, creating social networks by playing the role of strategic partner, change agent, employee champion.

b) Professionalized recruitment, selection, career development practices to prepare a knowledge workforce which develops coaches and harbor leaders for tomorrow.

c) Proactive performance management systems to build, retain, retrain and redeploy talent.

d) Rightsizing, de-layering, decentralising for increasing organizational effectiveness

Gupta & Qiu (2013) concluded that “Indian MNCs lack the large and deep base of firm-specific resources and advantages of the type that the more established and affluent MNCs from the industrialized markets have. Their organizational capability, however, allows them to forge focused and specialized links with a range of exogenous resources, and provides them with the speed, dexterity, flexibility, and adaptability required to recognize and seize opportunities in the global market, and to withstand competition from their better endogenously endowed MNC counterparts from the industrial markets.”

As a matter of fact Som’s (2006) conclusion was far reaching. After studying the responses of eleven Indian companies that successfully faced the enhanced challenges from established MNCS post liberalization he drew a very decisive conclusion. He aptly summarized, “The results of this research highlight that local companies are fast catching up with MNCs by adopting innovative practices rather than following a universal set of “HR best practices”.

As can be seen from these research findings, I strongly believe that the HR perspective that has created these unprecedented successes of Indian MNCS are certainly different from a universal (predominantly North American generalizable) perspective. And I define this HR perspective as “Inside-Out”. A HRM perspective that has been evolved indigenously by bringing in innovation as a strategic response to remain competitive (Som, 2007, 2008) and also different in terms of driver for HR function as well as intended outcome (Cappelli et.al, 2008). This can be aptly summarized when Cappelli et.al, (2008) concluded “…..But unlike their US counterparts, the CEOs did not mention cost containment as a priority for human resources, despite the fact that labour costs are rising faster in India than
perhaps in any other country. They viewed employees much more as assets whose contributions should be maximized rather than as financial liabilities."

**WHY THE DIFFERENCE?**

Researchers like Rosenzweig and Nohria (1994) have emphasized that to be effective HRM in any organization needs to be most contexts specific. Thite et.al (2012) while conducting a research study of an Indian IT multinational observed “While Western MNCs have traditionally taken their domestic strengths ‘outward’ to the rest of the world, the Indian MNCs in the services sector have typically grown first in the developed markets by leveraging on their skills and domain expertise and have pioneered the art of global offshoring services delivery model using a combination of onshore, offshore and near-shore locational strategies.” They further noted that “It is clear that the universal or U.S. model does not have applicability to the emerging MNCs.”

Scholars like Sparrow & Budhwar (1997) reported that India is more like a cultural Iceland and does not fall into any cluster of other countries. Similarly dealing with deep regional variation in culture adds to the added complexities in cultural adoption by any foreign organization to build HR systems in India (Budhwar & Verma, 2011). Rama Bijapurkar (2007), while writing on cultural foundations of consumer India rightly commented “The contours of India’s cultural future are still unclear because everyday evidence of the surprising ways in which India is changing comes to light and the old theories about inevitable westernization sound simplistic. We can easily see from the evidence at hand the emergence of an Indian culture which is an amalgam of the old and new and on which the traditional labels of western or oriental do not sit comfortably.”

In another research study Jain et.al (2012b) while comparing innovative HRM practices adopted by foreign and Indian MNCs found that “For now, the Indian MNCs are clearly focused on managing performance from within, and have put in place innovative culture-building practices. In contrast, foreign MNCs are focused on keeping the balance between parent and subsidiary and standardizing the HRM practices in various global areas.”

The most comprehensive support to this notion came from Pudelko and Harzing (2007) when they commented “If the East becomes, in popular jargon, the new West we need to develop newer models to aid the understanding of how Asian MNCs, particularly from China and India, are going to exercise corporate control in an increasingly multi-polar world.”

As noted by cultural guru Hofstede (2007) though Japan and Korea were the first two Asian countries that expanded through internationalization by setting-up their subsidiaries and thereby reducing cultural conflicts emerging MNCs in China and India are expanding mainly through acquisitions in western countries. This clearly suggest that their HR strategies to be different from that of foreign MNCs.

As can be seen from various research studies cited above, the sheer cultural veracity of India makes it almost impossible for universal application of any US/global HRM model fit for use in Indian context.

**TWO DISTINCT PERSPECTIVES**

I would like to emphasise that there are two distinct perspectives that have historically contributed to HR in form and content that are currently practiced in organizations of Indian origin. They are described below:
a) Socio-Cultural perspective  

**Socio - Cultural perspective**

Culture shapes values and values govern behavior. Though there are many ways researchers have defined culture, for the purpose of understanding its impact on organization, I would like to emphasize the definition of culture as “Programming of mind” (Hofstede, 1980). Smith and Peterson (1994) added credence to this definition by describing it as “Systems of shared meanings placed upon events”.

Whenever we talk about deciphering societal culture, we need to look into the dichotomies arising out of cultural differences between an Indian and western self. This has always been a much-pursued area for social science researchers. Shweder and Bourne (1984) described western self as egocentric compared to self in Indian culture as socio-centric. Marsella (1985) talked about the “Self” in western culture having independence, autonomy, and differentiating compared to the “Self” in non-western culture extended to a wide variety of significant others. Kirkpatrick and White (1985) contended that in western culture, single person is the basic unit whereas in non-western culture family or the community becomes the main cultural unit. Damont (1985) defined western concept of “Self” as characterized by individualism, i.e. individual is of paramount value versus non-western concept of “Self” as characterized by wholism, i.e. society as a whole as a paramount value.

According to Markus and Kitayama (1991) the major difference is between independence as manifested in an American-European culture as against interdependence in Asian culture. They further contended that whereas Americans seek to maintain their independence from others by attending to their individual selves and their unique attributes, Asians accentuate attention to others, fitting in, and maintaining harmonious relationship. Stampson (1988) propounded the theory of self-contained individualism as the major characteristics of western self against ensembled-individualism of non-western self. Mendonca and Kanungo (1994) while addressing the issue of cultural fit suggested that an approach of super-imposing western management techniques and practices on indigenous work culture would not work in an organization of non-western origin. Instead they suggested the need for modifying western management concepts and their mode of implementation to fit the cultural values and beliefs of developing countries.

A deeper look at International HRM literature also talks of western bias both in terms of concepts and thoughts (Wright et.al.2005), ethnocentricity (Schuler et.al, 2002). My argument therefore is that when there are perceptible differences between western and Indian self, the approach for HR function while driving HR interventions which are aimed at bringing change in individuals and or groups in organizations need to be different to achieve success.

**Evolutionary perspective**

Dr. Leonard Nadler coined the term Human Resource Development (HRD) during the sixties in the USA is. He defined HRD as a series of organized activities, conducted within a specified time and designed to produce behavioural change. Nadler (1984) outlined the concept of Human Resource Management (HRM), which consists of three distinguishable components. These are developmental inputs in the form of Human Resource Development (HRD) comprising training, education and development, utilization components in the form of Human
Resource Utilization (HRU) comprising recruitment, selection, placement, appraisal, compensation and workforce planning and the environment inputs namely Human Resource Environment (HRE) comprising job enrichment, job enlargement and organization development. However, it was Dr TV Rao (1985), who came out with most comprehensive definition of the Human Resource Development in Indian context. According to him, HRD is a process by which employees of the organization are helped in a continuous planned way, to (I) acquire or sharpen capabilities required to perform various functions associated with their present or expected future roles, (ii) develop their general capabilities as individuals and discover and exploit their own inner potentials, for their own and/or organizational development purposes, (iii) develop an organization culture in which supervisor-subordinate relationship, team work and collaboration among sub-units are strong and contribute to the professional well-being, motivation and pride of employees.

The major difference between the Nadler’s concepts of HRD with that of Rao is that in the latter case, both the concepts and systems are anchored in values (Pareek, 1992). According to Silvera, (1988), who also expressed a similar view, “the two concepts are on two different planes: Nadler’s HRD is one-sided in as much as it looks people from organization’s point of view. Rao and Pareek’s concept is on the metaphysical plane. It is concerned with the nature of the man as a free creature, his urge for self-fulfillment, his growth potential”

Rao and Pareek’s understanding of HR as described above is what Indian business leaders believed to be the driver of HR in Indian MNCs. To prove this, I would like to draw attention to our readers on a recent research finding by a team of researchers from Stanford University (Cappelli, et.al, 2010). They seem to have found answers to the success of top performing Indian companies, which they referred as “India way”. In course of their research they found that there are four principles that constituted the “India way”.

These are described below
1) Holistic Engagements with Employees.
2) Improvisation and Adaptability
3) Creative Value Propositions
4) Broad mission and purpose.

Out of these four principles while describing the first one they found “Indian business leaders see their firms as organic enterprises where sustaining employee morale and building company culture are treated as critical obligations and foundations of their success. People are viewed as assets to be developed not costs to be reduced; as sources of creative ideas and pragmatic solutions; and as bringing leadership at their own level to the company. Creating ever-stronger capabilities in the workforce is driving objective.”

This finding proves beyond explanation that it is Rao and Pareek’s broader and development-focused HR evolutionary perspective as opposed to that of Nadler is emerging as core driver for Indian business leaders for applying HR interventions for organizational successes.

CONCLUSION

Way back in 2007, Panda & Gupta (2007) while giving a clarion call to sensitize both Indian academicians as well as corporate executives to advocate developing India based context specific management theories frustratingly commented “Furthermore, if we accept Indian management as ‘somehow school of management’, we also tend to accept the organizing and management process
within organisations in India as a ‘black box’! A number of reasons seem to have contributed to this phenomenon.”

Seven years have passed since then. Indian MNCs are realities today and so are their success stories. The house of Tatas have become the biggest employer in UK, eight Indian companies have made it to the latest Fortune Global 500 list of world’s biggest firms and Flipkart which started also in 2007 has a pre-IPO valuation of 12 billion USD (and still going to raise capital in near future to make it 15 Billion USD). Dr Tarun Khanna (2014), the reknowned Harvard Professor have espoused “The world’s future is irrefutably tied to that of China and India”. Every management expert in developed countries have begun to take India seriously. Case studies on successful Indian organisations are being discussed as learning tools in business studies across the world. The business managers as well as academics all around the world are ready to invest time and resources to understand the drivers behind our success stories and yet we are hesitant to put forward a comprehensive understanding of “Indian Management” in front of the world.

My humble effort for writing this article is to sensitize both HRM academic scholars and practicing executives in India. It’s time that we, explore further, develop a deeper understanding and finally articulate to the world about the indigenous, context-specific HRM philosophies/strategies/practices that has been successfully integrated by Indian MNCs by aligning them with overall business strategies to bring about extra-ordinary performance and consequent successes in today’s hyper competitive global market place. As aptly summarized by Thite eta.al (2012) “In the 21st Century knowledge economy where services and creative industries dominate the economic landscape that is tilting more towards developing and transition economies, the theories and practices applicable to Western MNCs that monopolized the 20th Century industrial economy are slowly but steadily giving way to new economic and management paradigms. Accordingly, reexamining the management approaches and practices of MNCs from newer industrialized and developing economies such as India is likely to remain a key research issue for the next decade, given the speed of economic development and the increasing influence and numbers employed by such companies.”

If we do not do it now it might be too late.

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"I have never let my schooling interfere with my education." - Mark Twain

In the new age of learning and development (L&D), training has become passé. In its diminishing trajectory of relevance, it is giving away its position to learning modes that are more self-directed, pull based and just-in-time so that the learners can be better prepared to succeed in today’s agile business environment.

How can the L&D function of an organization enable its employees
negotiate the steep learning curve in this hypercompetitive world?

The answer in our view lies in architecting a learning foundation that is supported by the three strong pillars of Social, Technology and Communities.

Let us explore the three pillars.

Social Pillar: “These days, every year is the year of social media” says a recent newspaper article. With so much of focus on ‘social’ everywhere, it hardly needs a fresh introduction. However, the term ‘social’ has a deeper significance in the context of L&D function than what we understand by social media alone.

From learning and development perspective, ‘social’ is important in primarily the following two ways –

- Social methods can be used for catalyzing self-directed learning
- Social observation based research methods (like ‘ethnography’) can be used for understanding the explicit or implicit needs of an individual or a group

Jeanne Meister, a foremost expert on the workplace learning, predicted in one of her blog posts in Forbes.com that ‘learning will be social and happen anywhere & anytime’. However, she reminds us that ‘social learning is not new; in fact, we have always learned from one another in the workplace.’ Psychologist Albert Bandura introduced us to the theory of social learning in 1970s where he mentioned that “most human behavior is learned observationally through modeling: from observing others one forms an idea of how new behaviors are performed, and on later occasions this coded information serves as a guide for action.” The main difference of looking at social learning in recent times from earlier days lies in our understanding of it as a ‘new way of working and communicating’ instead of just ‘another mode of delivery’.

