

THE INDISPENSABLE FACTOR

# THE HUMAN FACTOR

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TEAMS  
& THEIR  
LEADERS



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# Inciting Insights

Leadership and teams are the two most pertinent building blocks of a successful organisation and they also happen to be the two most researched topics in the field of management. There has been a barrage of new age management mantras, books & management techniques promising to turnaround businesses but what is surprising is the ambiguity that still surrounds its effective implementation & practice in an organisation. There are a great many reasons for the fixation with this concept, including that organisations are faced with challenges & an ever changing dynamic environment like never before. As the concept of leadership is relevant to any aspect of ensuring effectiveness in organisations and in managing change it becomes a focal point of discussion in this issue.



As the real value of leadership lies in execution through people, building effective teams is the other parallel which determines success. To the eternally successful team, some differentiators have stood the test of time and they outline our discussion platforms in this issue.

“Distinctions between leadership and managing are ‘academic hogwash’.” is Jack Welch’s verdict. IIPM’s Intelligence Unit Research probes further into this point to present “Leadership and Management – Clearing the Haze”. The research includes inputs from industry experts to further understand the mutually exclusive and interdependent aspects of leadership and management.

Our global outreach section showcases in depth research of world renowned HR experts which aids a holistic understanding of the issue at hand. Recognised as a leader in moving human resources from a staff backwater to its new place at the CEO’s right hand, Dave Ulrich talks about HR’s role as the strategic business partner and the future path for new age HR managers in this section.

Dynamism drives the workplace of today and any recipe for success must have the essential ingredient of positivism towards change, which is reinforced by Alvin Toffler’s words “The illiterates of the 21st century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn.”

Through the array of perspectives presented in this issue we hope to lend an added dimension to our readers’ existing understanding of Leadership and Teams.

**Meghna Yadav**

Editor



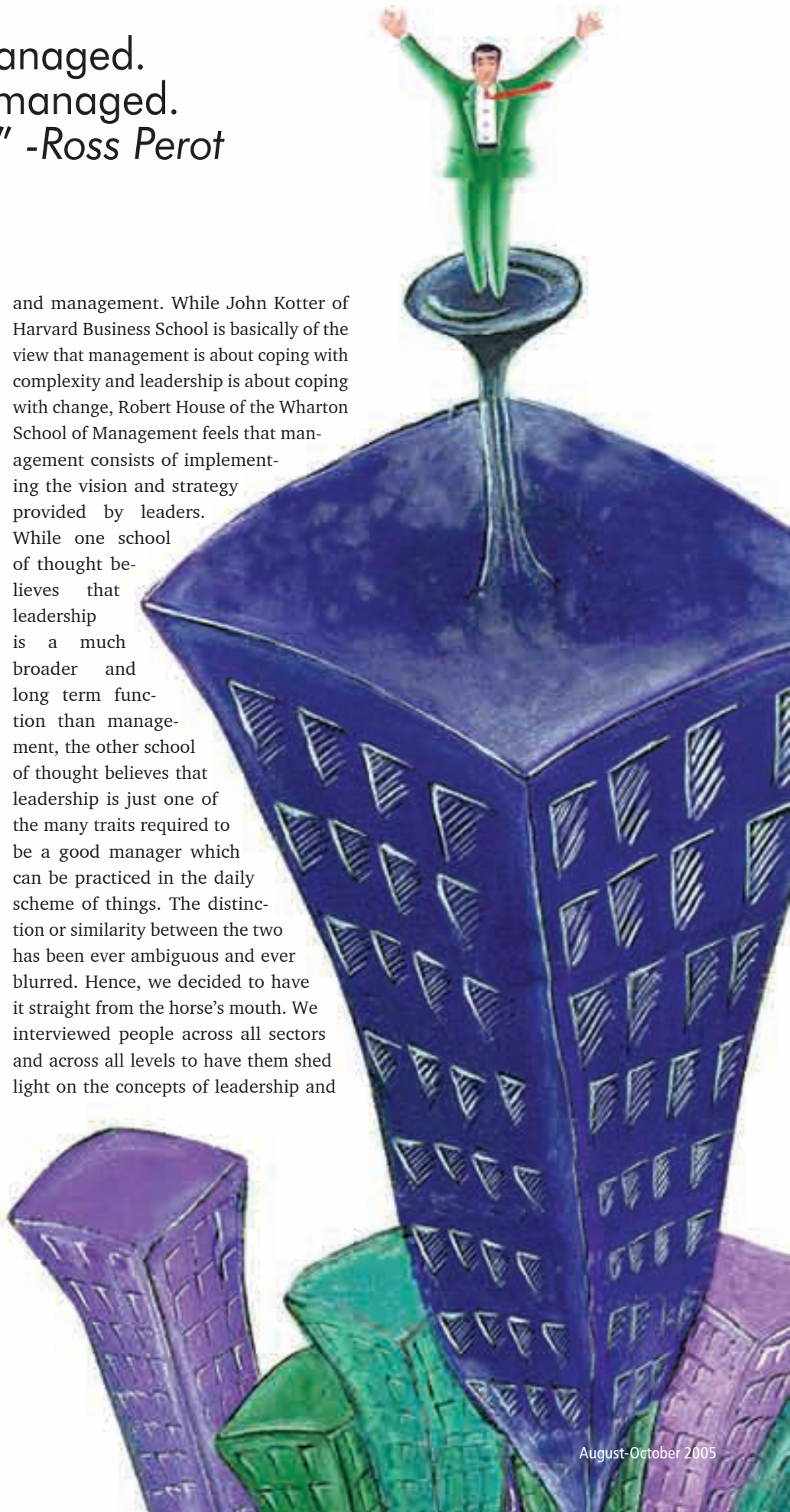
# "People can't be managed. Inventories can be managed. People must be led" -Ross Perot

By Ratneshwar Banerjee

Even today I vividly remember one of my organisational behaviour classes about leadership. Our professor, with all his allure and flair started the lecture by saying leaders train the people who work for them, coach them, and give them authority, try different motivation techniques and keep up to date on current issues and developments. Even before the class could absorb the whole statement we had a student with a simple question. He stood up and asked – so when do they do any work? The query sounded dim-witted to many including me but only later on did I realise that such an imprudent seeming query could offer so much food for thought!!! There have been copious amounts of research done on leadership yet till date it remains one of the most misunderstood concepts. Today, if I ask a junior employee to define leadership it will be much different from the leadership definition given by an employee at the strategic level. In many cases the perception of leadership is different in the mind of the followers than in the mind of the leader and it is here that the whole communication process breaks down. But ask about management and we get almost similar answers across all levels. It is with this objective in mind that we set out to do a research on the understanding of leadership and management in successful organisations.

In fact, I would like to give credit to the great Jack Welch for having provided us a foundation for the research. In his latest book-Winning, he said that “the difference between leadership and management is all only academic hogwash”. In fact during the research process it was observed that leadership and management are two terms that are often confused. There have been extreme schools of thought on leadership

and management. While John Kotter of Harvard Business School is basically of the view that management is about coping with complexity and leadership is about coping with change, Robert House of the Wharton School of Management feels that management consists of implementing the vision and strategy provided by leaders. While one school of thought believes that leadership is a much broader and long term function than management, the other school of thought believes that leadership is just one of the many traits required to be a good manager which can be practiced in the daily scheme of things. The distinction or similarity between the two has been ever ambiguous and ever blurred. Hence, we decided to have it straight from the horse's mouth. We interviewed people across all sectors and across all levels to have them shed light on the concepts of leadership and



management. The sectors we covered are hospitality, outsourcing, audit firms, pharmaceutical companies, FMCG companies, service sector and the telecom sector.

Leaders are people, who are able to express themselves fully, says Warren Ben- nis. 'They also know what they want', he continues, 'why they want it, and how to communicate to others about what they want, in order to gain their co-operation and support.'

Management is about planning, bud- geting, organising and staffing, controlling people by pushing them in the right direc- tion, and problem solving. As opposed to this, leadership is about setting a direction, about aligning people and motivating them by satisfying basic human needs.

Leadership, says Miller, really consists of four elements:

**Vision:** It is called by various names, but it boils down to the answer to the questions: What do you want? Where do you want to go? Miller says he is surprised by how many leaders have failed to answer those questions for them- selves or for their organisations.

**Environment:** Once you know where you want to go, you have to get all those other folks in the organisation to want to go along. (Miller's favorite definition of leadership: getting other people to do what you want them to do — and like it.)

**Empowerment:** You cannot do ev- erything yourself, so you will have to rely on others. But being empowered to make many decisions does not mean being en- titled to make them all.

First, empowering subordinates means training and coaching them, as well as giv-

**In many cases, perception of leadership is different in the minds of the follower than in the mind of the leader and it is here that the whole communication process breaks down**

ing them the resources they need to deal with issues you delegate to them.

Second, the subordinate has a responsi- bility as well. He or she must take respon- sibility for the decision, for the position of stakeholders inside and outside the firm, for taking the heat afterward. "It's a coopera- tive relationship of skills and responsibili- ties," Miller says. "George Patton used to say, 'Don't tell the employee how to do it, tell him what you want done.' Leave room for creativity."

Designing the organisation: Is the or- ganisation cooperative, trusting and en- abling? Do the right people sit next to the right people? Everything from table of organisation to desk placement to office culture comes into play. "It's the leader's responsibility to create and maintain a cul- ture and an organisation that gets the job done well and leaves the people feeling included as contributors."

After establishing this basic knowledge about leadership and knowledge, lets now move on to what industry insiders have to say on leadership and management. Presented hereon is a snapshot of some of the interac- tions we had with some seasoned pros of corporate India during the course of our re- search. Each respondent has basically given their understanding of the difference between leadership and management, the role of lead- ership development in organisational success, ways and means to cultivate leadership quali-

ties in one and all, and whether leadership can actually replace management or not.

### Mr. B.N. Jha

Director (People Excellence)  
Avaya Global Connect

According to Mr. B.N. Jha, in theory there is a difference between leader- ship and management. Leadership, accord- ing to him, is a spark which is present in a few which in turn has to be identified and groomed by the organisation. Leaders emerge from managers and from within the system and the system should be conducive to enable employees to evolve and see the bigger picture.

He defines a leader as one who:

- Sees the bigger picture
- Leads by example
- Possesses skills to think beyond today
- May or may not have authoritative power
- Should have knowledge power.

Mr. Jha believes that leadership and management cannot be separated. It is only when a person understands the nuances of management will he be able to develop the required leadership styles and traits. But at the end of the day, the onus of developing leadership qualities lies on the individual. The organisation can only create the en- vironment, facilitate the learning process, provide training, do job rotation etc.

# Leadership and Management: Clearing the Haze!

The Human Factor Team





Avaya's company philosophy:

- People orientation
- Understanding of employees.
- Appreciate, support and add value.
- Carry the whole team together.
- Take care of their growth.
- Generate trust & create transparency.