A research study published in July 2014 by Brandon Hall group, titled Social Learning Gains Momentum emphasizes on the importance of connections saying –

“At the heart of any social learning initiative is the desire to help people work together... Learning is no different, yet organizations still sometimes treat learning and development like a kind of solitary journey for each learner to undertake on his or her own.”

Social observation based research methods (like ‘ethnography’) can be used to understand the workplace better by uncovering the social and cultural context of the environment. Such an approach can help in bringing out deeper insights into a group’s implicit requirements than the traditional techniques of need analysis done through questionnaire, focus group discussions or one-on-one interviews.

Technology Pillar: Organizations are expecting its employees to be in touch with learning resources every month, every week and in some cases every day. In this demand for continuous learning the only option left for L&D function is to leverage technology where diverse set of learners and experts can converge together to contextualize and use relevant knowledge resources just-in-time of need.

Technology is an important vehicle that can be help learners in many ways including (but not limited to) the following –

- Learning through smartphone based apps
- Learning through MOOCs (Massive Open Online Courses) and
- Taking advantage of big data and analytics tools to learn about customer’s products, market sentiments and
professional influence of individuals (e.g., number of Twitter followers, Klout scores etc.).

Jeanne Meister refers to a Microsoft survey where one third of the 9000 workers surveyed across 32 countries have indicated that they are willing to pay for a social media tool if that helps in improving their efficiency at work.

Some of the top 10 strategic technology trends for 2015 identified by Gartner impacts L&D function. For example, ‘Computing Everywhere’ would mean that instead of just smartphones or tablets, learners would start expecting the learning environment to be accessible from all sorts of wearable devices. Similarly the ‘Internet of Things’, ‘Advanced, Pervasive and Invisible Analytics’, ‘Context-Rich Systems’ or ‘Smart Machines’ will drastically alter the as-is processes of the organization. So employees will need to learn and adapt quickly in order to thrive amidst all such changes.

**Communities Pillar:** Communities help a learner to interact with other individuals having the same passion or purpose and create a synergistic relationship that can benefit each member of the community. When we look at the virtual communities or online communities, we observe that the field is now dominated by the social networking sites. As per Wikipedia, the list of virtual communities with more than 100 million active users include Facebook (topping the list with 2 billion+ users), WhatsApp (with 700 million+ users), Google+ (having 1 billion+ users), Twitter (with 500 million+ users) etc. Such staggering number of registered users proves that the online communities are here to stay for long. Apart from such generic online communities, there are also specialized communities, like - Stack Overflow and GitHub for open-source coders, Proformative for accountants, Dribble for designers etc.

In light of the above it is evident that employees in an organization also must have a platform (like an Enterprise Social Network) to share and collaborate as a community where various sub-communities can be formed based upon the purpose, passion or preference of the members. Such communities within an enterprise can be of two types - a community of practice or a community of learners.

Jane Hart, the founder of the Centre for Learning & Performance Technologies in her *Social Learning Handbook 2014* has commented that –

“The new work of L&D will also involve helping to build and sustain communities of practice, an area of opportunity often overlooked by organizations.

Building and sustaining online communities takes time and effort – and is not something to be taken on lightly. Generally communities work best when they are self-organized, but sometimes they need a helping hand, and L&D can play a part in helping to build and support a range of online communities in their organization.”

**The Impact of three pillars on L&D function:** It must be emphasized that each pillar individually cannot make a significant difference in the life of a learner. It’s only when they are combined together that they provide a robust foundation by complementing each other’s strengths.

David Wentworth of Brandon Hall Group, in an article (published in August 2014) includes the use of mobile technology and
adoption of social learning tools among the five key trends for the future of Learning and Development. In another article (published in July 2014), he remarks that –

“Social collaboration is occurring among your organization’s learners right now, regardless of whether any platforms or tools are in place… Companies have an opportunity to maximize this potential by providing tools and platforms to make the collaboration easier, better and more effective… The takeaway is that companies cannot continue to ignore these tools as fads or timewasters. The brand names and features may come and go, but the concepts will not. Collaboration is an indispensable part of learning, and companies now have a multitude of tools at their disposal to facilitate it.”

To what extent have the L&D teams shifted to this new approach?

A Brandon Hall Group’s study on ‘Social and collaborative learning’ in 2014 has inferred that at least 85 percent of the organizations are experimenting with social learning tools and techniques. However the approach taken by most of them is rather rudimentary in nature. The study points out that in 15 percent of organizations no real collaboration takes place outside the classroom other than through e-mails, additional 28 percent of organizations feel that social learning happens but beyond official channels, while another 30 percent indicate that collaboration is happening to a limited extent where employees share knowledge artifacts through existing messaging system. Not more than 10 percent companies are using mobile learning solutions. Only a quarter of the organizations have really moved to the realm of using social media tools for learning in a structured way. It is even surprising to note that about 40 percent of the respondent companies have said that Social Media technologies are either ‘Not at all important’ or ‘Slightly important’ for organizational learning. Fortunately, over 70 percent consider that there will be ‘More focus’ / ‘Significantly more focus’ on social learning in 2015.

So the verdict on the whole is simple: there is definitely a long way to go before the L&D function completely shifts to the new approach; but the adoption of social learning, technology and communities in organizations is going to gain momentum in the current year.

What are the challenges that organizations are facing to adopt this new approach?

The key challenges can be categorized in the following 3 areas and if these challenges are handled well, an organization would be well positioned to move forward in this journey of reinventing its L&D function -

Change of mindset: The whole-hearted adoption of social, technology and communities demand a change in the culture of the organization. On one hand this requires executives and leaders to think of managing beyond the command and control mode, while on the other the L&D function needs to have a paradigm shift in the approach and move away from the traditional ways of designing, delivering and measuring the impact of learning interventions.

Learning agility: For most of the employees the skilling up starts with the awareness that social, technology and communities can be effectively used for professional development. This requires the L&D function to be ahead of others in the learning curve and provide the necessary mentoring and guidance to employees of the ways in which such approach can speed up learning and collaborative problem solving. Things are changing so fast that
such skilling up necessarily needs to happen at a very fast pace – not everyone may be well prepared to demonstrate such a learning agility.

Executive buy-in: As on date, there are not many successful case studies and no prior precedents or established framework that will work for every company in this journey. So companies (and more importantly, their Executive Board) need to be open to try, iterate, fail fast, learn from the failures, tweak, adapt and revise their approaches. It would also mean that for some time executive buy-in for the investment needed towards human resources, tools and technology must be present without much expectation for return of that investment in a short time-frame (6 months to 1 year).

A Case in Point: What approach is Wipro following to adopt this new culture?

Enterprise social media: Yammer was chosen as the Enterprise Social Networking platform at the organization level with the vision of “Transforming the way our employees connect with each other, collaborate on projects to transform customer experience, and streamline processes for efficiency and clarity.” The launch campaign theme was “Collaborate, Connect and Interact”. The purpose of Yammer is –

- To open communication channels across the organization
- For easy access to specific information
- To develop and make use of crowd sourcing
- Encourage team work through focused groups
- Interest groups for employees
- Share files, docs, images
- To reduce e-mail traffic

The formal launch happened on 20 August, 2014 and as of now the voluntary signed up user base has reached 50,000+ with 3,000+ groups. Nearly 20,000+ artifacts have been shared by users. Employees are able to access the platform from their machines, laptops and smartphones from within the office or from outside. It is interesting to note that 99% of the employees are accessing Yammer via the Web as against only 1% of users accessing the same through Mobile (refer to Figure-1 and Figure-2).

Figure 1

Figure 2

Looking at the last 4 months data, the number of signed up users is encouraging. In the last 28 days (Dec 2014), the scoreboard looks like this (Fig 3).

Figure 3

However, it may be too early to measure the effectiveness. In the medium to long term, the organization needs to review the extent to which it is helping us to achieve the vision of transforming ‘customer
experience and streamline processes for efficiency and clarity’.

**Leadership blogs:** After the launch of Yammer the blogs by senior leaders (including that of Chief Executive Office and of Chief Learning Officer) have also moved on to that platform. Both CEO and CLO reach out to employees through their blog posts at least once every week.

**Crowdsourcing platform:** Apart from Yammer, there is also a dedicated Crowdsourcing platform, called Crowdgenie with more than 3,000 registered users and typically at any point of time there are 300-500 tasks open in 26 different categories. There is an attractive point based reward system implemented to award the successful solvers.

**Conclusion**

A New York City based venture capitalist Fred Wilson, in his blog on looking back at 2014, has made a surprising comment that “the social media phase of the Internet ended” last year. He explained this point from an investor’s point of view – essentially indicating that all the big platforms are quite mature and the new innovation space has just moved on to messaging platforms triggered by apps like WhatsApp or Snap Chat.

Hence, in our view, ‘now’ is the perfect time for organizations to reap the benefits of stable, secure and mature platforms of social media and replicate the revolution that has happened in the open world to the relevant processes within the company. The first step towards this change is to get a buy-in at the CXO level. Once there is executive buy-in, the L&D function can lead this initiative by creating the awareness among the employees, changing the mindset towards usage of social, technology and communities for professional purposes and guide the teams to acquire these new skills.

The journey may not be easy, but as long as the senior leadership and the L&D function are ready to commit to the new vision, carve out the approach, quickly learn from failures and revise the approach through multiple iterations, one can definitely hope to achieve the desired transformation in the learning culture of the organization.

After all, as said by Anthony Robbins, “the only impossible journey is the one you never begin”.

[Disclaimer: Views expressed by the authors in this article are personal in nature and do not represent the views of any organization]
Indian family organizations have played an important role in the development of Indian Economy over time and as India becomes an economic powerhouse, these organizations while looking to leverage the global opportunities also face challenges on multiple fronts. Given the important role Talent plays in this transformation, the role of Human Resources function becomes extremely critical. The paper maps the internal dynamics of the Indian Family Organization and evolves CROTS Framework for managing Human Resources in Indian Family Organizations.

A report of World Bank in April mentioned that India has become the 3rd largest economy in terms of Purchasing Power Parity (PPP) displacing Japan behind US and China. As widely covered, a report by Goldman Sachs titled ‘Dreaming with BRICs (Brazil, Russia, India and China): The Path to 2050’ mentions that India has the potential to show the fastest growth over the next 30 and 50 years. With the only population out of the BRICS that will continue to grow throughout the next 50 years, India looks all set to firmly entrench itself as the top three economies of the world. And after some hiccups experienced in the last few years driven by Global factors and domestic reasons, the world economy is again positively inclined towards India, essentially driven by the strong fundamentals – Democracy, Demography and Demand – and backed

CROTS – A FRAMEWORK FOR MANAGING HUMAN RESOURCES IN INDIAN FAMILY ORGANIZATION

Dr. PRASANTH NAIR

About the Author

Dr. D. Prasanth Nair, holds a Bachelor's Degree in Mechanical Engineering from Calicut University and doctorate from the Indian Institute of Management, Ahmedabad. Dr. Nair started his career in the engineering field with GEC Alsthom India Limited. Post his Doctoral studies, he had been associated with the Human Resources function in the RPG Group and Wockhardt. Currently, he is the Managing Partner and Country Head of Inhelm Leadership Solutions – a HR firm specializing in Executive search, Consulting and Training. Additionally, Dr. Nair is a Principal Consultant in Catallysts Constellations – a strategic management consulting firm. He is also a Director on the Board of Medicca Press Limited. Before this, he headed Global HR for Cipla. He also headed the Human Resources function and Insurance distribution business for Thomas Cook India Limited. He was a member of the Thomas Cook Group HR Directors Forum and the Thomas Cook Group Sustainability Working Party. Dr. Nair has contributed papers and articles to various magazines and journals and is a guest faculty at premier management institutes.
by the perception of reforms path being given a strong push in the coming years.

Indian corporates have always played an important role – in fact some historians trace the first business in India to BC period. Functioning in India with an economy consisting of Global Corporations and Public Sector Companies, the corporates have contributed to not only GDP growth but nation building. But as we integrate at a faster pace (especially after the successful completion of Doha round of WTO talks), Indian organizations on one hand stare at challenges while at the same time, look forward to the global opportunities. Consequently, Indian corporations will be forced to examine their economic model, evaluate their strategy, reorient their linkages with external environment and restructure the internal working to be in tune with the external needs, requirements and expectations. It is in this context that we would be examining the role Human Resources should play in Indian organizations, given the important role of managing people in this scenario.