He further believes that a leader can be effective only if he thinks long term without disturbing the short term goals. It is the ability to have one eye on the long term objective that differentiates a leader from a manager. It is very important to understand the difference between the urgent and the important. Only when important issues are ignored, do they become urgent. Hence, employees are always encouraged to discuss whatever they have in their mind much before those issues end up becoming urgent. 'The company believes in building capabilities by allowing people to take risks', says Mr. Jha.

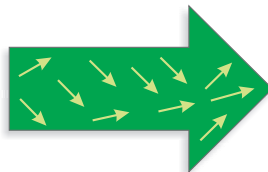
Another word which often crops up during discussions about leadership is empowerment. But when is it that an employer makes an employee feel empowered? He states that one person's idea of feeling empowered might be entirely different from another's. It clearly depends on reference level. Hence, one clearly needs to analyse as to what needs to be done in order to make your employees feel empowered.

**If the army is full of generals then there will be nobody to fight the war and if it is full of jawans, again there would be no planning and total chaos**

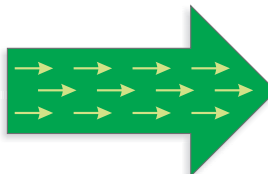
But when asked whether leadership can replace management or not, his answer was an emphatic no. He thinks that there are certain functions where leaders are required and other functions where the interests are best served by an efficient manager. Hence one person cannot effectively play the role of a leader as well as a manager. Taking the example of the army, he explained how in the army if it is full of generals then there will be nobody to fight the war and if it is full of jawans, again there would be no planning and therefore total chaos. An organisation needs to have a combination of leadership and management which can be explained more effectively by the following arrow model.

#### The Arrow Model

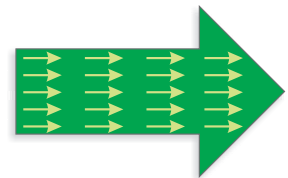
This is what will happen if we have only leadership dominance in the organisation. All the employees will be thinking, but it would be all divergent and therefore there would be no structure in the scheme of things. Such a situation can achieve nothing but chaos.



This is what happens if we have only management in the organisation. In this case there will be a particular direction in which all the employee thoughts will be heading but there will be a lack of synergy and alignment. The organisation will be witnessing growth but it could achieve much more.



And this is what can happen if we are successfully able to combine leadership with management. This is the ideal situation. In this case the organisation will be able to channelise the employee thoughts in a synchronised fashion.



#### Ms. Padmini Misra

VP-Talent Transformation  
Wipro Spectramind

Ms. Padmini Misra is of the opinion that there is not a lot of difference between leadership and management but than again, to say that leadership and management are totally same would be wrong. Ms. Misra is of the view that a manager is a 'today man' while a leader is a 'tomorrow man'. A manager may not make the



appropriate investments which a leader makes. Leaders give a macro perspective, a generalist kind of delegation and motivation to its team members while a manager's job is to communicate what needs to be done and giving constant online support. A manager's job is micro in nature which looks into granular aspects of the job and therefore functions on a piecemeal kind of delegation system. But for an organisation to be successful, both leadership and management have an equally important role to play in the functioning of the organisation.

Being a part of the growing service industry, she clarifies that in this scenario, leadership and management cannot be mutually exclusive. In the manufacturing sector, leadership and management might be isolated functions but the core of the service industry being its people, one cannot separate leadership and management as it involves the handling of animate human objects. The final consumer is a human being and the raw material is also a human being. Even though a manager is a 'today man', he still needs a few leadership traits in order to do today's work effectively (action, delivery, here and now work). In order to be successful, the service industry warrants that the boardroom comes to the shop floor and the shop floor enters the boardroom and this can only be achieved by having a combination of leadership and management.

Ms. Misra opines that one needs to "walk the talk" to generate trust and faith of the employees. In Wipro, for example, from the CEO to an agent, everybody flies economy class. The rules remain the same for all and even the CEO has to undergo checking at the gate and in the absence of his access card he also needs to go in for a temporary staff card.

Further, she says it is true that people at the entry level in BPOs are not expected to exhibit any leadership traits and just supposed to comply with the processes, but at the next level, leadership opportunities are galore where typically a supervisor has a team of 8-15 people under him. Leadership initiatives and idea generation are a very important part of the performance appraisal

process. The performance monitoring is done on a quarterly basis and 40% of the salary is dependent on the performance. Hence, the performance angle is automatically taken care of. It is not only an extra effort which counts but an extra effort which leads to increased revenue generation.

At Wipro, there are leadership programs designed for all levels starting from the entry level leadership programs to business leadership program. There is a special talent transformation department which specifically looks into the training needs of the entry level people focusing mainly on business related training and leadership as well as behavioural training. Then there is the CHRD- Corporate Human Resource Development, which holds week-long training packages across different levels. There is also the talent management and development centre which provides coaching and mentoring to high performers to help them emerge as future leaders. Another notable feature at Wipro to foster leadership development is its idea management system called Pragati or small improvement action and having an ombudsman at every level, every vertical, every department etc.

According to Ms. Misra, it is very important to achieve standardisation of service in an industry where quality rules the roost. The BPO industry is still only about 10 years old and at a very nascent stage. Hence, the industry still needs to evolve a lot before it can shift its focus from process to people. The BPO industry is at a stage where changes happen everyday which requires one to have processes designed in such a way that it conforms to all standards. According to Padmini Mishra, the people process mix needs to be different at different stages of the industry life cycle and the BPO sector being at a very nascent stage in India there needs to be a heavy emphasis on the processes to ensure high levels of standardisation in order to maintain the level of quality.

Thus, management and leadership are not so apart that one can replace one with the other. These are all nomenclature and jargonistic expressions which overshadow the real essence of the basics involved in managing people.

## Mr. Suriya Meher

Head (Marketing)

Barista

Mr. Suriya Meher believes that leadership is a subset of management and a good manager necessarily needs to possess leadership traits to be effective. He feels that a lot of grey areas like efficiency, approach and thought process



can be taken care of more effectively by a manager than a plain leader. Unlike many others, he considers management to be a definitely more evolved form than leadership but the faulty practice of the science of management makes a leadership oriented approach look rosier than a management based approach.

At Barista, the principle is to groom and empower the employees so that they are leaders in their own sense and the environment is the most important facilitating factor to ensure this objective because all training and development workshops would be rendered futile if the employees do not have a forum to practice the same. The employees are given a high degree of autonomy in project planning and development. The top management plays a



**We encourage employees to make errors but a new one each time**

role at the strategic level by defining and laying down the growth objectives and thereon, the various departmental heads and employees enjoy complete freedom in deciding how to do the things. The department being responsible for their own actions ensures that the department is highly motivated with a high sense of ownership towards the company. The employees are constantly motivated to come up with new ideas for projects, products or any other suggestion to improve the state of affairs in the company. The employees are asked to come up with an idea for a brand new drink; it's pricing, promotion strategy and all other aspects which need to be taken care of during a new product launch. There is no better way to empower employees than this.

According to Mr. Meher, one reason why we probably have fewer leaders than managers is the accountability factor. In case of leadership, accountability is very high than in the case of management, and that is the case at Barista as well. Barista always believes in having back up plans for everything. Mr. Meher summed up by saying that they encourage employees to make errors but a new one each time.

Mr. Meher felt that a successful organisation is one where the actions of the employees are a result of management requirement as well as personal choice.

Moreover, there are processes in place to see that the leadership initiatives of employees do not go unrecognized. One of the biggest criterions in performance appraisal at Barista is the extent of leadership initiative taken by employees which is measured by the number of projects initiated and the quality of its performance.

And finally, Mr. Meher considers it a vicious desire to replace leadership with management. A successful company needs to have a management approach because it is not unstructured as plain leadership.



### Mr. Rajat Kotra

Sr. Vice President (Business Solutions)  
Global Vantage

Mr. Kotra believes that leadership is the next and the best form of management and differentiating between the two might only be a play of words. In management, one may get work done from people but whether the people under the manager work willingly or not is questionable. Management clearly is well structured and well defined, and can at best give you expected rewards but leadership will give you unexpected rewards. Leadership on the other hand, may not be structured. It may emerge from the same management structure or it may emerge on its own.

Mr. Kotra also touched upon literature

and narrated the following last stanza of a Chinese poem to explain the essence of leadership:

*"Once the task is done  
And the results are accomplished  
The team will stand up and say  
That we have done it ourselves."*

The epitome of leadership is that you empower people so much that they feel they are doing the tasks themselves. If you are expecting unexpected results, then you've got to believe in leadership. Leadership includes all aspects of management plus what Mr. Kotra calls the surprise or the 'Wow' factor. A leader will rarely need to use his position or authority while a manager needs to resort to it frequently.

In theory, the best form of leadership is

where every team becomes self managed, although that may not be practically possible, feels Mr. Kotra. In the organisational context, he does not believe in making every team self managed. He clarified by saying that if the team has to make some bigger decisions that have the potential of affecting other aspects of the organisation as well, he would not like that team to be self managed completely. An example of constraint which prevents the organisation to make a team self managed would be the level of maturity of all the team members in a self managed team. One very important way to attain the desired levels of organisational maturity is perhaps to spend enough time in laying down a strong foundation for values, as per Mr. Kotra. This is especially important for the outsourcing industry in India. Values' training is very important for BPO as it drives behaviour and maturity.

Rajat Kotra believes in keeping his managers and leaders separate as he believes all managers can be leaders but not all of them will be leading and all leaders will be always managing something.

When asked about the possibility of making leaders, he said that he has a divided view on whether one is born as a leader. "I would hate to say no but I know I cannot say no" was how Mr. Kotra would put it. Leaders can be formed at any level but not everybody can be made a leader. It is an art which may link at some level to some in born qualities. Leadership is a function of behaviour as well. Mr. Kotra generally subscribes to the situational leadership model i.e. leader has to change his behaviour based on situation. For example, when in war, the desired leadership qualities may be different than while running a democracy. According to him, traits actually mean values like integrity, honesty, respect for the individual, being able to

relate to people and generally having that transparency about what they do. There are some traits which you are born with while there are others you develop over time. There are very few born leaders who have never gone to a leadership class ever. So leadership programs definitely teach you something but it does not necessarily teach everything. Leadership is definitely an art which is unexplained and unique. There is no right or wrong in leadership only effective and ineffective. A good organisation will have a combination of leadership training and experiential learning.

When asked whether leadership can replace management, he felt that it is possible but perhaps not very practical. According to him, someone starting from the scratch have a better opportunity to practice this because he does not need to break any existing practices. But he said earlier, such a dream can only be achieved by having a strong process of laying the foundation.

### Mr. Nilesh Mitra

*Corporate Training Manager  
Radisson*

In simple words, leadership is about knowing how to do and management is about knowing what to do, say Mr. Mitra. Leadership, according to him is people cen-

tric and on a holistic level, while management is process centric and is at a more narrow and specific level. A leader has to be the role model for his subordinates and he also needs to communicate effectively with his subordinates. Leadership is the guiding force in implementing things and working towards objectives.

Mr. Mitra was of the view that in practice, management function tends to dominate over the leadership function i.e. leadership qualities are not there as much as desired and this could be primarily because of the accountability factor. It is very difficult to determine accountability standards for leadership and even if there are some standards, they are very risky where high stakes are involved. Sometimes, there are some self managed groups which can perform without the presence of a leader. But this kind of a strategy is very short term in nature as the groups lose a sense of direction once their tasks are achieved. They only know how to do the task at hand efficiently but they lack vision.

At Radisson, there is a system of monthly employee contact programme wherein the department heads sit with their employees and all non-business issues are discussed in a controlled environment. But during these seminars employees also end up giv-

**Values' training  
is very important  
for BPO as it drives  
behaviour and  
maturity**



ing suggestions about business issues as well which the management makes a note of. Employees are motivated to discuss their needs that further percolates into business issues. There is also a system of employee suggestion box which is placed outside the HR department and the cafeterias.

Radisson has five well defined business objectives namely, revenue generation, cost reduction, guest satisfaction, employee satisfaction and process improvement. Employees are encouraged to drop in their suggestions concerning any of the above five heads in the suggestion box. But the process doesn't stop here. The notable feature is the process which runs this system. Within 24 hours of the suggestion being submitted, the employees receive an acknowledgement for contributing to the system. After a few days all information regarding the feasibility of the idea as well as the time span for its implementation is intimated to the employee. Finally, if the idea is implemented successfully the employee is recognized at a public forum and also rewarded for the same.

## Ms. R Mahalakshmi

Senior Manager-HR  
Ranbaxy

**M**s. Mahalakshmi is of the view that conceptually leadership and management are two very different things but in practice they tend to overlap with each other. Leadership is about setting the long term vision plan and objectives while managing does not need inspiration. A good leader needs to inspire his subordinates and he should be followed not because of his authority but because of his ability to motivate them. A good leader is more likely to be a good manager as well but a good manager may not be a good leader and still do a fine job.

Despite an aggressive work environment the company focuses on empowering and encouraging the entrepreneurial spirit of the organisation with a view to develop and nurture talent in the organisation. Professional development and interpersonal relationships are accorded a high priority while creating a more congenial and people oriented milieu across the organisation.

## Leadership Development Matrix

1. **Doomed:** - If the size of the organisation is low and the scope for leadership development is also low then it is certainly a losing proposition. That organisation is simply doomed. Most of the respondents were of the view that the greatest chance for organisations to successfully implement leadership programs is when they start from the scratch or at a relatively nascent stage.
2. **Stagnant/Predictable:** When the size of the organisation is large but the scope for leadership development is low then it is the sign of an organisation which believes strongly in management, well laid out systems and procedures etc. such an organisation can at best achieve predictable or expected results. This approach will do fine for organisations who do not believe in attaining unexpected goals. But as per Mr. Rajat Kotra, if an organisation expects unexpected results then it has got to believe in leadership development. Companies which are close to a century old and which have well established practices would never want to tinker with the idea of leadership when management is doing perfectly fine for them.
3. **Tom Cats:** When the size of the organisation is small but the scope for leadership development is high then they are the ones who are striving hard to reach the alchemist stage. This is the ideal path for any organisation which wants to become large and fruitful in the long run.
4. **Alchemists:** This ideal quadrant of leadership wherein there is a high scope for leadership development in a large organisation. The best example of such an organisation would be the surrogate child of the great Jack Welch, GE. Such an organisation will succeed in whatever they do because of the presence of highly charged and motivated workforce in the organisation. Their employees are like family members of the organisation and there is a very high sense of ownership in the minds of employees for the organisation.



Ms. Mahalakshmi believes that the future will be made by the steps taken by its people today. In recognition of this partnership, Ranbaxy is committed to providing each member of the Ranbaxy family with the following:

- Vibrant & exciting work environment
- Significant rewards
- Opportunity to realise their potential

HR has been taking various initiatives which can be used to encase people at Ranbaxy into systems that build desired competencies within the organisation. Chief among these initiatives is the freshly cast Performance Management System (PMS) and the elaborate and well structured Management Trainee Programme.

The new performance management system has emerged from the realisation that

the organisation would reach a position of excellence and sustained growth only if superior job performance is accompanied by a forceful display of achievement traits and demonstrated company values.

The system incorporates the organisation's stand on laying equal emphasis on both the "means" and the "end", thereby ensuring an objective and providing an increasingly transparent process of measuring performance.

The key objective of the management trainee program is to generate business leaders - well qualified individuals who possess a generalist perspective to do business at Ranbaxy.

Built around the theme of diversity, the management trainee program lasts for 14 months making it one of the most comprehensive entry level programs in India.



According to Ms. Mahalakshmi, leadership is a much broader function than management and management is rather a subset of leadership. She also believes in giving her employees substantial amount of freedom and the feeling of empowerment to ensure high performance.

Finally, she said that leadership can perhaps replace management but only when organisations have a small employee base or if an organisation is starting from scratch. It is not possible in organisations like Ranbaxy which have a large employee base or where the practices are already very well established.

After going through these views, one thing which can definitely be inferred is that leadership and management in most cases cannot be practiced mutually exclusively. A majority of the respondents were of the view that there is certainly a difference between leadership and management. Some think there is a fine difference while

others feel that they are entirely different from each other.

All the respondents are of the view that an organisation can certainly play a role in leadership development but the degree and effectiveness of that role varies across the respondents. While some feel it is environment and empowerment which gives us the desired results, there are others who prophesize the use of structured training programs and workshops to cultivate leadership qualities in employees.

Typically, large organisations felt the need for management and proper systems and structures more than the presence of leadership. Smaller organisations on the other hand feel otherwise. Another important effectiveness determining factor is walking the talk. Not walking the talk, not practicing what you preach is like showing a movie with the wrong sound track which may lead to loss of absolute vision within the organisation. The air may be filled with

the sound of music but onscreen the raptors are loose in Jurassic park.

Other factors which determine the leadership and management mix is the age of industry and the nature of its final product. Based on our research we have devised two matrices which can be used as a ready reference for organisations while deciding their leadership and management approach.

The following matrix shows the relationship between the age of the organisation and the scope for leadership development. The various quadrants can be explained as under. The other very important thing which often surfaces in all leadership discussions is the concern for people and concern for process mix. It is felt that the things like sense of ownership, empowerment, and presence of leaders is all dependent on what sort of a mix does an organisation follow in terms of the people-process mix. Based on our research we have come up with a matrix which suggests the ideal mix for organisations based on the age of the industry and the degree of tangibility of the final product. The various quadrants are explained in the adjoining figure.

With our research we wish to provide some additional tools to organisations for deciding upon their leadership approach and the people-process mix. Our objective is to lend a helping hand in removing the haze surrounding the understanding of leadership and management. At the end we could conveniently conclude that the responsibility of having effective leadership has to be shared by the top as well as the junior management. It cannot be either a top down or a bottom up approach but has to be a combination of the two and ultimately the leader should be able to have people under him to whom he can refer to for problems and suggestions.

*"It often happens that I wake up at night and begin to think about a serious problem and decide I must tell the Pope about it. Then I wake up completely and remember that I am the Pope."* —Pope John Paul XXIII

Wonder if leaders in the corporate world sleep more and better than the pope because there is always the management to help take care of the 'serious problem?' ■

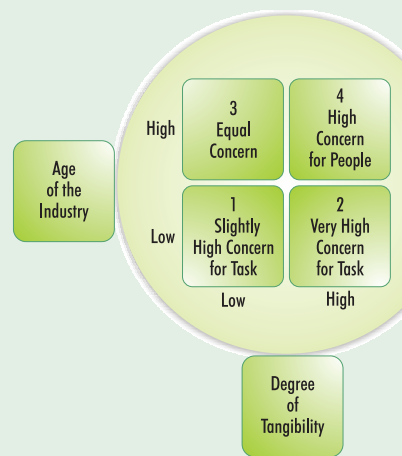
### People Process Matrix

**Quadrant 1:** When the age of the industry is low and the degree of tangibility is also low, then ideally there should be a slightly high concern for process/task. An ideal example would be the BPO industry in India. Age wise this industry is still at a very nascent stage and the degree of tangibility of the final product is also low. In such an industry it is very important to establish the initial norms of acceptance.

**Quadrant 2:** When the age of the industry is low but the degree of tangibility of the final product is high, for example in a manufacturing company, ideally there should be a higher concern for task. In such an industry, sticking to the acceptable quality standards is paramount to the existence and survival of the organisation in the long run. But saying this doesn't mean that the mix has to be 90-10. At best it should be 75-25.

**Quadrant 3:** When the age of the industry is high but the degree of tangibility is low then ideally there should be an equal emphasis on both the people aspect as well as the process aspect. An ideal example would be the hospitality industry. The hospitality industry has preset guidelines as to what constitutes an ideal customer service but in order to provide that ideal level of customer satisfaction, the organisation needs to ensure even higher levels of employee satisfaction as is the case pointed out by Mr. Nilesh Mitra of Radisson.

**Quadrant 4:** When the age of the industry is high and the degree of tangibility of the final product is also high, in such a scenario, ideally there should be a little more emphasis on the people aspect. Take the case of the worldwide automobile industry as an example. It is so old now and the practices are so well established that now it is in a very good position to shift its focus from task obsession to employee consideration.



# Leadership, **A Perspective**

Leadership: A Perspective

INDIAN CRUCIBLE



**L**eadership as a topic has more articles written about than perhaps any other. How is this one any different, how does it add value?

This article is written by a Head of HR, as a tribe, not prolific writers. Heads of HR recruit leaders, develop leadership competencies and support leaders endeavouring to lead organisations. At each stage, they need to understand the subject in its entirety, failing which the organisation suffers.

Almost three decades back, as a Management Trainee, I was allowed to sit in at interviews. It was a fascinating experience then. My contribution initially was to co-ordinate the interviews. I also designed an interview format which none of the interviewers filled. So I meticulously filled one for each candidate, including the section on Leadership Potential. After hundreds of recruitments over the seven years in that organisation, I had a data base of my reflections on the leadership potential of the various candidates. During the course of my work, I needed to look at their files and saw my notings often, and compared the real life performance and current potential against my assessment at the time of their recruitment. As my career progressed in the organisation, I participated in decisions about their careers. Few of these ex-colleagues of mine are still in touch with me though in different organisations. But in many cases the predictions stand. I remember a specific case where I wrote "High potential, Chief Executive Material". He not only rose rapidly in his career in that organisation, but has done well for himself subsequently.