Objective of the paper:

Given the vastness of coverage possible on this topic, it is important to set the broad parameters for this paper that will focus on the role of HR in Indian family organization (IFO) and will attempt to look at key variables that will bring out the context of Family organization and attempt to evolve the key focus areas for HR in IFO. The intensity and flavour of the HR actions would of course need to be adapted to the different scenarios as outlined by the variables defining the context of Family organization.

Indian Family Organization (IFO) and organization dynamics:

Following the definition given by Chrisman, Chua, and Steier (2003), a family firm is defined “as one in which the founding family maintains involvement in the governance of the business. Family influence has been defined as a state in which a family has substantial ownership and managerial presence in a firm, which allows the family to affect the firm’s strategic action without exercising unilateral control (Chua, Chrisman, & Sharma, 1999). The internal dynamics of working in IFO will vary depending on variety of factors, some of which will be studied in detail.

- **Period of Emergence**: In the Indian context, there are four broad phases when IFO’s emerged.
  - **Phase 1**: There firms started before and just after Independence, driven by the objective of serving the nation and enabling India to be self-reliant. Some of the founders also took part in the Indian freedom struggle, hence the initial phase of these firms had a high level of altruism associated with them.
  - **Phase 2**: In this phase starting from 1950’s till about 1990’s, a number of organizations emerged. This was the period when government played an important role through licensing. A key success factor in the organizations which emerged in Phase II or continued to be there in Phase II (those which emerged in Phase I) was the degree of relationship with government.
  - **Phase 3**: This phase that started from early 1990’s and lasted till couple of years back saw liberalization of the Indian economy. Many of the firms were in so-called ‘new businesses’ like Information technology, Mobile and Retail. The relationship with Government continued to be an important parameter but the intensity of the same was different in different sectors. Also, the firms which emerged
during this phase had global ambitions and many of them became global players. Their success had a cascading effect – even firms which emerged in Phase I and II increasingly became global players.

- **Phase 4**: This refers to the current phase where we are seeing an abundance of start-ups. There are two key differentiators in this phase – one, lot of individuals who have started as professionals have now become entrepreneurs. Two, for a sound business idea backed by an execution plan, there are funds willing to invest.

- **Financial and Management Control**: Another important variable that affects the working of firm and decision making process is the vesting of the financial and management control of the organization. It could be
  - 1st Generation Entrepreneur / Promoter who is the main shareholder.
  - 2nd Generation Entrepreneur / Promoter who is the main shareholder.
  - Beyond 2nd generation Entrepreneur / Promoter who is the main shareholder.
  - A combination of generations who has the majority stake or a group of Promoters (without family relationship).
  - A Promoter (1st / 2nd / Beyond 2nd) with a PE fund playing an important role.

There could be other possibilities, but the listing was to illustrate that depending on who exercises the financial and management control, the expectations, the working and internal culture could change.

- **Spread of Operations**: This refers to the spread of operations of the organization. This could be in nature of
  - Focused on a particular industry with operations essentially in India.
  - Diversified with operations essentially in India.
  - Focused on a particular industry with operations across the world.
  - Diversified with operations across the world.

As can be expected, the degree of promoter involvement and attachment would vary depending on whether the organization is focused on one industry or it is a diversified one; which in turn would affect working dynamics of the organization.

Putting the three variables together, we will, as shown in figure 1 down, have different contexts – say, set up in Phase 1, 3rd Generation, Diversified Operations in multiple countries; to say, set up in Phase 4, 1st Generation where PE fund is a major player and focusses on single industry in India – based on which the working environment and cultural dynamics in the IFO would change. This would have an impact on the HR plan and needs to be factored in. An attempt will be made in the next section to identify the focus areas for HR in an IFO.
CROTS - A Framework for Managing Human Resource Model in IFO

While the objective of the Human Resources function in Indian Family Organizations (IFO) is similar to the objectives of HR Function in other organizations in enabling business growth in terms of top line and/or bottom line, the focus and modus of the HR function in the IFO may have differences as compared to HR function in others, driven by the degree of involvement of the family member(s) in financial / managerial control and the manner in which the organization grew and evolved. And in pursuit of greater focus for this article, the key focus areas that are presented form part of the expectations from the HR head of the organization, in line with the rationale that the focus areas of HR Head would in a way form the direction for HR function. The focus areas for the HR Head has been derived based on literature survey, discussions with fellow HR Heads of IFO’s, my personal work and consulting experience in IFO’s.

1. **Culture: Preserving the unique features of the organization while at the same time, changing the culture in line with business needs:** Although it sounds bit contradictory, this is an important focus area for HR. Given the way most IFO’s have emerged / emerging, there would be beliefs and practices that define the culture and provide the glue for organization. While in one of the firm I am associated it is the family relationships fostered by the 1st generation promoter, in another it is nimble-footedness and empowerment to the front end sales people. It should be ensured that these core traits are not lost and are nurtured. At the same time, the HR head should drive orientation / culture change which need to be put in place as needed by business priorities. For example, in its objective of going global, if the organization needs to get people from different backgrounds, HR should create an environment where diversity is respected.

2. **Relationship with Family members and promoters:** Given that family plays an important role in decision making at strategic and at times, at tactical levels, managing the relationship with the family members / promoters is extremely critical for the HR Head. As part of research in Family organizations, Schulze, Lubatkin, and Dino (2003) refer to a phenomenon titled as altruism problem: a situation where the parameters for evaluation of family members / promoters can be different from other professionals. It is generally observed that it is even more challenging if the family / promoters play a role in managing the firm and also if there are more than one generation / more than one promoter involved in running of the firm. Considering these factors, the HR head needs to earn the credibility amongst the family members / promoters so as to be involved in critical people related matters. While doing this, the varied priorities of the different family members / promoters need to be aligned to the larger strategy so that there is coherence in organization messaging to employees.

3. **Organization Infrastructure:** An area of focus for the HR Head is to enable creation or if already there, constantly enhance the quality of organization infrastructure. Obviously this does not refer to buildings and furniture, but refers to structure, governance mechanism, processes and systems. Organization structure would need to be constantly relooked to ensure that the roles and individuals are aligned to the strategic aspirations. HR also needs to improve the Governance Mechanism
at key decision making points at a strategic level. This is especially difficult in case of long tenure promoter companies where an individual or group of family members / promoters are used to taking all key decisions. The objective in creation of Governance Mechanism is to bring in diverse views, analyse the various issues, mitigate risks and enhance accountability for key decisions. Over time, this will free up the family members / promoters for focusing on the future. HR processes and systems are a part of Governance mechanism – so that there is perspective of fairness and objectivity in the organization. While creating the organization infrastructure, particular care need to be taken that these do not create bureaucracy and delay key decisions or tend to appear inflexible or insensitive to employees. The latter part is true in case of IFO’s because of the cultural context of India given the scores of ‘Individualism’ and ‘Masculinity’ as compared to other countries as measured in Hosftede’s study.

4. **Talent Management:** Given that almost all of the IFO’s are focused on growth, HR Head needs to get the organization to focus on Talent Management. For the same, an enabling environment needs to be created. Since the talent would be coming from different backgrounds, one prerequisite for this is to get the organization value diversity – especially true when IFO goes global. Attracting the right talent gets a fillip with an employer brand – again, very relevant when talent is required in areas where the organization is setting foot. In an IFO, there would be employees who have been with the organization for long years – it is the responsibility of the HR function to identify the capabilities present in organization, provide the appropriate development inputs and enable them to fast forward their career. There would be those who may not be able to scale up – they need to be dealt with fairly and humanely. Another challenge is to retain the employees in a larger context of talent shortage – this is where those unique features can provide the differentiators as unique proposition to employees; along with other common forms of retention. Reward and Recognition is a very useful tool for Talent Management and innovative forms of R&R need to designed keeping in mind the dynamics of IFO (level of dilution may be constraint in one firm given number of family members which need to be factored in any stock option plan, while for another, cash outgo may be concern given its industry which will need to be factored in).

5. **Succession Planning:** It is perhaps one area where HR can add immense value to lot of IFO’s. In many of them, there is no succession at many of the critical roles. A challenge being the reluctance of many amongst the family members / promoters to ‘let go’. Given this, HR would need on one side, create real succession by getting in talent that can scale and fill in and on the other, work and help the present role holder to ‘slowly let go’. One way it can be done is to make the present role holder (from the family) to mentor the successor.

Bringing the five focus areas for HR in IFO – Culture, Family Relationship, Organization Infrastructure, Talent and Succession – together, we arrive at CROTS Human Resources Model for managing Human Resources in an IFO. CROTS concentrates on building on existing, working with key stakeholders to enable sustainable growth for organization. CROTS mentions the focus areas – the
intensity of each area and the actual design would vary depending on the context of IFO as defined earlier in Figure 1.

**Conclusion:** The objective behind this paper is to better understand the role of HR in Indian Family organization. It is important to understand the context of IFO and this depends on when it got formed, the kind of financial and managerial exerted by family members/promoters and the organizational spread. The paper also came up with the CROTS model of Human Resources in applicable to Indian Family Organization, listing the five important focus areas for the HR head of the organization; the intensity and design of which would depend on the context of IFO. CROTS concentrates on building on existing, working with key stakeholders to enable sustainable growth – an area of focus for the IFO. HR in Indian Family organizations have a challenge and opportunity. They need to evolve unique and innovative models - different from what is available in other economies – given our larger socio-economic context to be competitive and make a difference in the world of tomorrow.

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Synthite Industries changed in the last decade. And the change has touched the top as well as the bottom. How did it manage that smooth process, which resulted in faster growth?

Synthite ventured into spice oleoresin manufacturing in a modest way in 1972, with 20 employees. Today it dominates spice oleoresin exports, with group revenues touching the 1200 Crore mark, commanding 30% of the global market share. It has a portfolio of over 500 products, focusing on plant derived ingredients for the flavor and fragrance industry, as well as a dedicated workforce of nearly 2500 proud employees. The company that had its humble beginnings at Kadairuppu, Ernakulam district, has today crossed boundaries, setting up six manufacturing units across South India, and one in China. Synthite’s products have come to be the prized ingredients of some of the world’s best known brands—bringing spice, taste, scent and health to millions.

In all its ventures, Synthite’s inspiration is nature, and the driving force, excellence. Over the years, Synthite has diversified from its core offering, bio ingredients, into spice, farm tech, hospitality, and realty and power generation. Farmtech was set up to ensure complete traceability and superior quality throughout the supply chain. As part of its strategy of moving up the value chain, Synthite established Synthite Taste Park, an industrial park that caters to flavor creation and seasoning manufacture. From being known as one of the best ingredient provider to the food industry, Synthite has today elevated itself to a solutions provider to the food...
industry, leveraging on its unparalleled industry acumen. In a marked deviation from its B2B business, Synthite has recently entered people’s homes with its consumer spice and masala brand, Kitchen Treasures with its unique proposition- 100% Spice. Synthite has also established a state of the art Technology Centre, which has facilities to host customer teams for collaborative product development. Through these efforts, Synthite is propelling itself to meet the ambitious goal it has set for itself – To become a 3000 Crore group by the year 2020. It has manufacturing facilities in India and China, and marketing offices in USA, India, China, Srilanka and Brazil.

From employing villagers who were known personally to the founder to an employer of people with multiple nationalities, this transformation was made possible by keeping the man who runs the factory 24 × 7 at the centre of the scheme of things. It was ensured that employees do not have to think about anything else while at work-Children’s education, Housing, Vehicle, and Medical Expenses etc- the organization ensured that these were taken care. That is one reason why Synthite has not lost a single man day due to labour unrest.

The challenge for the human resource department was clear: ensure the transformation, which alone can make it face the challenge of the fast-changing market realities, as smooth as possible. It involved governance, attracting and retaining talent, skill development, grievance redressal mechanism, engagement, communication, capacity building and managing diversity with commencement of operations in international locations. And we faced up to the task with the best of processes and tools available to us.

**Governance:** The biggest change would have happened in the governance policies in the company. The chairman and the board, who were hands on people with personal contact with most of the employees, withdrew completely from the day to day operations in a phased manner and concentrated on the strategic and long-term plans. This meant that the company moved out of an unstructured and intuitive decision-making process to a structured, data-based one. A smooth transition demanded the creation of a robust policy frame work and procedures.

The HR department, with the help of management experts and the encouragement of the Board, put in place systems for the decision-making process, communication, execution and result reporting. The feedback system which helps the Board take informed decisions was also strengthened.