The realisation dawned on me that leadership abilities displayed in school, college or in previous employment is a sure predictor of leadership potential. This potential is easily identifiable at any time in their career. There are many examples in the industry where the top management has decided to recruit a team of high potentials because of a strongly felt need. Many

have been successful in providing batches of such leaders who have, over time, risen to leadership positions in vastly different organisations. It is not the training or the environment in the organisations that were primarily responsible for creating such a team but the ability of the recruiters who identified the potential at the recruiting stage.

Subsequently when I read the book 'First break all the rules' by Marcus Buckingham and Curt Coffman, I said Aha! I knew it all along.

What makes a great leader, who irrespective of the organisation or its economic condition is able to inspire its employees and raise the level of performance? There are certain qualities which are a given, a bare minimum acceptable threshold:

- They generate a compelling vision
- They are driven strongly by values they believe in
- Institute a process to determine and review long term goals and strategies
- In control of and marshalling organisational resources
- Leading and directing the affairs of the organisation
- Representing their organisation to the outside world.

The most important knowledge I gained in dealing with leaders is that there is no one style of leadership which is the best or needs to be an example and emulated by others.

A great deal of differences exist, just as there is no one form of art or music that is superior to the other.

Great leaders shape the organisations they work for and in turn they are shaped by it. Values are clearly articulated, well communicated and they recruit an aligned team. They are involved in the hiring decisions. They usually have long association with the organisation and have high levels of self confidence. They build pride in the work done and in the organisation. They set

## **Leadership abilities displayed in school, college or in previous employment is a sure predictor of leadership potential**

outrageously high goals and once achieved will keep raising the bar. They are members of the teams and not act high and mighty. They are intrinsically motivated and they believe in rewarding performance.

They know how to get the best productivity from their teams by inspiring them and ensure enhanced productivity. To quote Jack Welch in the Wall Street Journal:

...The best companies now know without a doubt where productivity, real and limitless productivity, comes from. It comes from challenged, empowered, excited, rewarded teams of people. It comes from engaging every single mind in the organisation thus making everyone part of the action and allowing everyone to have a voice, a role in the success of the enterprise. Doing so raises productivity not incrementally but in multiples...

Such leaders create high performing organisations in which the ability resides throughout the organisation and not just in themselves. So when they exit, the organisation continues to perform as before provided the quality of the leadership does not substantially change.

Weak leadership can cripple organisations but the right leader can add to it dramatically.

At this stage I would like to point out a common misconception. Leadership is often confused with management, as also a good leader with a good manager. It is pervasive in all academic disciplines where one can find the literature on leadership. Warren Bennis, Ph.D. "On Becoming a Leader" states:

Managers are people who do things

**Gopi Nambiar**, Vice President-HR, Seagram India on the various hues and flavours of leadership in corporate India.



**A great deal of differences exist, just as there is no one form of art or music that is superior to the other, there is no 'one style of leadership' which can be called the best**

right, while leaders are people who do the right thing.

Great leaders have a lot of courage and integrity. Courage is the ability to do what needs to be done, regardless of the cost or risk. Integrity is the ability to do the right thing, no matter what the doubts or temptations. A leader who can consistently do the right things, when they need to be done, is a leader with courage and integrity.

Leadership is a group activity, is based on social influence and revolves around a common task. Leadership is not management. Management is a bottom line focus. How can I best accomplish certain things? Leadership deals with the top line. What are the things I want to accomplish?

The following excerpt from The Seven Habits of highly effective people by Stephen Covey will help to underscore the difference. Imagine a group of people cutting their way through a jungle with machetes. They are cutting through the undergrowth, clearing it out. The managers are behind them, sharpening their machetes, bringing in improved technologies, setting up working schedules and compensation programs for machete wielders.

The leader is the one who climbs the tallest tree, surveys the entire situation, and yells "wrong Jungle!"

But how do these busy, efficient producers and managers often respond? "Shut up! We are making progress."

It casts the manager as the dependable plodder, while the leader is the sophisticated executive scanning the horizon, strategizing. Since most of us would rather be the latter than the former, the role of the manager is lessened.

I have had the opportunity to work with outstanding managers. In India, managing the environment is so complex that the quality of our managers is outstanding. They are also very hard working. One repeatedly hears that they are among the best in the world. However, these qualities are not necessarily needed to make an outstanding leader.

The most important difference between a great manager and a great leader is one of focus. Great managers look inward. They look inside the company for best management of resources into styles, goals and needs of each individual. They manage resources efficiently.

Great leaders look outward. They look for the overall pattern, a bird's eye view. They look at competition, at future, finding patterns, finding connections and cracks and press home their advantage where they can succeed. They are strategists and visionaries.

Both are critical roles. One compliments the other. Great leaders are not young managers developing themselves to become leaders. The core activities of a manager and a leader are different. It is possible to

be a brilliant manager but a poor leader. It is also possible to be a great leader and a poor manager. Of course there are very few brilliant managers who are also outstanding leaders.

I have come across many cases where good managers are promoted to leadership positions. They continue to do what they are good at: Micro managing, efficiency experts who look inward and manage instead of leading. There is little use in trying to develop leadership skills in them. While they can be exposed to skills and knowledge on the subject, if they are not talented leaders there will be very little difference in their work. While management can be taught, it is a skill that can be enhanced by coaching in the work situation or class room. So if you have recruited a candidate with the potential of a leader, it need not take much effort to make him a great manager.

Working with leaders, especially for a HR person is a challenge. Most of HR activities by definition is administrative, routine and bound by policies. This is a must as you cannot have policies which are intrinsically flexible. Imagine a compensation/transfer/travel policy that permits adaptation to individuals. For a leader, this can be frustrating and they will make it very apparent. While the leader will understand the need for policies, he does not like its rigidity. On the brighter side, anything innovative or different is easily accepted by the leader. It is really great if he is one of those rare cases of being a great manager and a leader.

In conclusion, I have tried to give my perspective from the stage of recruiting, to developing leadership competencies and working with leaders of organisations. ■

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# Teamwork

## – a dilemma!

Does our life and work systems support the concept of teamwork that the workplace demands?

By Mohinish Sinha & Janet Gasper-Chowdhury

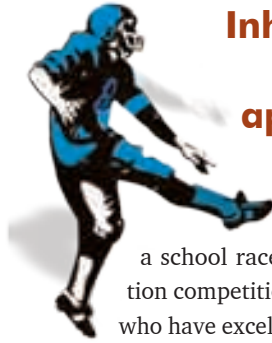


**C**orporates vehemently demand and propound teamwork across their organisations.

Teamwork is a much talked about topic. In organisations it features in the values of the company, competencies required to be demonstrated, an essential in job specifications, a key subject of assessment and a favorite topic for training. For example, PricewaterhouseCoopers & Baker Hughes have 'Teamwork' as one of their Core Values. One of Nestlé's organisation principles is Teamwork and Dell believes that their "success lies in teamwork". Move on to the competencies that all employees of the organisation need to demonstrate regularly on their jobs – Colgate Palmolive looks for teamwork among new recruits. A leading diversified PSU in India has differentiated "Teamwork" and "Team Building" as separate requirements in their Competency Framework and so do job specifications published on the net. All performance assessments among varied traits assess team building or team working abilities of the individual. HR Consulting companies who specialise in designing and delivering training programmes will confirm that one of the most sought after modules is that on developing teams within the organisation. How many times have you heard that some friend, ex-classmate has just returned or is going to Hrishikesh for river rafting along with colleagues – the sole purpose being to build "team spirit". Obviously the concept is of grave importance to organisations – or so it seems – considering it repeatedly appears in the mission & vision statements, values and HR Systems, not the mention the large budgets that are kept aside to promote teamwork.

**But our family structures, education system, hobbies and sport emphasize winning, being ahead of others and always being the best!**

For a moment let us go beyond the workplace back into time when all of us were in our respective classrooms at school or on the playing field or participating in a competition. How often have we wanted to come first – either in academics, or in



**Inherently we grow up, learn, compete and exist in an environment that applauds individual brilliance rather than promote teamwork**

a school race or at the elocution competition? And for those who have excelled, the glory that accompanies the victory was sure worth basking in. Every year, as the board results of Classes X and XII are declared the media goes agog while interviewing the topper in each of the schools. And each successful candidate narrates how hard s/he worked, gives credit to teachers and family for the feat. Where is the reward for teamwork here? Ironically, collaborating in the academic world is looked down upon. Students are taught to work alone, study alone, take tests alone and succeed alone. Individual brilliance is strived for, highly commended and recognized publicly. And so inherently we are conditioned to grow up, learn, compete and exist in an environment that applauds individual brilliance.

Let's enter the world of sport – team sport – Cricket and Football, the most famous globally. When we think of the World Champions of 1986 – Argentina – the name that springs to our mind is Diego Maradona. Can a not-so-ardent fan of football remember even 5 names on the 1986 team? We have made icons of individuals stars – Sachin Tendulkar, Rahul Dravid, Brian Lara, Shoaib Akhtar – and much has been said and written about their individual brilliance. How many teams do we talk about without singling out a star?

The world of cinema is not far behind. It is no doubt that a huge team effort goes behind the success of a film. But when it comes to the accolades, these are comfortably collected by the Steven Spielbergs or Tom Hanks or Javed Akhtars of the world – those who have been in the forefront and displayed their brilliance.

Academics, Sport, Cinema, Politics – there always should be a team effort, there is a team effort but the rewards are reaped by the one or two individuals who supposedly shine.

**The microcosm of the workplace is more comfortable dealing with individuals**

The conventional workplace has job descriptions, KRAs and KPIs and work targets for individuals. Employees are rewarded for their individual performance, achievements and accomplishments. At the end of the year each employee receives a bonus which he has earned by himself. Promotions are dished out to individuals who either deserve it because of individual high performance or those who have reached the threshold of time that deserves a leg up. Have we ever heard of a "team" of "task force" getting promoted for their significant contribution to the organisation?

Some companies claim that their variable pay is a smart combination of organisation factors, team factors and individual factors with weightages allotted based on their respective position in the organisational hierarchy. But that individual factor is mandatory! Of course there is a sound reason to the model developed but then we are diluting the importance of teamwork... once again.

There are departments, task forces, committees, working teams and project teams but we always have a team leader, project manager, function head etc. subtly implying that even though the work is done in teams, the accountability still lies with an individual. Would we ever have a task force where each member receives equal bouquets and brick-bats rather than making one person accountable?

Academicians and HR practitioners widely believe that the concept of "teamwork" is stretched. The focus is primarily on the end – achievement of the task – and not necessarily on the means – interpersonal relations. Therefore the task at hand is well defined and formation of a team is in most cases simply a bye-product to ensure that the task is not only achieved



but widely accepted since it is a so called joint effort.