A platform for the next generation family members to be inducted to Synthite was framed. This involved development of customized programs for the next generation family members which emphasized on them working as employees themselves enjoying the employee benefits during the beginning phase of their careers which ensured that they acquired thorough business understanding through multi-departmental exposures, cultural fitment and also understanding of team dynamics right from the shop floor.

**Attracting talent:** Synthite has all along maintained a low-key public profile but the exceptional work culture and the compensation package always helped us attract the best human resource. But the case was different when we started operations on a big scale in other States and countries. However, the company made no significant change in its HR policy but was able to attract people from the premier academic and management institutions in the country. In fact, people were convinced that unless we walked the talk, we would not have made the cut in the highly competitive food and nutraceuticals industry. The organization started with its first ever campus placement program for Fast Track Management.
Trainees, Management Trainees and Graduate Engineers in the year 2010, which progressively flourished in the following years, with fresh and experienced graduates and post graduates joining Synthite from premier campuses. From an organization struggling to make its existence known in the premier campuses back in 2010, today we can confidently say that Synthite is quick in its progression to an Employer of Choice. This was made possible by consistent efforts in hiring the best talent, providing them with ample challenges and opportunities and charting a well-defined career path for them. Today we also utilize various online and social networking platforms which enable better visibility for both the organization and the prospective candidates.

**Organisation structure & benchmarking compensation:** To benchmark compensation, we conducted compensation study with the support of external consultants. This helped us to attract fresh talent into the organization. We have also introduced job banding which is a rare tool in a manufacturing company in India. It prepares employees to strive for excellence in their chosen areas which challenges them for taking on new responsibilities. This also helps us in identifying High potentials in the organization and creating avenues for them to perform. Job Banding also involves categorizing the jobs into clusters and assigning employees to these clusters based on the job that they handle. Along with the Job Banding, we have started defining the competency matrix for each position which is in progress.

**Moving Across Demographies:** As the organization accelerated its transformation to an organization with global presence, it was required for the HR Department to understand the law of the land and ensure that competent employees are placed at each of the locations to run its business.

It was a painful process with troughs and crests on the way. We had to unlearn and relearn our understandings, especially from a cross cultural context. But we overcame them, learned the laws, culture and identified partners to support us. We hired locally and brought them to India to align them to the Synthite Culture. Also, cross cultural and language trainings were provided to employees who were deputed to international locations.

### Exhibit 01: International Growth

<table>
<thead>
<tr>
<th>Country</th>
<th>Nature of Operation</th>
<th>Commencing Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>Sales Office</td>
<td>2009</td>
</tr>
<tr>
<td>Srilanka</td>
<td>Sales Office</td>
<td>2010</td>
</tr>
<tr>
<td>China</td>
<td>Sales Offices</td>
<td>2011</td>
</tr>
<tr>
<td>China</td>
<td>Manufacturing Facility</td>
<td>2012</td>
</tr>
<tr>
<td>China</td>
<td>Manufacturing Facility</td>
<td>2014</td>
</tr>
<tr>
<td>Brazil</td>
<td>Sales Office</td>
<td>2014</td>
</tr>
</tbody>
</table>

**Capacity building:** That the management change alone cannot bring in the desired change is obvious. It also called for the workforce to imbibe a new thought process, of interacting with the world outside more meaningfully, and make the management-workforce thought process a seamless affair. The HR department recognized there was a disconnect, and moved in to make up for it. One of the first step was to establish a specialized training Centre which will train each of the employees to help him to make it to the next level of thought process. The Synthite Centre for Learning and Development, in the last four years of its existence, held numerous programmes, in various levels. The SCLD has designed custom programs to cater to the needs of the employees at various levels – Leading Synthite for Leadership level, Being Synthite for Managerial Level, Synthite SMILE for Supervisory Level and PRATIBHA – On the job training platform for Operational Level of Employees. These programs are exclusive of the regular trainings conducted for employees on their basic need. The organization has also developed a talent pool of internal trainers to cater to
the various training needs of employees across levels. We have also tied up with premier institutions like IIM- Ahmedabad and IIM-Kozhikode to conduct customized MDP for Synthite. To leverage on the advantage of learning through reflective observation, we also conduct need-based Out Bound Experiential Learning Programs. Through all these interventions, SCLD strives to make learning a culture in the organization.

**People engagement:** One of the main challenges Synthite faced during the transformation was that the possible breakdown of the management-employee communication mechanism as the transformation demanded the owner-directors to focus on more strategic initiatives wherein direct interfaces of the directors with employees were being reduced. We were clear that such a breakdown was unacceptable, and the HR department had to put in place an alternative mechanism to ensure that the employees were heard. My Voice programme was designed for this purpose. The objective was to have a systematic programme that ensured that people’s complaints reach the decision-makers and that it commanded the confidence of the employees. It was designed in such a way that every employee and his team are empowered enough to talk their grievances out in a forum. They were heard by people who give inputs for decision-makers. My Voice meetings were arranged monthly with groups of employees. It was ensured that the immediate supervisor of a group was not present at the meet to ensure that employees open up better. Over 100 such meetings have been held across the organization, at various levels. This gave employees confidence that they are listened to and their concerns were taken up and acted on seriously. This has reflected on the type of queries being raised as the process has matured. From very less number or very basic queries being raised during the initiation of the program, today the queries have matured to more business centric, career centric ones. The My Voice queries raised by employees are categorized and feedback on each query item is given to employees in a timely manner.

**Family@work** was designed to make the families of the employees get an understanding of the company for which their dear ones work. It is designed in such a way that the families come to the factory on an assigned date, are taken around and explained the various functions, processes and products. They also meet with the key leaders and return home after lunch. While at the facility, they are also engaged with various entertainment programs. We have feedback that the programme has created a sense of pride and a sense of belonging to the family members with the organization.

**Synthite Star:** Synthite, a company thriving on innovation, needed to incentivize it. And one of the ways to do it is to offer instant recognition for employees who come up with brilliant ideas. Synthite Star recognizes contributions within 24 hours of the supervisor communicating an idea to the judging panel. The recipients are also eligible monthly and yearly star awards. Employees are recognized based on their exemplary contributions, both individual and team in the areas of Business, Customer and Peer. Over the years, Synthite Star has grown to a very effective model for recognizing both individual and team contributions exhibited by employees across locations. Synthite Star has undergone various transformations over the last 5 years, one of the key changes being the greater focus on team contributions and collaboration.

**Internal communication:** With the organization growing beyond a single location, and it expanding its operations, we found that it was difficult for employees to get themselves apprised of the changes
and the updates in the organization. We decided to create a platform to present the changes and innovations accessible to all the people in the company and launched a quarterly newsletter, *Synthesis*, in English and Malayalam. On 8 pages, it explains the new initiatives the company has launched, the expansion process, the achievements of the company as well as the employees, and various activities employees undertake. The e-copies of the magazine are sent to all our stake-holders, including our customers. We find it has bridged an information gap.

**Internal capacity enhancement:** Synthite used to operate in a traditional work culture in which part of the operations was computerized while part was not. The company decided to go in for a complete suite of SAP so that it can embrace digitization completely. This helped the company streamline its business plan based on realistic and real time data. Soon SAP was also implemented in Human Resource function. At Synthite, SAP HCM encompasses functions of Training and Event Management, Travel Management, Personnel Administration, Time Management, Payroll, Performance Management etc. It has resulted in creating a perfect master data bank, quality reports and online efficient performance management process. We are also utilizing the ESS (Employee Self Service) Portal, which helps employees to manage their leave, travel, training, performance appraisal etc. through a single log-in.

**Performance Management:** Performance Management cycle commences with an Annual Goal setting meeting of the Board, where in the overall business plan for the year is finalized. The same is then percolated down to the various divisional heads and is further bifurcated down to units/ departments. Once the individual targets for employees are agreed upon, the same is updated in the ESS Portal with approval of the reporting officer. The Individual development plan of the employee is also created for the period. The progress of the employee is reviewed at the mid of the appraisal period. At the end of the appraisal period, the appraisal is conducted based on SMART Targets set at the beginning of the year. This process ensures a transparent method of evaluating an employee’s performance, linked to the overall business objectives.

**TPM:** Operational efficiency is critical to a manufacturing company, and we left no option unexplored to ensure it. We believed in empowering people and creating an enabling atmosphere so that they raise themselves to the next level. The introduction of total productive maintenance (TPM) was one such move. It helped the people get a sense of ownership of the tools and processes they engage in their day-to-day operations. TPM has resulted in improved process efficiencies in terms of increased through put, higher yield, reduced cycle time, reduced paperwork, reduced customer complaints etc. The various pillars of TPM – Education and Training, Autonomous Maintenance, Focused Improvement, Office TPM, Plant Maintenance & Quality Maintenance work hand in hand to ensure a better work environment. And it started yielding benefits.

In the transformation process, we have used technical and non-technical tools. At every stage, we ensured that the people remained at the centre of the process, and trained to handle all those tools and fitted in very well in the overall scheme of things. That each one got a chance to train himself/herself to play a more important role remains the key to the success of this transformation.

Organizational transformation and growth is an ongoing process. HR, as a strategic business partner needs to understand the various facets of growth and join hands to make the transition smoother and faster. And we, at Synthite are on a progressive phase.
THE EVP JOURNEY AT MAHINDRA AUTO AND FARM SECTOR

RAJESHWAR TRIPATHI, NAMRATA GILL and NEHA LONDHE

About the Authors

Rajeshwar Tripathi is the Chief People Officer for the Automotive & Farm Equipment Sectors of Mahindra & Mahindra Ltd. His responsibilities involve overseeing the Human Resource function for the Domestic and International Operations of the two Sectors. This includes the joint ventures and subsidiary companies including Mahindra Trucks & Buses Ltd (MTBL), Mahindra Reva Electric Vehicles, Mahindra USA (MUSA), Mahindra Yueda Yancheng Tractor Co. Ltd. (MYYTCL) in China. Prior to being with Mahindra, Rajeshwar was with Eicher Motors Ltd. where he was the HR Head for the Commercial Vehicle Business. His earlier stints included organizations such as Jindal SAW Pipes, Steel Authority of India (SAIL) and Cement Corporation of India (CCI). He is a Science Graduate and has a Post Graduation in Personnel Management and Industrial Relations from XISS, Ranchi.

Namrata Gill, Vice President – HR, drives organizational strategies that propel the diverse growth plans of each of the businesses in the Auto and Farm Sector of M&M. She joined M&M in 2010 and leads the specialist functions (‘Centres of Expertise’ or COEs) of Talent Management, Capability Building and Organizational Development that support 11000+ employees. She is an M. Tech gold medallist (electronics) from NIT Kurukshetra but found her true calling in developing and coaching people for success. She started her career with teaching at IIT Roorkee and NIT Kurukshetra for 12 years till 2000. During her career, Namrata led Learning and Development for Philips semiconductor business – Asia region. Prior to joining Philips in 2005, Namrata headed the Reliability function at ITC and later, the learning center at ITC Infotech. She is also trained in Global Management Development by Michigan University.

Neha Londhe has completed her Masters in Business Administration in Human Resource Management from XLRI, Jamshedpur in 2013. She joined the Mahindra Group in April 2013 as part of the Group Management Cadre (GMC) program. She currently works in the Organization Development team at the Mahindra Auto and Farm Equipment Sectors (AFS). In her current role, she drives the HR Analytics project at AFS. She has also been involved in drafting the HR Strategy and redefining the Talent Management processes at AFS.
In 2010, the formation of a “mega-entity” in the Mahindra Group, namely the Automotive and Farm Equipment Sectors (AFS) presented several opportunities to create synergy and magnify the value emanating from two powerful businesses. Value, in the Mahindra Context relates directly to “Brand” - the group aims to be one of the most admired brands in the world by driving positive change in the lives of all our stakeholders, thus enabling them to Rise. Employees are crucial stakeholders and in line with this, all AFS businesses aspire to be among the most preferred places to work for in the Manufacturing Sector. So, we asked ourselves: what is our brand essence that not only makes customers buy our products but also creates a strong value proposition for employees to work at Mahindra AFS. Further, what is that unique proposition that makes us who we really are and defines us as an employer? These questions were the starting point in our journey of identifying and driving the AFS Employee Value Proposition (EVP).