### **Business schools attempt to prioritize teamwork over individual brilliance**

A huge change in learning methodology (at least in India) comes when most budding MBAs join a business school from regular graduate college. We realize that there is so much to do and so little time and so the best way to study a case or complete a project or even study for a test is to break up into teams and share the work load. Most courses are based primarily on projects and equal grades are allotted to all members of the team irrespective of their individual contribution. Of course the team has its problems of free riders and internal conflicts but that is the inherent challenges that all teams face whether in b-school or outside. From the b-school it is onward to the corporate world and so one would think that this is where team work takes off. However, all that b-school teaches you about teamwork and team spirit gets defeated in the rat race of placements. Even the closest of friends are putting each other down at the GDs and competition is at its stiffest at the interviews.

### **Building and promoting teamwork at the workplace**

Teams at the workplace can be broadly classified into two major types – task forces and management teams. A task force is a temporary team formed to work on a single defined task or activity. These could be both functional (e.g. functional process improvement task force) or cross functional (e.g. total quality management task force). Management teams are larger and work together for multiple tasks for longer periods of time. These could also be functional (e.g. entire HR or finance function) or cross functional (e.g. top management team). Regardless of the duration, there are certain key requirements that make them effective and ensure success:

- Leadership: It is imperative to have the role of a leader (need not be a single individual but a shared responsibility on different areas played by different

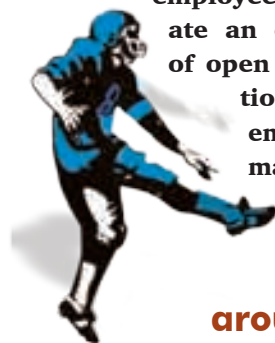
team members) being played within the team to ensure excellence.

- Role clarity: The role of the team as well as the individuals who make up the team need to be clearly defined.
- Skills and authority: The team should be equipped with all the required skills as well as the authority to perform the tasks / take decisions.
- Scope of operations: Teams need to work within the boundaries of values and principles applicable to the organisation. This sets the scope within which they can exercise their authority.
- Accountability: Along with team accountability, individuals should also be accountable for their respective responsibilities.

HR can play a pivotal role in enabling teams – both task forces and management teams – to achieve success.

To promote teamwork across the organisation it has to be introduced in a larger context. Teamwork at an organisation level is all about empowerment. Empowerment is the process of enabling or authorizing an individual to think, behave, take action, and control work and decision making in autonomous ways. It is the state of feeling self-empowered to take control of one's own destiny. Contrary to the belief that empowerment is some kind of "power" which the superior bestows on his immediate reportees. Empowerment is an individually driven ability. The organisation for its part needs to create that environment that permits each individual to be empowered. This enables all employees to play an equal role within and across the organisation just as they would in a smaller work team.

**A key requirement in empowering employees is to create an environment of open communication between employees and management.**



**The best companies build their entire HR processes and systems around a competency framework**

A danger here is that even though this is initiated most employees question whether their companies are really interested in listening to them. RJ Gator's, a Florida restaurant chain, established a formal listening program called the Culture Board to convince employees that the company is serious when it says it cares about what they think. Founder and CEO Tim Timoteo hoped his efforts would reduce employer turnover in an industry with notoriously high turnover rates. The Culture Board is a team of 48 employees, elected by their peers, who meet every month to talk about problems or concerns. No managers are allowed, making the Culture Board employee driven. Since its inception, it has proposed numerous improvements, including a way to retain lunch hour servers who were quitting at record rates. Board members knew that many of the servers were young mothers who could not afford child care, so the company increased their wages to cover child care costs. The Culture Board also urged him to work with the company's health care provider to lower eligibility requirements to 30 hours a week. Timoteo credits these and other changes with showing employees that the company cares about their needs.

### **HR Processes and Systems need to be conducive to the empowerment environment.**

Human Resources functions need to keep empowerment in mind while designing and administering their various systems and processes. By empowering each individual, they can create the culture of a large team and promote an environment of teamwork not just in concept but in practice. Here are ways in which Human Resources in some best practices companies ensure empowered workplaces:

#### **Institutionalising a competency based HR system**

Most companies emphasize a list of com-

petencies that need to be demonstrated to perform jobs effectively. However, best companies build their entire HR processes and systems around a competency framework. This enables recruiting for the right competencies, assessing job specific competencies, focused training on required competency development areas, competency based career development and building hierarchies that are competency based rather than tenure / seniority based. Having a shared framework on which all systems are based enables a greater objectivity and transparency in the system which in turn empowers individuals – since they are aware of internal career goals, how to reach there, what is being assessed etc. Objectivity and transparency also limits competitiveness within the organisation where one tries to get ahead of another. Instead it promotes people to work together so that collectively they can achieve their goals. PricewaterhouseCoopers, worldwide has developed all its HR systems around their competency framework – Global Capabilities Framework. This framework is universally applied across locations is the basis for the levels of hierarchy in the organisation and is used extensively in the Performance Assessment, Training, Compensation fitment etc. It empowers employees to choose their careers and development prospects within the organisation. The competency based hierarchy promotes superiority of knowledge and skills and enables teams to work more effectively.

### Empowering internal recruiters

It is the practice to have a panel of recruiters, comprising senior management both line and HR, deciding which prospective candidate to hire, based on job specifications, qualifications, experience, competency based testing and so on and so forth. In a truly empowered environment, in addition to the experienced recruiters, team members need to be part of the recruiting panel to decide which prospective candidate they will be comfortable working with. The best and brightest candidate whom the management believe will excel and succeed may not perform to expectation simply because of low levels of acceptability by the team.

Line managers directly participate in the recruitment process, this involvement increases ownership and commitment, retains best employees and fosters an environment in which people choose to be motivated and contributing.

Emphasize feedback from peers: On one hand companies talk of empowering employees and yet when it comes to assessment of performance the final call is the evaluator and reviewer who are the employees' superiors. True empowerment is exploiting the concept of 360 degree appraisal to its fullest where greater weightage is given to the feedback from peers followed by that be subordinates and minimum weightage to the assessment by superiors. This is where the team is given the greatest importance in providing feedback to the employee. Multirater feedback requires that everyone in an employee's immediate work environment--supervisors and members of line management, direct reports, coworkers, internal and external customers, and vendors and suppliers --rate that employee by providing feedback about the individual's behaviour and the impact of that behaviour in the workplace.

Management encourages employees at Yum! Brands Inc., to be "customer maniacs" providing exceptional customer service. When the Louisville, Kentucky-based food franchiser broke away from Pepsico eight years ago, the company's senior executives decided to adopt a people-friendly approach to workforce management, using technology-powered assessments to reinforce company values. A 360-degree assessment tool helps the company promote customer-oriented values, such as speed, cleanliness and hospitality, among the 850,000 workers at Yum's Pizza Hut, Taco Bell, KFC, A&W, and Long John Silver's franchises.



Using a web-based system developed especially for it, the company gathers job performance feedback from an

employee's peers, managers, subordinates and customers.

The web-based 360-degree reviews generally take three weeks to complete. Employees who are subjects of 360-degree evaluations--from senior executives down to store-level managers--receive e-mails asking them to submit a list of individuals who could serve as raters. Supervisors review the lists and when they have identified an acceptable number of reviewers, the company sends out questionnaires. Yum creates a report based on collected feedback, and supervisors review the results with employees they direct. Yum notes that 360-degree assessments help management better understand the company's workforce strengths and weaknesses and provide a way to understand what human capital capabilities the organisation has, what it is lacking, and where organisational development efforts are most needed.

### Self decided team based compensation system

Evidence suggests that many companies are changing their compensation plans to support team-based organisational structures. The challenge which high-performing companies face is in balancing an individual employee's behaviour with team performance. These leading companies understand that the secret to sustainable success is to perform collectively, so that the organisation can take advantage of the synergies created by the sum of its parts. These companies also empower teams to make their own decisions about rewards. This combination of autonomy and accountability allows successful teams to decide not only how to accomplish the project they are assigned but also how best to reward themselves. And when teams are involved in selecting rewards, the recognition will be more successful in motivating employees to make an extra effort. Whether a reward is companywide recognition, a cash award, or a merchandise gift, when team members

**Leading companies understand that the secret to sustainable success is to perform collectively**

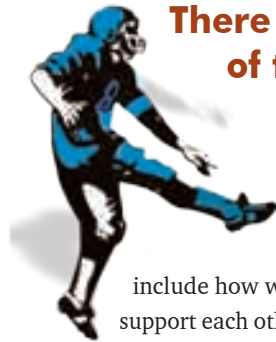
decide how it is to be disbursed, they are more likely to be satisfied with the outcome. A team environment pervades Unreal Marketing Solutions. At the end of the year, the employees of this online advertising agency near Philadelphia decide how they want their team members to be rewarded for that year's performance. They choose between cash bonuses and American Express points redeemable for merchandise or travel. Most often the team consensus is to take the American Express points, as the founder of the company makes the points worth 50 percent more than the cash payout.

### Implement measurement and improvement systems to support continual team growth

The role of HR goes beyond designing and administering regular HR systems. When a team based organisation is the ultimate goal, it is important to implement measurement and improvement systems to support continual team growth. Even as the entire organisation moves towards a more empowered state, mini teams will still be functioning across the organisation.

In leading companies teams design their own measurement system because teams know what measures best suit their own needs. Human resources may need to lend guidance to ensure that the system is aligned with company business goals. Certain factors need to be examined periodically throughout the life cycle of a project/ task – these are both quantitative and qualitative measures. Examples of such factors are:

- Concrete outcomes: Performance-based results such as adherence to schedule, reduction in cycle time, use of team resources, percentage rise or drop in quarterly profits, average time per service call.
- Relationship management: Focus on issues that affect team's performance and help the team critique its cohesiveness. Process skills and practices to evaluate include communication, problem solving, decision making, goal clarity, meeting participation, role clarification, and recognition.
- Peer support: Focus on team member



## There is clear need for an “unglorification” of the individual and a simultaneous elevation of team status

expectations and issues of trust. Areas to evaluate include how well team members support each other, how well team members perform tasks, and quality of team leadership.

To guarantee maximum improvement, teams at telecommunications manufacturer Lucent Technologies Inc., New Jersey, analyse key indicators for a period of time after implementation and before going on to the next project. Evaluating results starts with formulating key measurements that accurately analyze the current problem or task at hand. Team members ask questions such as: What have we tried to improve? How did we measure the problem at the start? Will those same measurements give a true reading about the change? Teams set the time period needed to study the improvement and set improvement goals. For example, Lucent's “Coffee Can” team set a target goal of reducing print cable defects each quarter by 25 percent of the first-quarter rate. It measured the defect rate for three consecutive business quarters and compared that data with the first quarter's “before” data. The team exceeded its goal saving \$191,000 in three quarters of print defect reductions.

Teams and team members need to be constantly rejuvenated in order to sustain high performance. Various ways in which team improvement systems can reinforce team motivation and sustain continuous improvement in teams are:

- Gold star idea venue - Each team member presents one new idea per month and shares how they came up with the idea. Team members vote on the idea which then translates into a certain number of gold stars for the idea originator. Idea sources which are encouraged include reading books and trade publications, talking to friends at other businesses, and attending trade shows and seminars.

- “Mistake of the Quarter” Award - Team leaders encourage people to try new things by making mistakes acceptable; trial-and-error learning is part of the plan. And humour, through a Mistake of the Quarter Award, offers a positive and inexpensive step in this direction.
- Springboard challenge - One week before each team meeting, one team member presents a question, problem, or challenge to the team. The team is required to come up with at least two solutions and is awarded points for viability, cost, and creativity. Every six months, rewards are given to every team member in accordance with total points accumulated.

### Conclusion

The environment in which we learn, grow and develop is inclined towards promoting winners and applauding individual brilliance. Thereafter we are thrown into a work system that demands collaboration and co-operation without any appropriate methods or rewards that go with it.

For organisations to genuinely promote and support teamwork they need to go beyond the solutions of task forces and project teams. There clearly needs to be an “unglorification” of the individual and a simultaneous elevation of team status. Teams need to be looked at from a larger perspective and move into the realm of empowerment of the people. It is through empowerment all employees are able to play an equal role within and across the organisation as one large team. Empowerment needs to be interwoven into the HR Systems to ensure implementation across the organisation. And finally for the success of any initiative even promoting teamwork across the organisation, a continual measurement process with objective metrics is a key requirement ■

*Mohinish Sinha is the Assistant Director, HR, & Janet Gasper-Chowdhury is a Principal Consultant at PwC.*



# Company of Your Dreams

**W**hen the roots are strong, the branches would also be stronger. This is truly reflected when we talk of HR practices that Agilent India has used to match up with its global counterparts.

Agilent India, the winner of the prestigious award for Excellence in Innovative Human Resources (HR) Practices 2004-2005 and rated thrice in Bank Employers' List, has efficient HR systems to develop its people. It continuously aims at creating a great place to work where employees believe that the work they do makes a difference in the world.

## The Agilent Employee Experience

Developing an organisational culture that supports business performance and accountability is one of the biggest challenges that the Human Resources division of any organisation faces. At Agilent, developing such a culture was a foremost challenge in front of Human Resources when company departed from HP.

Agilent has succeeded in developing a culture that offers to its employees a culture that is dedicated to the values of creativity,

trust, respect, accountability, teamwork, and uncompromising integrity -the culture which draws on the full range of people's skills and aspirations. Employees are encouraged to get involved in business objectives. Every employee gets an opportunity to do the best work of their life. The culture has now become the guiding force of everything that is done at Agilent.

Employees are exposed to a high performance work environment that is guided by company values and unique management practices. They receive best of the remuneration in the industry both in terms of pay and benefits. Agilent has implemented policies and strategies to ensure that its rich cultural diversity is leveraged for its competitive advantage. Innovative HR practices employed throughout the organisation aim at helping people succeed which in turn help Agilent succeed.

## Agilent On Leadership Path

Good organisations convey a strong vision of where they will be in the future. That is the reason why they believe in developing leaders at every level, it is the vision that keeps then focussed and helps in developing future leaders. Agilent too feels the similar way.

An employee is motivated to challenge himself so that he continuously strives to prove himself better than yesterday and delivers work with outstanding efficiency. It is this commitment towards his work that brings his appreciation and therefore makes him be considered "the best". His face should beam with success and confi-



**Positive attitude  
is the key word at  
Agilent technologies.  
If one has the attitude  
and the drive for it,  
no one can stop him  
to achieve it**

# Adding value as architects of organisational capability and human potential

Jayantika Dave, VP-HR, Agilent Technologies in conversation with Mridu Singh

dence to exhibit that he is the best. This is what Agilent leadership does to its employees. It is this confidence and self motivation that binds the company with its employees at the backdrop of the excellent leadership skill.

No one wants to be stuck in a dead-end company that has no future...or a company that is heading in the wrong direction. Employees want to be involved with the winner. And the employees of the organisation are the ones who are responsible for the mammoth task of achieving the goals. The organisation cannot achieve it alone. There have

to be guides at each step - the leaders have to take up this responsibility.

The leadership tools such as inspiring leadership with transparent management motivate employees which subsequently help in retaining the top talent. It becomes quite needful on the part of leaders to instill positive attitude so that people are motivated to pursue their goals both personal and business.

Agilent has initiated a 'Monthly Leadership in Action' series where the objective is to enhance and upgrade the leadership capabilities of its people. The insights and practical advice drawn assists individuals in their quest to become better leaders.

Development curriculums have been implemented for leaders at all levels. The practice has made the structure of management more horizontal and transparent which has further enhanced the trust and reliability of workers. Core Management Development Programmes and Employee Development Programmes are also conducted on a regular basis to identify and nurture future leaders.

Practices and procedures that are implemented are subject to regular surveys and feedbacks. Recently, in one of the pulse survey on employee's perception of Leaders was conducted and it was found that leadership score has moved +22% points to 79. The survey helps to rectify any inefficiency which might persist in the leadership quality for any leader of the company.

## Agilent's Way of Retaining Leadership

Agilent is recognized worldwide as one of the best employers. It actively recruits top talent from under-represented groups around the world and works to build an inclusive environment that develops and retains a diversity of leaders. It is worth mentioning that the attrition rate of top talent at Agilent is just 2.4%. The performance management system, relative ranking method, web enabled system to track individual objectives and performance reward and recognition are few practices implemented organisation wide that helps the company to retain back the best talent. The initiatives taken to establish and maintain a good-quality relationship between employees and management have further helped to retain leaders.

Agilent emphasises on individual development of employees, comprehension of oneself and exploring the environment. A continuous inspiration to the leaders to help them to become more proficient in their field and become successful is very important. With enhanced training solutions funded by business, mentor program for high potentials, job rotation program and "braindancing" program it always keeps its employees motivated.

## Conclusion

The excellent work culture practiced in the company is very much reflected by the fact that around seventy one per cent of Agilent employees feel that Agilent cares for them. Eighty three per cent feel that there couldn't be a better place to work for and eighty five per cent of the employees feel proud to be a part of the organisation. (Source: As per the recent pulse survey conducted throughout the company) Thus, it is quite evident that sublime work culture balance maintained in the company has worked miracles for it. No doubt, it proclaims itself as one of the best employers in the software industry. ■



# High Performing Teams

## The Need of the Hour

Experts disclose the mantra behind high performing teams. - By Mridu Singh

### Padmini Misra

Vice President - Talent Transformation  
Wipro Spectramind Services LTD.

I couldn't but agree that prima facie given the stakes in the corporate world, i.e. high cost of failures, companies have close to zero percent opportunity to work in an environment wherein all processes and systems do not drive a synergistic Win-Win approach versus an individual mind set.

The global economy is very dynamic and fast paced and the only way to achieve excellence is by ensuring that an organisation

has a cutting edge in the core products and services it offers. It is no longer the days of a single horse carriage but one wherein the driver manages to ensure that all the horses pull in the same direction with equal energy and passion.

So, what are some of the things a company may like to do in order to work in a participative manner through high performing teams?

In my view, one of the most important things is to create an environment/ culture through the core values, vision, mission

statement, and all communications that celebrates victory. To set aside any humility and social doubts and stay very focused on winning. At every level preach and practice winning. Make it a contagious habit.

Quite often, I find people in a company, view winning, in many different ways and that is only so because of an inherent shyness. Teams are really groups of individuals with common goals. So why not simply make winning the common goal?

Passion can be made the energy in the body of the organisation by adopting a pro-active approach to build teams. What I mean is to promote all goal setting endeavours in a positive and collective manner. Share the basic company goals and then let the team weave it into their vision and commitment. This will ensure that they have a clear set of goals and are more prone to

**“.. the only way to achieve excellence is by ensuring that an organisation has a cutting edge in the core products”**

planning on a long term resolution seeking mode, setting aside petty differences way of life. They tend to interact with lesser feeling of outwardly control and accept differences amongst themselves. This is because as a leader it is equally important that she/he in parallel, identifies the right issues, ad-





dresses them, removes the inhibitors and enables the team to achieve its goals.

A team has high likelihood of staying committed to its goals which are aligned with the company's goals if the leader works with a collaborative approach, is selective in forming teams of people who have complementary skill sets, rewards and recognizes that little extra, and provides clear operating norms, quality standards, and evaluation criteria.

At the end of the day, Promote Winning, make it a way of life, collaborate, communicate, compliment..team players !

## Vinit Taneja

*Sr. Vice President, Corporate HR  
Bhartiteleventure*

**B**uilding high performance teams across the organisation depends a lot on the leaders' beliefs about the people dimension in the business. While most businesses are technology based, the technology is common and available to every organisation in the race; it is the people who make these technologies tick. Building high performance teams would involve, (1) having a shared dream, (2) aligning the individual goals to the organisational goals, (3) enabling a climate where people demand nothing other than the best, (4) empowering by default with clearly defined exceptions, (5) robust reviews and regular feedbacks, (6) creating a shared pride in our achievements, and (7) sharing life lessons in creating the core identity.

While at an organisational level the shared dream could be its vision, at an operational level the shared dream could be to be the leader in the market. At a functional level, the shared dream could even be to be the best in servicing the customers or to be the sought after center of excellence for accounting standards. While the shared organisational vision could be long term, the operational dream could be as short-term as crossing a milestone in the subscriber base by the end of the month or quarter. It is these short-term shared dreams which when met consistently provides a sense of pride as well as a sense of confidence in achieving the larger goal

of the organisation. When such a shared dream gets aligned across functions and individuals, the synergy created by this alignment significantly boosts up the performance levels in the team as a whole. Thus, when the dream is to achieve a milestone in subscriber base for a unit, everyone in the business works towards achieving that milestone. As the short-term goals provide an impetus to reach out and achieve, it is the larger than life goal of the organisation that creates an emotional connect with the people's inner self in exemplifying a truly high performance team.

Demanding the best happens by defining the best. This involves developing robust measurement mechanisms to measure the journey towards these goals, and cascading these goals through Performance Management System (PMS) – so that each individual is not only able to work towards delivering what is best for him/ her, but is also able to see objectively where the organisation as a whole stands vis-à-vis the goal that it has set for itself. When Call Centers were new to the coun-

## High performance teams have a culture of empowerment rather than systems for empowerment

try, Bharti defined the service levels as answering customer calls taken within 10 seconds and measuring the % of calls that met this target. This was at a time when there were no specific customer requirements of this nature. Such measurement mechanisms are not only deployed at the business/functional levels but also at an individual level. This creates a competitive cum collaborative atmosphere, energizing people at all levels. These stretch goals happen both by emotive goal setting (For e.g., one of our start up businesses set a goal of Rs 2000 Cr turnover while entering a market dominated by an existing player) as well as by constantly benchmarking with both internal/external comparators. The latter is a critical element in defining the

## Bharti's "Plus One" System

Bharti has instituted the "Plus One" system, which highlights extraordinary efforts made by Bharti employees to reach out to customers and society. One of the most memorable actions was the heroic way in which a Bharti employee re-established connections after Tsunami hit Tamil Nadu. After being washed away by the wave, this employee went back to work on restoring connectivity for the struck region. Word of his dedication spread within Bharti and he received tremendous response from his fellow Bhartians. Over 80 e-mails addressed to him were compiled and presented to him in recognition.

best, and thus creating an innate desire for people to demand the attainment of these goals.