2011: EVP conceptualization at AFS

We define EVP as a set of associations and offerings provided by an organization in return for the skills, capabilities and experiences an employee brings to the organization (Minchington, B, 2006 –‘Your Employer Brand’). A survey on ‘Emerging Trends in Employer Branding’ by a leading HR consulting firm indicates benefits of EVP as

a. Retains current employees
b. Increases employee engagement or satisfaction
c. Attracts job candidates

Broadly we followed 4 stages in EVP conceptualization:

Stage 1 – Data Collection

The objective of data collection was to obtain insights from stakeholders and understand the key characteristics of the organization’s offerings and experience. The stakeholders include -


Through stratified random sampling, we ensured a representative mix of age, gender, location (metro, non-metro), function (manufacturing, sales, R&D, support functions) etc. During insighting, we focused on aspects like why employees love to come to work, why talented people join AFS, why employees choose to stay in AFS etc.

2. Voice of recruitment consultants and prospective employees (campus & laterals).

The team also gathered data from previous employee engagement surveys, cultural diagnostics, best workplace findings etc. to gather insights on engagement drivers (strengths and weaknesses). The outcome of this data collection exercise was a list of perceived strengths and weaknesses of the organization in terms of employee experience.

Stage 2 – Analysis and Insights: Identifying EVP elements

For identifying potential EVP elements, the outcomes of the data collection stage were put through a three filter test i.e. they were evaluated based on the following three frames of reference –

1. Perceived as current strength by employees
2. Relevance to strategic objectives
   a. Core Philosophy of the organization
   b. Long-term business goals and 3-year milestones
   c. Core Purpose and Core Values
   d. Customer Value Proposition
3. Opportunity for Competitive Differentiation

An illustrative format for identifying potential EVP elements is depicted below. The elements which passed the 3-stage filter test were listed down as potential EVP elements. This test was carried out with senior leadership and key influencers in the organization.

<table>
<thead>
<tr>
<th>Challenging Status quo</th>
<th>Perceived as Current Strength by Employees</th>
<th>Relevance to Strategic Objectives</th>
<th>Opportunity for Competitive Differentiation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>Moderate High</td>
<td>Medium High</td>
<td>High</td>
</tr>
</tbody>
</table>

Stage 3 – EVP creation

EVP creation process requires validation of potential EVP attributes with employees and top management. We asked our employees to rate the potential EVP attributes on following parameters:

1. Attractiveness of the attribute as a potential EVP element
2. Believability that the attribute exists in the organization
3. Management’s ability and commitment to deliver

An illustrative format for validating potential EVP elements is given below. Elements which were rated as ‘Low’ in any of the factors were eliminated.

An important question which needs to be dealt with is: should the value proposition be aspirational (where we want to be) or rooted in current reality?

In a SHRM White paper (The Role of Value Proposition and Employment Branding in Retaining Top Talent), Bernie Eisenberg and others offer the following point -“Many organizations have two sets of values. There are the real values that drive current decision-making and then there are the preferred values, which an organization believes should be real, even if they are not.”

In our exercise at AFS, we realized that for achieving our long term goals, we need to be a workplace which encourages ‘Alternative Thinking’. Alternative Thinking is a key theme in our business transformation program – Rise. Driving Innovation projects and encouraging employees to innovate has been our focus through several initiatives. Hence, “alternative thinking“ was a key attribute that was added in our EVP although it did not come out in the initial EVP identification process.
Stage 4 - EVP Alignment Audit

Before communicating & launching the EVP, the need for an independent audit was recognized so as to understand the current state and gaps in the employee offerings and employee touch-point experiences. The alignment study included –

1. Interviews with HR process owner – understanding current offerings
2. Leadership Interviews on understanding challenges in delivering EVP offerings
3. Focus Group Discussion (FGDs) to understand employee perceptions – gaps in design and experiences of HR offerings

An EVP alignment score card was developed which depicts alignment of the existing processes with each EVP element. The alignment was checked at two levels –

a. To what extent do HR processes (e.g. Recruitment, Performance Management etc) align with the EVP? For e.g. if ‘Rewarding Outperformance’ is an EVP element, does the Performance Management system allow managers to reward employees in real time?

b. Is the actual employee experience aligned to the employer brand attributes? For e.g. An organization with EVP as ‘abundant learning opportunities’ should provide plethora of training, e-learning and self development opportunities for making a successful career.

Re-alignment of offerings with EVP

Based on the EVP alignment scorecard and action planning workshops conducted by cross-functional teams, several processes and initiatives were realigned with EVP.

Under **CAPable People** (which emphasizes behaviours and abilities of Mahindra People), ‘Rise Recruitment’ was a major initiative. It involved aligning Mahindra Leadership Competencies with the Rise philosophy and integrating the same into the recruitment process. Ensuring consistent recruitment experience required trained interviewers. We conducted capability development workshops for managers with a focus on imparting competency based interviewing skills. Each hiring manager is being certified on a customized psychometric tool OPQ 32r by our external partner. Target Audience for the capability development workshop include

- Line Managers involved in talent acquisition
- HR managers/ partners involved in talent acquisition
- HR managers/ partners involved in development of talent

<table>
<thead>
<tr>
<th>CAPable people</th>
<th>REAL experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>These are behaviours that we as an organization expect Mahindra People to exhibit</td>
<td>This defines the kind of culture and operating environment we aim to create for our people</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>C - Challenge Conventions</th>
<th>R - Recognition for Outperformance</th>
</tr>
</thead>
<tbody>
<tr>
<td>A - Bring Alternative Thinking at Workplace</td>
<td>E - Empowering Environment</td>
</tr>
<tr>
<td>P - Drive Positive Change in the lives of our stakeholders</td>
<td>AL - Abundant Learning Opportunities</td>
</tr>
</tbody>
</table>

2012-2013: Re-alignment of offerings and EVP communication

Based on the process highlighted above, we formulated our EVP: ‘**CAPable people REAL experience**’ which consisted of two parts:
• Critical vendors / stakeholders who are to be strategically aligned to the overall selection process

Detailed Competency Based Interview Question Guides have been made available post the Capability Building workshops. Customized reports linking OPQ 32r dimensions to Mahindra Leadership Competencies, which highlight an individual’s strengths and areas of development, are generated.

For **REAL experience**, we modified and set up several initiatives under each sub-element. For instance under “Recognition for Outperformance”, we introduced our Reward and Recognition framework (R&R). The highlights of R&R include allocation of reward budgets for each people manager so that he/she can reward employees on the spot, in real time. These rewards are automatically updated on our internal R&R portal, so that peers can view and comment on the same. The idea is to introduce monetary and non-monetary rewards (Hi 5’s, smilies, and “coffee with boss”) and also to introduce the element of peer & public recognition.

For “Empowering Environment”, we introduced our flagship career simulation tool called “Mpower”. Mpower is an algorithm based career simulation tool, which helps to explore and create a dream career path within the organization. This creates a readily available database which can aid HR and line managers to make internal staffing decisions. “Shadow Boards” is another initiative that empowers young emerging leaders to work together and present new business plans/projects to the apex leadership council at AFS. Our foray into the Trucks business was the outcome of one such Shadow Board recommendation.

The element of “Abundant Learning Opportunities” was evaluated and revamped for each employee segment. Emerging Leaders Program (ELP) is a structured 6-9 year talent development program that provides accelerated learning to high potential employees. They are put through 3 distinct ‘stints’ in the chosen career path which could be Sales & Marketing, Operations or Technology & Product Development. Auto Quotient or AQ is a unique platform that drives ‘auto passion’ among employees through interactive quizzes and simulations. For instance, Mahindra AQ launched VIRTUALITY an interactive ‘do it yourself’ application allowing employees to learn and virtually assemble XUV500 by dragging and dropping over 40 parts over three major stages picked up from our own manufacturing plants. The application brings the entire design and manufacturing process to an employee’s desktop through an interactive and engaging setup.

**EVP Communication:**

EVP was launched in the annual communication meet by senior leaders. For reinforcing EVP and enhancing believability, we needed a powerful, “big-bang” platform to showcase various offerings under EVP. In line with this, we introduced “EVP Zones” which were daylong events in which employees could walk-through the “EVP Zone” and learn/experience all the offerings that the organization provides as part of EVP. In this, each offering was explained using the powerful medium of story-telling. Symbolic representations (logo or mascot) and catchy taglines helped in enhancing recall among employees. The theme of the EVP zone was “What’s in it for me?” and employees were encouraged to participate/ask questions about various offerings. “**What’s in it for me?**” helped us achieve the following objectives:

1. Answer employee queries on people practices and programs
2. Clarify procedures on how employees can participate in programs

3. Gather suggestions and insights on how HR can further improve offerings / programs

4. Pilot new initiatives or take feedback on new initiatives before launching it full-scale

**2014 onwards: Customized offerings based on segment needs**

After EVP institutionalization, the next step was to segment employees not only based on demographics but also based on motivations and design customized EVP offerings for each segment. For instance, based on feedback obtained from internal and external employee surveys, we identified a need to improve the perception of fairness and transparency in the organization. “Fairbook” is a recent offering that was launched – it is a platform that empowers employees to raise grievances to the concerned leaders and helps resolve them in a fair and transparent manner. An escalation matrix has been designed along with defined accountabilities and estimated time duration for each type of query raised. “IdeaDrive” is another example – it is a policy co-creation platform that uses the principles of crowdsourcing to come up with policy solutions recommended by employees in various segments. We recently formulated a “compensatory off” policy based on suggestions obtained from employees through IdeaDrive.

The EVP journey at Mahindra AFS that began in 2011 with conceptualization is still on. We are currently in the process of identifying opportunities and providing differentiated, customized offerings based on employee segment needs. We hope to evolve even further and strengthen implementation so that there is zero gap between EVP design and employee experience.
About the Authors

Ratish Jha, Sr. Vice President Human Resources, Raychem RPG
Ratish has a rich experience spanning across two decades in organizations like RPG, JSW, EsselPropack, Britt Worldwide. His mantra while leading the people practice agenda in both Indian and multinational environments is ‘business enablement’ through HR. Having successfully implemented projects in the area of OD, culture, change management Ratish attended IMD, Lausanne ‘s discovery event on culture and engagement to deep dive on these critical drivers of sustainable advantage for organisations.
In his current role, he heads the HR function for Raychem RPG. Well-known forums have recognized him for noteworthy efforts taken to strengthen RPG’s brand equity. Ratish is an alumnus of Tata Institute of Social Sciences

Anvesha Singh, Head Learning & OD, Raychem RPG
An alumnus of the prestigious Tata Institute of Social Sciences, Anvesha started her corporate career with the RPG Group. Having moved across the Group in diverse roles like leadership hiring, campus relations and organisation development, she currently heads Learning and Organisation Development at Raychem RPG.

Raychem RPG (P) Ltd., incorporated in 1989, is a 50:50 Joint Venture between TE Connectivity, U.S.A. (formerly Tyco Electronics) and RPG Enterprises, India.

The advent of the World Wide Web and the resulting ubiquitous nature of information have culminated into an industrial scenario where the Product as well as the Technology of an organization can be easily copied. At a time when today’s innovative product becomes tomorrow’s “Me Too” product, the culture of a company is the only element which can create sustainable competitive advantage. Bain & Company research found that nearly 70% of business leaders agree, that “Culture provides the greatest source of competitive advantage”. Also, over 80% believe that an organization lacking a high-performance culture is doomed to mediocrity.

With the changing business scenario, where Technology has lost its edge and dominance in the industry, Excellence and Customer Service are not differentiators but essential elements for organizations, the Culture of the Company is the only source of Sustainable Competitive Advantage. The strategy of an organization can be copied by a competitor but not the culture and this makes all the difference.
CULTURE TRANSFORMATION PROCESS

In our journey to becoming a High-Performing Organization and the First Choice for all customers and employees, we planned to build a culture that is not only aligned to the Business Strategy but also that desired by the various Stakeholders of the organization. The major building blocks of this initiative were:

1) **Strategy Formulation:** Formulation of new Strategy keeping in mind the emerging Business Challenges, and Organization Restructuring.

2) **Large Scale Intervention Process (LSIP):** Co-Creation of Raychem Business Behaviors® with the help of Stakeholder inputs, and actuating a Commitment for Change among all.

3) **Culture Café:** Senior Management deliberation on inputs of LSIP and strategy to bridge the gap between the current and desired culture

4) **Architecting the Raychem Culture:** Cascading the changes to systems and processes to anchor the culture changes.

The key elements for the successful implementation of any transformation exercise are:

1) Buy-in among the people involved
2) Involvement of all the concerned people
3) Formulation of a long-term plan
4) Commitment to the plan
5) Incorporation of the change in all the systems and processes

Thus, steps were designed to ensure that the Transformation exercise incorporated all the elements. The process followed was as follows:

1) **Strategy Formulation:**
   A workshop of the top management was organized to formulate the strategy of the organization considering the various business challenges being encountered and the ones anticipated. The organization was also restructured to align itself to the new market scenario.