Empowerment in a high performance team is not about formal delegation of authority but about creating an environment where people take decisions and are willing to be accountable for these decisions. However, there is a need to set the exceptions clear on those few points that are required to be decided beyond the operating teams. These aspects primarily cater to preservation of the core identity of the business/functional entity (like brand, investments etc). High performance teams have a culture of empowerment rather than systems and processes for empowerment. For creating a culture of empowerment, it is extremely critical that the people in these teams share a common goal, are stretched and know those few exceptions that go beyond their scope of authority. Empowerment in Bharti is all about people who are willing and able to realise the collective dream. Ability or competence and enablement through authority commensurate with responsibility are key ingredients for creating willingness in employees.

Regular periodic reviews are an essential part of creating and sustaining a high performance team. These reviews are typically business reviews that challenge the status quo, digs out the weak points; where the team members address key bottlenecks and identify opportunities to be exploited. These reviews also provide an opportunity for the

team members to celebrate the successes and share their results and experiences.

In creating high performance teams, the process of sharing is not restricted to numbers and strategies. Stories and people profiles are important means to help people link emotively to the leaders, managers, employees and the organisation. In other words, the team chemistry, attained through this process is more critical in building high performance teams as compared to team 'physics' of goals, skill enhancement inputs and reviews. In Bharti, leader profiles are periodically shared through our intranet to get people closer to the leaders. Stories of our organisation and leaders' initial struggles are shared in forums especially created for these purposes. These forums help the team members 'feel' the organisation, its challenges, its DNA, its aspirations and encourage them to 'emotionally connect up'.

Needless to say, the above aspects are not independent but are a web of interdependent variables that make High Performance Teams a possible reality.

## Manoj Tandon

Assistant Vice President,  
CSC India

A team of champions will never beat a champion team." Reads a quote in one of my colleagues' cubicle. Nice, interesting and thought-provoking.

But how do organisations create champion teams that include people who might not essentially be 'champions'?

Team building is not just about putting people in a team and then expecting them to perform exceedingly well. I am sure no organisation expects this miracle to happen ever. Team building is an organisational process that requires extensive planning, effective implementation and constant monitoring.

It is popularly believed that team building should be done within the department or at the lower levels of the organisational chart. We often concentrate on small details, ignoring the bigger picture. We tend to forget that an organisation itself is a team though much bigger in size. It is a team of various units which are further segmented

into numerous smaller units. Therefore, the importance of team building should be realised and valued at the management level first and then cascaded through to the smallest of teams at various levels.

The success of an organisation, therefore, depends largely on an efficient teamwork at every level, not in select areas.

Team building, for any organisation, should not be a tool for improvement. It

## The success of an organisation, therefore, depends largely on an efficient teamwork at every level, not in select areas

cannot be forced upon people. The organisation must create an environment that inculcates and encourages teambuilding among people. It is not easy, least to say. Our socio-cultural structure - like educational institutions - is based on individual performances. We tend to follow the same pattern in organisations. And those individuals who perform better, expect a bigger pie of recognition and appreciation.

The organisation should therefore con-

stantly promote team building rather than individual performances using all its communication channels. There will always be better performers who need to be recognised for their efforts but the focus should primarily be on the success of the team rather than that of individuals.

Following are some of the key ingredients required in making an efficient team.

- **Goal setting:** The team should have a clear idea of what the organisation expects from it. Goals help the team members to have a better understanding of the organisational targets and how the team helps it to achieve them. It also works as a motivational factor.
- **Role demarcation:** It doesn't mean that a team member has a restricted area of operation rather it gives him or her individual ownership of a collective goal. Team members supplement each other ensuring that the team achieves its targets.
- **Clear communication:** Communication is extremely important in team building. Clear communication brings transparency to the entire system. It also brings out the worries and concerns, if any, of employees.
- **Delegation and empowerment:** Delegation and empowerment give an



employee a sense of ownership and responsibility. It helps individual growth enabling the person acquire new skills and capabilities.

A major challenge in team building is the alignment between individual aspirations with organisational goals. When an individual joins an organisation he or she has certain objectives and targets in terms of individual growth and career development. The organisation on the other hand has its own goals. A team stands in between and performs the crucial role of a catalyst in aligning organisational goals with individual aspirations.

An organisation that bridges these goals successfully turns out to be the cradle of exemplary teamwork, a 'champion team'.

*The writer, Manoj Tandon, is Assistant Vice President, CSC India. The views expressed here are his personal.*

## Sourav Chatterjee

Director,  
Planman Consulting

**B**uilding and sustaining high performance sales team is a continuous challenge due to business environment and often changing business goals. Thus policies, strategies and techniques adopted to address these challenges also need to be deployed keeping in mind the dynamic circumstances and changing performance pressures which a sales team faces.

Nevertheless there are fundamental approaches, which need to be adopted to address this challenge.

### The Key- Distilling the Real Challenge

Rarely will a manager find a team of perfectly skilled, highly knowledgeable and rightly attitude-d team members. There are bound to be imbalances in all parameters among team members. Every team member will have certain strengths to be leveraged by the team in challenging customer situations. As Sun Tzu said 'know your self and know the enemy'- understanding weak areas will also help plug mission critical resource gaps. All performance challenges need to be translated to individual and group objectives further translated to what

is expected on a day to day, week to week and month to month basis.

Thus focus of all team building and performance management interventions should be on the building blocks of a 'High Performance Teams' - the individuals who have to have skills, knowledge and the attitude to act professionally.

In my opinion, becoming professional and producing consistent results in inconsistent situations converges with the objective of a high performance sales team.

Ensuring professional sales behaviours is the basic challenge and an ideal, any high performance sales team manager is consistently chasing. In reality, it is far from the ideal, due to resource and requirement imbalances. The real challenge often translates into meeting targets with whatever resources one has. Accepting and understanding this reality is the first step. A manager has to be sensitive before he goes about meeting the challenge.

Once having achieved a stable team, it is critical to have a self and team realisation activity where all team members become aware of the skill, knowledge and attitude profiles of themselves and their fellow team members. It is something that a sales person may take time to be conscious of, if not actively driven by team managers.

### Group Coaching & Training Focus

Team managers need to coach and re-train continuously using simulated sales situations or reviewing past cases. Thus, it is important as a group, to develop an understanding of the reactionary patterns and gaps of the team members as individuals, groups and organisation. These activities should be over and above the fundamental selling skill programs or product knowledge programs or customer management programs a sales manager is likely to drive.

These sets up realistic expectations and thus plan better responses or deploy the right resources to cover gaps in professional sales behaviour. This also defines future training, teambuilding and development interventions that can be useful



for achieving and maintaining high performance levels.

### Show' em the Money

Money is the key driver for high performance sales professionals. All managers have to principally establish a fact and belief among all team members, that working together translates into more money for everybody. Increasingly, companies have found that remunerating team members at individual, group and corporate levels bring around a sense of collective entrepreneurship and an unparallel drive towards all goals and values of a corporation. More importantly if a manager expects exceptional performance from team members, he also has to ensure an exceptional reward mechanism to re-in force such performance behaviour.

### Lead by Example

Success stories, moments of truth and stories of exceptional performances deliver a competitive spirit and a self-belief in the achievability of targets. Sales managers, when they exemplify would surely be able to motivate the desired behaviours among team members to make them 'high- performing' teams.

These above mentioned fundamentals can provide the required impetus for management of high performance sales teams. ■



# The Emperor's Looking



# Why Organisations Don't Work?

By Michael Feiner

# Great Today:



**T**he list of companies embroiled in controversy seems to grow longer every day. Arthur Andersen was found guilty of obstruction of justice. Enron's executives have been investigated for creating and approving partnerships that kept billions of dollars of debt off the company's books. WorldCom is accused of inflating its earnings by booking expenses improperly. So is HealthSouth & AIG. Quest Communications is being investigated for accounting practices that inflated sales as is Dynergy. Executives at Tyco and ImClone face criminal charges connected to their allegedly illegal self-enrichment. And this is only a partial list of businesses now under a cloud.

Is all this an aberration which casts an unfair cloud over the vast majority of organisations? I don't think so. While most leaders may be basically honest, most organisations simply don't work the way they should. The current list may be longer than usual, but a review over the past quarter century reveals many parallel cases. Consider the Watergate scandal of the seventies. Recall the Savings and Loan crisis of the eighties, and the shenanigans of Charles Keating. Or

the junk bond capers of the same decade brought to us by the likes of Ivan Boesky and Michael Milken not to mention Drexel Burnham Lambert. The sequence continued in the nineties, with such luminaries as Chainsaw Al Dunlap and his near-killing of Sunbeam Corporation, and the fraudulent accounting at Waste Management. And these are just the firms that reach the point of melt-down. We can only assume that there are plenty of other organisations where unethical behaviour either goes unpunished or skirts just shy of technical illegality. While the examples here are examples of calamities, I suspect that most organisations stop working the way they should long before calamity arrives.

But the assertion that companies don't work the way they should has an impersonal, abstract quality to it. While the newspaper headlines level blame at corporate entities, there are people – leaders – behind every scandal. So if organisations are ever

**While the newspaper headlines level blame at corporate entities, there are people - leaders - behind every scandal**

going to work it must be because people exercise positive leadership. Leadership that it is at least as much about the small stuff as about the big stuff, and that it needs to happen at all levels of an organisation. Leadership is the aggregation of these daily transactions and decisions that collectively determine an organisation's fate. It follows that if organisations are to work, people both junior and senior, both new and experienced, must exercise positive leadership in hundreds of ways every day. If they don't, the results will be devastating – as we have seen.

Yet exercising leadership can be difficult. More than this, it can be scary. Remember the famous fairy tale by Hans Christian Andersen, "The Emperor's New Clothes". No one was willing to tell him he was naked until the little girl asked why he had no clothes on! It takes courage to tell the Emperor (or Empress) that he (or she) has no clothes. Bosses have enormous power, over our compensation, our promotions, and our careers, and, more immediately, over our quality of life at the office each day. So taking on the responsibility for telling our superiors when they're heading in the wrong direction can seem daunting. To be a High-Performance Leader, however, requires telling the Emperor when he

or she is naked. When his agenda is overloaded, when her objectives are unclear, when his team is splintered, when her priorities are unclear, when his leadership is failing. And when the wisdom of his or her decisions is doubtful.