2) **Large Scale Intervention Process (LSIP):**
   A 2-day LSIP workshop was organized to help the managers understand, align and build ownership around the new strategy, understand the cost of pursuing strategy without building desired culture, and formulate the required Business Behaviours with action plans, long term commitment, sustenance and review mechanisms for those Business Behaviours.

The flow of the workshop was as below:

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**1) Revisiting Raychem Roots & Context Setting:**
A video presentation showing Raychem-RPG’s journey over the past 25 years was shared with all the participants after which the workshop was inaugurated by the Sector Head, Group HR Head and the President of the company. The Company President also briefly set the context of the event, explaining the significance of the initiative and the expectations from the participants after the end of the event.
b. Telling Our Stories:
The participants were then grouped together and asked to think, discuss among the group and note, what accomplishment in the past 3 years have made them feel glad, some frustrating thing that has made them sad, and something they would like to change with a magic wand in Raychem-RPG to make it more successful in the future, i.e, their GLAD, SAD, MAGIC WAND moments

c. Voice of the Customer:
The participants were then made to listen to their customers, viz., Hobart Germany, Reliance, Mahanagar Gas Limited, ABB, and CESC. After this the participants were made to ponder on what they had learnt and identify the major themes that had emerged during the session.

d. Voice of the Market:
Feedback Ventures addressed the participants on the pulse of the current market and also answered several questions posed by the participants. The participants were thus made to understand the current market scenario and assimilate all the market data.

e. Voice of the Shareholders:
CEO gave his perspective as a shareholder of Raychem-RPG after which Mr. Harsh Goenka (RPG) and Mr. Tony (TE) shared their views about the company as shareholders of the organization, through a video. At the end of the session the participants were again asked to reflect on what they had heard and make note of the broad themes.

f. Voice of the Employee:
Data from the Employee Engagement survey and the 360° feedback was then shared with the participants, and they were asked to study the same and draw connects and disconnects.

g. Building a Case for Change:
The perspectives and insights gained from the various stakeholders were summarized by the SBU Heads and the question was asked whether there was a need for change, to which the response was a resounding “YES”.

h. Sharing Strategy and Formulating Business Behaviours:
After the case for change was built, the President of the Company shared the key shifts in Raychem’s strategy and provided them in hand-outs for ready reference. After a session of intense deliberation, discussion, and debate on the new strategy and all the inputs from the various stakeholders, the participants formulated the Business Behaviours for the organization.

i. Business Behaviours to Business Benefits:
The CEO of a well-known HR consulting firm was then invited to speak about:

i. The significance of culture and its impact on achieving business goals

ii. The importance of leadership style in building a workplace culture

iii. Best practices from other great workplaces

j. Defining Raychem Behavior Descriptors:
After a detailed analysis of the key shifts in the Strategy of the Company and deep understanding of the final Business Behaviours, the participants worked together to define the Behaviours and finalise descriptors. The descriptors underwent a thorough quality check through an effectiveness evaluation on the following questions:
i. Does it help meet stakeholder expectations?
ii. Does it enable you to make a significant contribution towards achieving the strategy?
iii. Is it in sync with Raychem’s values?
iv. Does it resonate with the future you want to see at Raychem?

k. Envisioning a RayCharged Raychem:
Later in the day the participants were asked to envision Raychem-RPG two years forward; a future in which all the employees are proud of the culture created by them and where everyone from the customers, shareholders, to the suppliers admire the culture and its contribution to the success of Raychem. In this scenario, all the participants were asked to think about and depict what the different stakeholders would be saying about their company.

l. Sharing the Vision:
The vision of RayCharged Raychem was depicted through a collage and displayed for all to see. The final Behaviours with their descriptors were then shared with the participants by the SBU Heads followed by a round of Q&A with the President on queries around living the Business Behaviours.

m. Commitment to Change:
All the participants were then given Commitment Cards to write in their personal commitments towards RayCharging their workplace and make specific, time-bound action plans with clear accountabilities. A formal commitment to RayCharge was shown by all participants by putting their handprint on a banner pledging their intent to make RayCharge a success, and driving it in their workplace.

n. Celebrating our Culture Heroes/Stories:
Finally, just before the Closing Remarks and Feedback, participants were asked to look around and find some of their colleagues who were already living the Business Behaviours and acknowledge their contributions by presenting the “Star” stickers provided to them. The participants then applauded and celebrated the Culture Heroes that had been identified while they shared their stories with all.

The 2-days extensive LSIP yielded the following culture pillars, which were duly christened Raychem Business Behaviours®, which we believe would facilitate the organization’s journey into the league of greatest organizations:
a. Aggressive Customer Centricity
b. Collaborative Innovation:
c. Performance Oriented Global Mind-set:

3) Culture Café:
After a very successful LSIP event the Senior Management contemplated on the inputs of the LSIP and conceived on a blueprint to bridge the gap between the current and desired culture.

They formulated on a plan to consolidate the achievements of the LSIP and strengthen the commitment and engagement of all the employees towards RayCharge and adopting all the Business Behaviors.

4) Architecting the Raychem Culture:
After the Culture Café a task Force was created to develop and build the RayCharge Culture that worked on the
domains of the Heart and Mind of the employees according to the given model.

Steps were taken to anchor the new culture in the various processes and systems, for eg., the 360° feedback was modified so as to score the managers on the Business Behaviours, the hiring managers interview candidates on the Business Behaviors to ensure cultural fitment, the induction CD has a section on orientation to Business Behaviours and Values, training on different Business Behaviours through the Development Action Plans (DAPs) of employees, etc. All policy related to Recruitment, Reward & Recognition, PMS, Customer Relation, NPD, Process/Product improvement got aligned with new business behaviour. The new culture is also bolstered through a coffee table book on the stories of Culture Heroes, celebration of different Business Behaviours every month, and other such activities.

Also, employees till the last mile constituting the non-management staff, workmen, SMT (Self-Managed Team) members, etc. were engaged and given training on all the Business Behaviours and the ways to live them during their daily work. They were all explained on the need and significance of the Culture Change, the context of all the Business Behaviours and their indicators, as well as their relevance and implication to their work.

**IMPACT**

The impact of the Culture Transformation Initiative can be perceived throughout the organization at various levels. The various analytical studies performed in the first phase showed a reassuring positive trend.

The Customer Satisfaction Index reflected an increasing trend in terms of overall customer experience with Raychem. Even on our revenue front the share coming from new products has increased, which is reflective of the enhanced cross functional focus on our new product development. Internally, our 360° feedback process that measures managerial behaviour as experienced by their peers, managers and subordinates also reflects an increase, especially on the business behaviours.

**LEARNING**

The integrated effort to transform the culture of the unified organization as the first and the most essential step towards adapting into an organization par excellence and one preferred by all stakeholders provided great insights into the nuances of attempting a Culture Change. Some of the lessons learnt by the organization and everyone involved in the process were the difference in attitude and process required to change the DNA of an organization which is its Culture:

1) **From Programmatic Change to Personal Engagement:**

The involvement of all the employees and their engagement ensured the sustained and committed participation of all in transforming the organization’s culture which would have not been possible in the case of an enforced or fed top-down approach.
2) From Value-based Change to Behaviour-based Change:

The change implementation was abridged by providing examples on the Behaviours that need to be lived by the employees as opposed to providing them with just Values that they needed to uphold.

3) From Inspiring to Supporting:

The anchoring of the Culture Change in the processes and systems of the organizations to support the employees in their endeavour to adopt the required behaviours boosted their attempts in transforming the organization and delivering success.

4) From One big Solution to Lots of small Fixes:

An initiative encompassing the entire organization and concerning everyone associated with it would not have been successful if it were not for the various small mends that were carried out, like ensuring new recruits are culturally fit, all managers are assessed on the business behaviours, etc. Just a Culture Change LSIP by itself would have been largely ineffective.

5) From Leaders to Followers:

Though leaders and the top-management dictate a considerable part of the culture and the culture in many ways is passed down from the leaders themselves, the success of the initiative will be thorough and unrestricted only if there is absolute buy-in of everyone involved. Thus, the spotlight should not only be focused on the top management but shared by all.
Introduction

Modern management in India can be said to have started with the introduction of the **Factories Act in 1881**, which brought in previously unheard of concepts like **weekly holidays, fixed wages and hours of work**. It was in the early 20th Century that various laws were passed, which brought into play the Industrial period and the advent of personnel management and Industrial Relations as part of the human resource management in the workplace. Some of these were the **Trade Union Act of 1926, Payment of Wages Act, 1936 or the Bombay Industrial Relations Act, 1938**.

Post-independence, India was marked by rapid growth in industrialism, with the rise of many Indian family run companies. It was in the 1990-s finally, with the Rajiv Gandhi led government and the financial brains of Dr Manmohan Singh, that India first started on its way to become a truly industrially developed, well-balanced, well-managed, talent-oriented society, where Human Resources started getting its due importance.

The shifting focus of the company from a simple hierarchical structure of boss and employee to a complex dynamic of a changing population, trying to survive in a highly competitive market means that managing the human factor has become the most important aspect of any business today. People are seen to be the most important asset of the organization. Human Resource Management has now become an integral part of every company, from eCommerce to manufacturing. It is now clear that a motivated employee is a productive employee and to improve the
performance of the individual and in effect the whole firm, the creation of the happy employee has become imperative.

Leading studies suggest that changes from a regulated environment to a free-market driven, liberated environment, has definitely changed HR practices in India. Restructuring and increased competition has made it important for companies to look at their people practices. Professionalising a work force, dealing with changes in competition, need to build capabilities and increased need for good leadership were all need of the hour. Add to it the emergence of the MNC, which had more than just basic HR practices, made it imperative for companies to improve motivation, quality and functioning of teams so as not to lose their leading talent.

India has the youngest population in the world. Almost half of her population is aged less than 25. And they are all entering or about to enter the Indian work force. What this means for a company is complex and demanding, especially for its HR department. Every generation has its own requirements. The Gen Y as they are called, don’t just want more money, but also more growth and more learning opportunity.

The ever changing nature of technology in today’s world is a far cry from the employee of old, the desk worker who would be doing the same thing for decades. Now new technology needs to be integrated into the system at the speed of light. Hence, the two pronged need to hire people with the right skill set, and to train individuals in the right skill sets. New technology also means the rise of the innovation generation. By definition innovation means non-traditional. Add to it, this is also the era of the knowledge worker- the professional who uses knowledge as capital- like a software engineer. A survey by Ranstad this year has shown that companies all over the world, and also India are going easy on the hiring of knowledge workers, the reason being that hiring them in a world of inflated work profiles and over loaded information is tough.

Thus we are dealing with HR issues across the counter, starting from the right hiring practices, to retention, development, training to creating innovative solutions to cultural problems arising in the company. Thus managing constant change in the work environment is now basically the job of the HR Manager. The Human Resources department of the company is expected to deal with roles such as retention of talent, development and training, and strategizing in terms of employee engagement and more importantly people issues related to the merger and acquisitions which Indian firms. The HR Head is now as important as a CFO to the company. OD or Organization Development now held as much importance as Marketing.

In the modern evolved corporate world, Strategic HRM or SHRM now handles a very strategic function dealing with performance management, balanced scorecard, competency mapping, talent development, retention policy development and overall skill and leadership mapping in the organization which would lead to a proper leadership pipeline.

Consider these examples: Tata Group has always been known as a front runner in best practices of HR. they have the Tata Management and Training Center which brings together employees for training which helps in binding them into a stronger force. GE has its international development center at Crotonville and their leadership development program is custom made for their Indian executives. Companies like HUL, Cognizant, Infosys have roped in their heads of HR to be the champions
of leadership training and development of their employees, and this, in turn has proven to be a massive retention tool for modern corporate India.

**How executive search has slowly become an imperative to corporate HR, from a placement firm to becoming partners in talent management**

To deal with the ever changing nature of the business environment and productivity issues many companies have taken a two-pronged approach. Firstly many of them, especially IT firms are opting for temporary staffing, where professionals on the “bench” can be deployed at any given point. The other is the use of consultants for many HR functions like training and development, hiring, and OD.

Starting at the end of the 1990-s and the beginning of the 2000-s decade, the outsourced recruitment industry has emerged as a major force. Now the industry consists of freelancers, small and medium sized firms, large Indian companies and MNCs like EgonZehneder, Heidrick and Struggles, Russel Reynolds, Korn Ferry, Spencer Stuart, Aon Hewitt, Kelly Services, Manpower Group, Ranstad etc.

What started with the development of placement firms in earlier era, became differentiated from senior management hiring, which companies realised, required quite a different set of skills to fulfil, like competency mapping and competency based hiring, and career counselling. The fledgling senior “placement industry” reinvented itself in the 2000-s as specialised or boutique head hunting or executive search firms. Even one of the oldest firms in HR in India is ABC Consultants started in 1969 by Bish Agarwal, reinvented themselves when they launched their Chairman’s High Circle and head Honchos portals, aimed at hiring senior management and executive search. Firms now have their own portals, and some executive search firms like Korn Ferry have ventured into mid-level management recruitment through subsidiaries (in this case Future Step).

I have been part of the Executive Search Industry since 1996, and in those days this term didn’t exist and people associated us with placement / recruitment sector itself. It was indeed challenging to educate CXO’s regarding the benefits of Search including the retainer driven fee structure. It always came as a premium because the process was indeed different than the methods used by Placement firms earlier.

It is important for HR professionals and line managers who hire, to know the difference between placement agencies and Executive Search. Placement agencies usually handle medium and low level vacancies in their client companies and they deal in bulk. They usually have a cache of job searchers in their database. Some placement firm have large databases where they have a steady supply of job applicants. Many use job search engines like naukri.com or monster.com to build their data base. The firm receives a mandate from their client, and the recruitment executive goes to work on the database, matching the profile with the requirement. At lower levels, there are usually scores of professionals in a particular field who would fit into a particular job requirement. These CVs are then sorted and sent out to the client, who goes into the interview process from there. The catchword here is number. For instance, for 5 Manager level positions for an Insurance company, there would
probably be 5 to 6 placement agencies vying to have their candidate make the cut and get selected. So the more number of profiles they send, the more chance of success they would have. Once the hiring is done, the agency is paid for each person hired through them.

Executive Search which is also called head hunting or retained search, works on a completely different platform. While the placement firm model works best for junior and mid level positions, the executive search model works for senior and board level hirings, where you are looking for leaders and superheroes, and not just worker bees. The number game does not work here. An executive search firm works on mandates which are usually exclusive to the firm and they are retained for the period of the assignment. Which means that one firm will work on one CXO position exclusively in a time bound fashion. This is done to avoid dilution of the importance of the position. You would not like to have your next CEO to be approached by 2 or 3 consultants touting the job.

Executive search also does not use a ready made database. Different executive search firms use various methods of contacting potential candidates for a given role. One of these is networking. Top head hunters have an enviable network of senior level professionals. At Spearhead Intersearch we use a lot of back ground research for any position. Therefore what the client gets is not a bunch of profiles who are looking out for a change, but a lot of candidates who are happy in their present jobs and were not actively looking out for a job change. Thus the pool of candidates increases a great deal. Also the employees who are happy enough not to be available on a job site are the kind of people a client would want at the helm when we are talking about productive difficult-to-reach talent.

When we started off, convincing potential clients about Executive Search was a challenge; candidates were not used to a professional exclusive recruitment firms. These were some of the initial hurdles we faced in setting up. Eventually clients, candidates and the entire HR eco system saw value in hiring Executive Search firms which led this industry to a rapid growth. Compensation Structures became aggressive, Indian managers were in Global demand, new entities made their India entry and the country got an entire new recognition in the late nineties. The end of the last century also saw the first emergence of Start ups and Venture Capital funding. New terminology like ESOPS came into existence which was a great motivating tool to attract talent to the start ups from large established corporate. Unfortunately the virtual world of Stocks collapsed and this became a shake out.

With large companies diversifying into newer and newer sectors, the HR department finds it tougher to find the right fit for their talent requirements. The talent pool today is very large and dispersed not only all over the country but globally also. Global auto, luxury group, FMCG or consumer business majors are setting up shop in the country. Many Indian firms with global presence or MNCs in India now require a person who is not necessarily Indian. In demand is also the PIO, or Person of Indian Origin, part of the large diaspora of professionals living scattered all over the globe. This environment requires a complete overhaul of the recruitment system, which a consultant is more equipped to handle.
Thus we see more and more large Indian firms partnering with consulting firms for their hiring needs.

For smaller, innovative, growing companies or start-ups or for the service industry the need is to find the intrepreneur, the self-driven highly motivated Super Men or Women, who would take the company to double digit growth. Here too the selection process is highly sensitive and very complex, with the requirement being a thorough understanding of markets, individualities and company cultures. Again, an experienced consultant is best suited for this purpose.

Even family run organizations are making the subtle move to partly or fully professionalising leadership. While these firms were once solely dependent on referrals for hiring, they are now more open to looking at external partners in their hiring process.

We have many such examples of helping family run organisations to professionalise. One of them was a medium sized Technology Services company. The founder was the sole Head but the HR intervened and wanted to professionalise the entire Senior Management by bringing more robust and innovative practices. Our firm was brought in to manage this transition and identify high quality talent who have made organisations grow from the current revenue of 300 crores to 1000 crores in 5 years. We did screen multiple candidates and successfully hired the CEO and CXO’s who are playing a key role for its growth and expansion. Such kind of examples are increasing and we see Promoter driven companies are equally competitive when it comes to professionalise with adequate compensation, stocks and other measures.

The first decade of the 21st Century saw the emergence of new entrants to the Search Industry. We, as a firm also grew by setting up new offices as every city offered an opportunity for growth and every city had its own cultural professional style. We did realise Mumbai was different from Chennai, Bangalore was more driven towards the technology wave with a lot of Start-ups and Venture Capitalists. Delhi has also been the capital which continued its dominance. Kolkata was still conservative yet has the potential to grow. With a network of 5 offices in these cities it was important to be closer to the client and the candidate. Today we can proudly say, no other Executive Search firm has a presence in 5 cities.

Not just city, the difference in recruitment methods are also driven by the type of industry or size of the company. IT and telecom, as well as the other sunrise industries were more open to trying the executive search model, while old brick and mortar companies are still happy with advertising in newspapers. We recently got called into a financial services company where the HR Head confessed that they had tried filling senior positions with newspaper advertisements, but got flooded with hundreds of irrelevant resumes. With time, many clients have come to value the level of expertise we bring to the table when it comes to initial interviewing and background checks. This also depends on the role the HR department plays in the company.

In traditional firms, recruitment is still handled by the HR department. The rapidly changing face of technology, and the new-fangled hip culture of new IT firms, means that recruiting is now more than just matching CVs. A recruiting
manager has to find a “fitment”, a person with the right credentials, who would fit into the culture of the company. Every company is different. Some prefer a shorts and T shirt culture while some want black tie to approach government clients— it all depends on the firm’s clientele and background. Development of start-ups gave a fillip to this trend. Here was a new crop of firms, flush with investor money, waiting at the brink of an explosion, just looking for the perfect CEO to get their product “out there”. The company admin department was not equipped to handle such rapid and overwhelming changes. Nor are placement firms best placed in this case, to find the perfect candidate from their vast databases. Here is where executive search firms come in to fill that gap.

Today the Search Industry is maturing continuously, with people coming in from different backgrounds either Management consulting, Corporate CXO’s, Senior HR Professionals who all contribute to the efficient functioning of the Industry. World wide, there is increasing pressure on the executive search industry with ongoing recession which influences companies to cut costs. Thus companies are hiring their in house head hunters, one who will have networks, who will trail the industry for the right fit, track movement of key executives important to the company through linked in and other networking websites. Companies now value their own in house tiny teams of head hunters, rather than pay an external agency for the same work. Also, recession has influenced companies to look at “temping” as a viable option. Thus today even CFOs and CEOs are available for short stints, to pull out company from the doldrums or just to see it through a merger.

However, in India, increasing competition within the executive search field has led to improving quality thereby satisfying the clients and candidates and also increasing the acceptance of Executive Search as an Industry and making it as a more organised entity.

References
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The aim of this paper is threefold. First, we argue that there is a change experienced due to the dynamism in the work environment. This we say has an impact on the way employees need to associate to the work in the sense of identity with and purpose of the job. Second, we highlight the role of leadership in communicating and enlisting the changed attitudes at work and argue the need for developing a leadership pipeline in organizations that would meet this challenge. Third, we provide a snapshot of the perspectives organizations adopt in identifying talent and philosophies and practices of talent management and we refer to few Indian examples in doing this.

It is proposed that there is a fundamental change in the work context that demands a shift in the way employees need to associate with work and the way they need to be managed and developed at work. Human Resource function need to acknowledge this change in managing the employees and also create leadership for the organisation that responds to this change. The major change refers to the dynamism experienced at work which needs a transformation in the sense of identity and the purpose associated with the job.

In a scenario where the businesses are fast changing, the tasks have become more varied and complex, greater is the flexibility demanded of the employee. When I poll the corporate executives in my training and education programmes on the changes experienced in their work, invariably a majority of them respond that their work activities are not the same as those three years back, and they believe that there would be a significant shift in the areas of expertise and work tasks required of them in the next three years. In such a dynamic business context, it is difficult to pen down job requirements and even if it is done, it would reflect a fraction of what is required to be done. While social media was not there in the lexicon just a few years back, it is now an important feature in the way people communicate.

The need for new philosophies and practices in talent management is a direct consequence of the above reasons. It is in response to these changes that the paper argues for the need for the following:

1. Development of leadership pipeline in the organization that would meet the changes.
2. Acknowledgment of the change and transformation in the work context and the need to respond to this change by the Human Resource function.

This paper is a call for action, demanding a fundamental shift in the way employees are managed and developed in the work context.
few years back, understanding the social media and knowing how to use it has become an important area of expertise for recruiters and marketing professionals alike. While knowledge and skill changes are well acknowledged as reflected in the plethora of technical and behavioural training programmes, what is perhaps not so well recognised is the change in attitudes that is demanded to be successful in the prevailing dynamic environment. Not surprisingly, our attitudes towards learning, initiative taking, team work etc. are all things that help us grow and also make us succeed in the essentially dynamic work place. Though job descriptions are important documents that provide a broad frame of reference to our work in terms of knowledge and skills required on the job, there has to be a better way to capture the role behaviour to be exhibited to respond to this dynamic work environment experienced by most professionals.

The primary thing that has to be re-evaluated is to see how we derive our sense of purpose. We see two people who are given the same task respond to us differently. One tries to understand why he/she is doing it and what purpose of the organization does it serve, while the other could just follow directions. Understanding the purpose the organization stands for and how our work aligns with the larger purpose helps carve out the actions/behaviours suited to the demands of the organization at a point in time. By purpose here I do not necessarily mean any transcendental purpose, but relating our tasks to the larger outcome of the organization. It helps us not only to take appropriate actions but also be engaged at work. The story of the two stone cutters who seem to be engaged at different levels comes to mind. The least engaged one, just views it as a laborious work that he makes a living out of, while the engaged one visualizes how his work contributes to the building of a temple of knowledge while going about his tasks. While downward communication has a role in creating this sense of purpose, it is equally made possible by the understanding and the attitudes of the incumbents to the job and not so much by what the job description reveals. Just as a film script for the same role would be enacted differently by two different actors depending on their skills and understanding, two people could undertake their work differently reading the same job description. In the present business scenario jobs keep changing and merging, and the same job requires a new set of skills and expertise, it is very important to change the communication to the employees from ‘What is to be done in the job’ to ‘What the work is and what purpose does it serve’ and let the employee decide on the appropriate response to situations. It is proposed that job description though are useful frames, they do not serve the purpose well in a dynamic context. While a script in a play is important, the acting is broader in its scope. Job descriptions are like script in a play and role behaviour the acting. Acting depends on the script but good actors script their acting. It’s individuals exposition of capabilities.

The second change that needs to be brought about is with regards to how we identify with our work. For most of us we derive a sense of identity by the occupation or job designation. Addressing people as a Professor, an Engineer, a CA, Doctor, Lawyer, a Colonel etc. is fairly common in our Indian context. Many often we see retired people introducing themselves by their previous occupation or profession. Another thing that is commonly observed is that with a promotion, the first thing that an employee does is to get a new business card that has his/her higher job designation. While these help us to derive a sense of pride and association with a
successful group, many times the employee gets bound by the job that he/she becomes a prisoner of this identity and is not able to look beyond. While walking the corporate corridors it is not uncommon to hear the comment ‘But It’s not my job’. While jobs are a useful anchor for understanding what we need to do and what the job entails, it is not so useful to guide our actions in situations of change.

While generic competency models are useful frames that provides guidelines on the role behaviours expected in different jobs and at different levels, communicating a sense of purpose and identity at work is as much a leadership demand as anything else. While a manager selects an engineer or a staff member to the unit, the organizations expects a leader to emerge from this technical/professional staff members over time. The role of the Human resource function in concurrence with the line managers is to select those employees who could progress on this route and to cast moulds that aids this process of transformation to a leader.

The importance of selecting the right people can be seen from the growth of an industry around placing people. While person-job fit is still important and is an important indicator of who is going to do well at a job, companies are equally concerned about how a person is going to go about a job rather than what is he/she likely to achieve on a job. Person – organization fit looks at how well does a person fit the overall work context in terms of organizational values and fulfilling the strategic directions of the company by displaying appropriate role behaviours (Sekiguchi, 2007). Competency based interviews, assessment centres are some of the tools organizations use to assess this fit. Companies are also equally concerned with assessment of role behaviours apart from achievement of KRAs in their performance assessment system. Planning for leadership roles has become equally important for organizations to grow in current times. We can expect most organizations to have atleast 4 to 6 such leadership roles in its hierarchy (Charan, Drotter & Noel, 2010). Research has shown that while a company as small as 20 employees may have 2 to 3 levels, a mid-sized company of about 500 employees has almost the same hierarchical levels as a large sized firm (Hanks & Chandler, 1994). What it means is that when an organization scales up, there is a need for the founders or higher level managers to relinquish what they have been doing so successfully and take up new responsibilities that a higher level position demands in a fast growing firm. As per the model of the leadership pipeline (Charan, Drotter & Noel, 2010) this involves doing away with the work values, skills and time orientation that has made us so successful in our previous roles and acquiring a new set of values, skills and time orientation that would be needed for the higher level role. Many times, this understanding is lacking or even if it is there, not so successfully translated to practice. The role of the human resource function would be to facilitate the identification of ‘talented’ or ‘high potential’ employees who can occupy the leadership roles and create a platform of learning experiences that help the employee transition successfully to handle the leadership roles.

Talent management as a topic has gained increasing prominence in the last decade or so. A google search on the term ‘talent management’ returned 2.7 million hits in 2004 while now it is around 14 million results suggesting the increased significance of this topic. Although the term Talent Management has been widely used in practitioner literature, there is a wide variation in how talent management is practised by organizations and the way it is defined in academic literature (Cappelli & Keller, 2014; Scullion and Collings, 2011;
Collings and Mellahi, 2009; Lewis and Heckman, 2006). Understanding talent management requires us to understand what we mean by ‘talent’, who is ‘talented’ and what is their background. Should it be defined by an elite sub-group of future leaders of the firm or should it be more inclusive adopting a ‘whole workforce’ approach. There are no definite answers to this and various organizations approach this differently.

Even in research literature, there is a disturbing lack of clarity of the term ‘talent’. Some authors have barely defined what talent means, others have defined it as an object or characteristics of people while some others have defined it in subject terms of who gets categorised as talent – everyone or some (Gallardo-Gallardo, Dries & González-Cruz, 2013). The characteristics of people who could be classified as ‘talent’ can be categorised into three buckets and organizations in India and abroad do use varying combinations of these. The first is ‘talent as mastery’. This view assumes that talent is made and not just born (Ericsson, Prietula and Cokely, 2007). Popularised in the mass media by books such as the Talent code (Coyle, 2009), it focuses on deliberate practice and learning from experience as important ingredients to developing ‘talent’. In the organizational context talent by this view should be demonstrated by evidence of superior performance (Dries & Pepermans, 2007). This view is popular amongst organizations intent on developing leadership and many of them provide for sequential learning experiences for high potential employees that builds on previously developed skills and perspectives. The second view takes ‘talent as commitment to one’s work and to one’s employer’. This is demonstrated by employees’ willingness to invest discretionary efforts in achieving organizational goals. Though this may not be a very common approach to identifying talent, many of the small and medium enterprises do place important considerations on employee commitment (Prakash & Krishnan, 2011). The third view takes ‘talent as fit between individual and the context he/she works in’. Here talent is very contextual and should be identified in relation to organization culture, environment and the type of work. Individuals who shine in one context may struggle in another. Even in an industry such as Investment banking where work is largely individual driven and where there are frequent movement of analysts from one firm to another, Groysberg and his colleagues at Harvard Business school (Groysberg, Lee & Nanda, 2008) found that there is a dip in performance when star analysts move from one firm to another suggesting that talent is a consequence of fit with the organizational context.

There are two broad approaches to identifying and managing talent – inclusive and exclusive. Inclusive approach views talent as including everybody. It emphasises a more egalitarian distribution of resource rather than just on elite star performers with the assumption that all employees can potentially add value. A major critique of this approach is that it makes little differentiation between Talent management and strategic HRM and incurs high costs in terms of human resource investments on leadership programmes (Lewis and Heckman, 2006). Anecdotal evidence amongst some Indian organizations including those in IT services suggest this approach in talent management. Exclusive approach is based on the notion of segmentation. Here talent is viewed as a subset of the organization’s population demonstrating superior performance and potential and this is a more common approach (Cappelli and Keller, 2014; Ready, Conger and Hill, 2010). Leadership development
and reward programmes are more finely targeted to high potential employees capable of occupying leadership positions (Ready et al, 2010), though other forms of training and development do occur in parallel. A more comprehensive view of talent management defined by Collings and Mellahi (2009) and is also reflective of Indian organizations such as Tata Steel and Hindustan Unilever views Talent Management as a systematic process of identifying key positions, development of a talent pool to fill these positions and development of HR architecture to facilitate filling these positions.

Talent management by the latter perspective is not just a HR activity but is viewed as an organizational capability building exercise where line managers play an equal if not more important role. In companies which undertake talent development seriously such as HUL around 30 to 40% of the senior managers’ time is spent on identifying and nurturing talent (Conaty and Charan, 2010). It is not viewed as just a strategy to enhance competitive advantage but adopted more as a philosophy of nurturing talent from within which does not change when the top leadership changes. Formal and transparent processes for performance and potential identification are a necessary condition for this to be successful. Rigorous analysis and open discussions help identify the best talent who are deployed to where it can be most effectively grown and then tracked on a continuous basis. Line managers are held accountable for the development of their subordinates and people development is viewed as a core responsibility of every manager in the organization, not just a task managed by specialized HR functional group.

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In the current business environment, where around 64% of the Indian employers are struggling to find and retain talent with the right skills, the book “Don’t Hire The Best” gives insights about what needs to be determined before hiring someone for a leadership position. It elaborates the common hiring mistakes interviewers commit with the help of small cases. The book challenges the common assumption that superior results could be achieved by hiring the best candidates. The task is achieved by illustrating with real life examples of how a misfit with the role or the organizational culture could result into negative outcomes for both the organization and the candidate.

For the reason that top leaders have much more influence to impact the business results and the ability to attract and retain talent, their hiring becomes much more critical and hence it needs to be comprehensive and objective in approach. The book elaborates different types of skills a leader should possess to perform successfully in his or her role. It adds value by differentiating between these skills on the basis of ease of assessing those skills as well as the ease of acquiring or developing those skills. It effectively translates the multiplicative relationship of ability and motivation into the Success Profile of a candidate constituting Education, Experience, Competency and Personality. As competencies and personality is difficult to assess, organizations tend to hire the best candidates looking only into their education and experience. The detailed example of how to build a Success Profile of a CEO of a mid-size company in the book would benefit organizations by understanding what their requirements are. It would also benefit interviewers by zeroing on the right candidate and obviating situations like choosing among equally qualified candidates.

The elaborate description in this book of how the personality of a candidate is the greatest predictor of the fitment with the role and the organizational culture helps organizations to unravel what makes a leader succeed or fail in their work. Bright side of the personality referred to as enablers helps the candidate in displaying behaviours to perform the role well; whereas dark side of the personality referred to as derailers pose as risks in successful delivery of the role. The book illustrates the Hogan Personality Inventory, (constituting 7 scales namely Adjustment, Ambition, Sociability, Interpersonal Sensitivity, Prudence, Inquisitive and Learning approach) which is used for assessing the bright side of personality by listing the different behaviours high and low scores on the scale would display. It also explains the Hogan Development Survey, (constituting 11 scales namely eleven scales namely Excitable, Sceptical, Cautious, Reserved, Leisurely, Bold, Mischievous, Colourful, Imaginative, Diligent and Dutiful) which is used for assessing the dark side of the personality. The understanding of each derrailer becomes clearer with cases of real-life leaders who score high on the mentioned scales. The author’s explanation of interpreting both the bright and dark side of the personality in context of a role makes it simpler for recruiters to assess the role fitment of the candidate.
The utility of knowing the personality becomes necessary as it also indicates the motives and values of the candidate and whether he or she would be motivated to perform and continue with the organization. To assess the same, Motives, Values and Preferences Inventory of Hogan is explained in the book (constituting 10 scales namely Recognition, Power, Hedonism, Altruistic, Affiliation, Tradition, Security, Commerce, Aesthetics and Science) which should be administered both on the candidate as well as the organization to analyze the fit.

The authors’ own experiences in hiring for different organizations provides detailed accounts of how most people making hiring decisions are not trained in interviewing skills and hence are unable to interpret the various answers candidates provide which actually gives indicators toward their role and organizational fitment. He stresses the need for structured and scientific approaches in identifying right candidates to avoid common hiring mistakes. For example, unclear expectations of interviewers, articulation bias, playing psychologist without proper training or not taking notes, and hence not leaving the outcome to chance.

One of the most significant contributions of this book is the direction towards the fact that senior leaders are not only to be chosen on the basis of fitment with the present organizational culture but also on the fitment with the culture the organization desires or needs. The author succeeds in conveying that the current dynamic business environment, changing pool of talent, shifting labour markets and regulations makes it equally more difficult to find the right candidate who continues to perform in changing business scenarios. He rightly perceives the changing business environment as a space where candidates could be hired for their potential for performing the task and not just on the basis of their past experiences.

The author’s forthcoming approach on the hiring processes of different organizations exemplifies how recruiters or interviewers could improve or revamp their existing procedures and reduce the chances of negative outcomes and losses. It makes organizations go back to the criticality of a job description and job specification, which tends to get ignored as the organization ages. The simple language and usage of cases to illustrate different scenarios makes it easier to understand and relate with the typical conundrums an organization faces with prospective or current employees. Though the book has been written with a focus on top leadership positions, it also delineates what needs to be determined for entry level positions and middle management positions and hence a must read for any recruiter or a manager making a hiring decision.

Reviewed by:

Shreyashi Chakraborty
Student – Fellow Program in Management (FPM), IIM Calcutta.
The National HRD Network publishes a semi-academic quarterly journal where in each issue is dedicated to a theme.

The journal publishes primarily three categories of articles:

- Conceptual and research based
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Dr. Pallab Bandyopadhyay, Managing Editor, is a Leadership Architect, Career Coach, Change and Transition Specialist with thirty years of successful professional experience in managing entire gamut of Human Resources Management with proven expertise in managing multicultural globally distributed knowledge professionals He has rich experience in Companies like Citrix, Dell Perot, Cambridge Solutions, Sasken and ALIT. He is a doctoral fellow in HRD from XLRI, a product of NTL, USA and provides HR consulting with many large Indian and MNCs and start-ups in the area of Leadership coaching, Organization development, Long-term capability building, Strategic change and Organization alignment.

Dr. P.V.R. Murthy is a product of I.I.T., Kharagpur and IIM, Calcutta with close to thirty years experience in H.R. field. He founded and runs an executive search firm Exclusive Search Recruitment Consultants. He is associated with a number of academic institutions. He is trained in TQM in Japan and in human processes from ISABS and NTL, U.S.A. He is the Past National Secretary of National HRD Network.

Dr. Arvind N Agrawal - Dr. Arvind N. Agrawal, Ph.D. serves as the President and Chief Executive of Corporate Development & Human Resources and Member of Management Board of RPG Enterprises. Dr. Agrawal has worked at RPG Enterprises since 1999 and his current responsibilities in RPG comprise of HR and TQM. Agrawal held senior positions in Escorts and Modi Xerox. He was the past National President of the National HRD Network. Dr. Agrawal is an IIT Ahmedabad alumnus and also an IIT Kharagpur alumnus, and also holds a PhD from IIT Mumbai.

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For any further clarifications, please contact:
The Managing Editor
Dr. Pallab Bandyopadhyay, Leadership Architect and Career Coach, HR PLUS
Sri Nrusimhadri, Flat No 303, Third Floor, No 12, 7th Block, Jayanagar, Bangalore-560070
bandyopadhyaypallab@yahoo.co.in
National HRD Network

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