In case you feel that I'm suggesting effective push-back is a silver bullet for all our corporate ailments, I should clarify what I mean here. I'm not claiming this is a one-hundred-percent solution for the problems that beset most organisations. There are certainly structural problems related to financial reporting, corporate governance and industry regulation, that need our urgent attention. But I would argue that more effective push-back would lead to a substantial reduction in the number of organisations that crash and burn or that make their employees' lives miserable along the way.

And if you feel that the scandal-ridden firms were led by bad leaders and that bad leaders are just that and cannot be changed, I'd counter with two points. Firstly, most bad leaders begin their lives as good leaders. Secondly, to pin the blame on a single bad apple, or on a small group of ethically-retarded executives requires us to believe that these individuals or senior groups were

## Effective push-back would lead to a substantial reduction in the number of organisations that crash and burn

able to do what they did covertly. I don't believe that's a rational assumption. Do we really suppose no-one knew outside the senior team what was going on at WorldCom? Do we really suppose no-one knew apart from Sherron Watkins, of the fun and games at Enron? Do we really suppose no-one knew what Dennis Koslowski was up to at Tyco (do we really suppose you can hide a multi-million dollar apartment, or a lavishly refurbished headquarters office)? And do we really suppose that Sunbeam, Waste Management, Drexel Burnham and all the others were staffed entirely by blind and deaf employees? Anyone who's worked in an organisation for more than a day knows that all too often people don't tell one another what they need to know to make good, honest, and appropriate decisions. Many employees of all these firms knew perfectly well what was going on – they weren't blind. But they were tragically mute. I'd argue that they lacked the tools to push back effectively, particularly in the early stages of aberrant behaviour, when the line between ethical and unethical behaviour is easy to cross with a very small step.

To do these things is never easy. But there are ways of pushing back with bosses that make it much more probable that leaders up the line receive the information and feedback they deserve – and that their organisations require – to make good decisions.

These laws provide more specific tactics as to how to do so:

### 1. The Law of Loyalty vs. Insubordination

Most bosses like the power and authority they've worked hard to acquire. And with the success they've achieved, bosses can come to believe that their way is the right way, the best way – perhaps even the only way. It is what led to their success and it is why bosses can easily mistake an opposing view from a subordinate not as feedback, but as insubordination. To avoid this trap, leaders need to establish at the outset that they intend to tell their boss what he or she needs to hear, as opposed to what he or she wants to hear. Telling a boss early in the relationship, before contentious issues arise, that you're sure he or she wants an honest and straight point of view is essential. Because contentious issues will arise and when they do it's too late to prepare a boss for push-back.

Very early in the relationship with your boss it's essential to establish this ground rule with phrases such, "I assume you want my point of view," or, "I'm sure you feel I owe you the truth." And once you've set your boss's expectations in this way, reiterate your position often so that your boss understands that you equate intellectual



A Professor of Management at Columbia Graduate School of Business and author of 'The Finer Points of Leadership: 50 Basic Laws That Will Make People Want to Perform Better For You', Michael Feiner attempts to rescue today's organisations from the shackles of 'leaders with high egos', who think their way is the only way to do things.



honesty with loyalty, not with insubordination, that your motivation is professional commitment, not mutiny.

Too often people masquerading as leaders agree with the boss and go home hating themselves for their lack of courage. At home they kick the cat, scream at their kids or argue with their spouse without really understanding. Why? Their boss, meanwhile, is in the dark about what's wrong, and does not have the information he or she needs to make a better decision. It is a lose-lose proposition.

This law was particularly crucial for me to follow when I started working for Linda, our new division president. Everyone knew about Linda. She was one of the youngest division presidents – a superstar who had achieved sensational results in her past few assignments. Passionate, intense and strong-willed, Linda was held in high regard by her peers. But there were caution flags as well. She was known to be impatient, wanted most things done yesterday and expected that her people do things her way. All in all she was considered an intimidating boss.

After a couple of weeks, I saw first hand Linda's towering strengths – she was very bright, creative, decisive, and obsessive about winning in the marketplace. True to her reputation, however, Linda was all about push – she'd decide, without much consultation with the team, what she wanted to accomplish and how the team should go about delivering it. And she had little patience for debate.

After a particularly bruising meeting in which Linda expressed her strong dissatisfaction with the implementation of some of her decisions, she brought the session to an abrupt close and directed that we reconvene the next day after some members of the team took corrective measures to fix the problem. It was obvious that she was pretty angry. I figured it was now or never – this was the moment of truth. As people began leaving the conference room and heading back to their offices, I approached her and asked if she had a minute to talk. She nodded, which I took to mean a reluctant yes.

We entered her office, and her opening

made it easier for me to do what I felt was needed. "What'd you think of the meeting?" she asked.

"Do you really want to know?"

"What's that supposed to mean?"

"Linda, I'm the new kid on the block so I don't mean to come across as a professional critic. But I figure you're paying me to give you my best thinking on stuff. I mean – I think you want my honest opinion."

"What are you trying to say, Mike?"

I swallowed but my mouth was dry. I wasn't sure where this was going to end up.

"Linda, I owe you the truth in this job. And I think you want my points of view even if they don't agree with yours".

"Keep going." I had Linda's attention, although she was clearly uncomfortable.

"You asked me what I thought about the meeting. So let me tell you, even though you may not like what I have to say. But like I said – I think you want me to be honest and give it to you straight. Not only about the meeting issue but on other stuff that comes up. For as long as I work for you. That's the way I plan to operate with you."

"Go ahead, I'm listening."

So I proceeded to tell Linda that I thought chewing out individuals in a team meeting was a mistake. That it wasn't the best way to elicit commitment from subordinates. And that her meetings appeared to be hers, not the team's.

She listened impassively, which I thought was unusual for such a quick-tempered personality. And then she said, "What do you think I should do now?"

"I've got a couple of ideas. First, apologize privately to Kate and Brian. I'd also set aside time at tomorrow's meeting for all of us to build an agenda for next week's

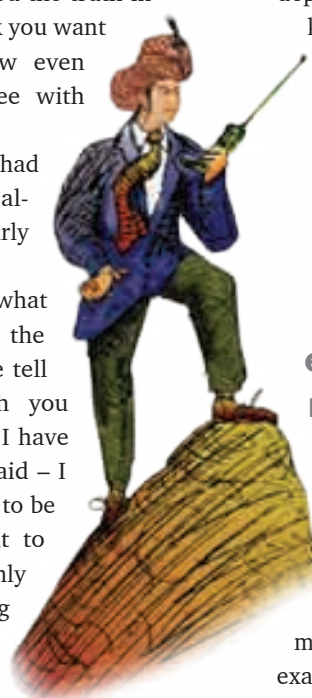
meeting – and all our meetings. Probably most important, we should spend most of tomorrow's session trying to figure out how this thing got screwed up. You know, try to sort out as a team what we did wrong so we don't have the same implementation problem again."

Linda listened carefully to this. "Anything else?"

"No...just thanks for letting me tell you what was on my mind. Hope it was helpful."

I got up to leave, but Linda had something else to say. "I heard you were independent. That's your reputation, you know."

"Yeah, I guess I am independent



**Even if leaders let bosses know early in the relationship of their union to push back, that is not enough. Leaders must recite the loyalty oath periodically**

– but that has nothing to do with what I hope you see is my commitment to you and this organisation. That's exactly why you deserve my honest point of view for however long I work for you." I left her office, breathing a very deep sigh of relief that my push-back hadn't set her off. Linda subsequently took my advice – she apologized to Kate and Brian, refrained from chewing out people publicly, and was able to improve the quality of our team meetings.

## **2. The Law of Re-Pledging Allegiance**

Even if leaders let bosses know early in the relationship of their intention to push back, that's not enough. Leaders must recite the loyalty oath periodically. Otherwise a boss can forget your initial expression of loyalty and see your push-back as truculence, insubordination, or disrespect. De-

## When push-back turns contentious - as it may on occasions - a leader should not continue to advance his or her opposing view

pending on the boss, it may be necessary to reiterate your commitment each time you push back. Phrases such as “As I promised when we started working together I need to tell you when I disagree...” or, “I hope you recognize I’m pushing back here out of concern for our group’s success,” or, “I’m not trying to be difficult but this issue is important for the team so I’d like to offer a different alternative,” are some examples of how to do this. Reciting the loyalty oath and restating it periodically are essential so that bosses don’t perceive push-back as a lack of commitment.

### The Law of the Strategic Retreat

So you’ve established these ground rules and communicated frequently how committed you are to your boss’s success. Yet on this particular day your boss isn’t buying your recommendation and is clearly rejecting your push-back. When push-back turns contentious – and it may on occasion – a leader should not continue to advance his or her opposing view. This is the time for a Strategic Retreat. But all is not lost. Often an approach phrased as “let’s both think some more about this and talk again when you have some more time” or “let’s agree to disagree and revisit the issue when time permits” is a good way of establishing license to revisit the issue at another time. The critical idea here is not that you give up, but that you reserve the right to return to the issue when you’re more likely to have a positive impact – you’re choosing to lose the battle so as to keep alive the possibility of winning the war.

I first saw the value of this approach when a talented subordinate used it to overcome my own reluctance to heed push-back.

Early on in my job as VP-HR at Pepsi, I realized that we had no system or process

for managing our union negotiations. We had over fifty different labor agreements and seemed to approach each as an isolated deal. More troubling to me, we had no real handle on the terms we were prepared to settle for or what our management objectives were for new labour agreements. Our approach was totally reactive – we seemed to scramble to cut the best deal we could.

So within a few months I asked our labour department to implement what we ended up calling the Negotiating Authority Request Process (clearly our marketing folks weren’t involved in selecting the name), which required our field managers to come to headquarters and present a review of the upcoming labour negotiations, including a history of collective bargaining in that location, wage rates in the location (including Coke’s) and changes we should seek in the upcoming contract talks. These reviews were very rigorous, especially for those on the receiving end of my questions. I would ask why we couldn’t negotiate a less costly deal, or get more union concessions, and the managers would have to defend the deal they’d proposed.

The process worked. Over a few years we significantly reduced the size of wage increases, reduced absenteeism and began to regain management control in our sales and manufacturing facilities. So when Luke, my chief labour guy, called and asked if we could spend some time discussing our approach, I told him to stop by right away.

“Mike, I think we need to revise the Authority Request Process,” he began as soon as he came into my office.

“Luke, if these reviews get any tougher, we’ll need to begin passing out smelling salts to the field people.”

“Well, I’m really not talking about making them any more rigorous. Just the opposite.”

“It’s funny you say that ‘cause I was thinking about turning the dial down a little on these reviews. Maybe they’re

getting too high on the pressure valve.”

Luke paused. “Mike, I’m not talking about dialing down the pressure. I’m suggesting we remove the reviews altogether.”

It was my turn to pause. “Come on, you’re not serious.”

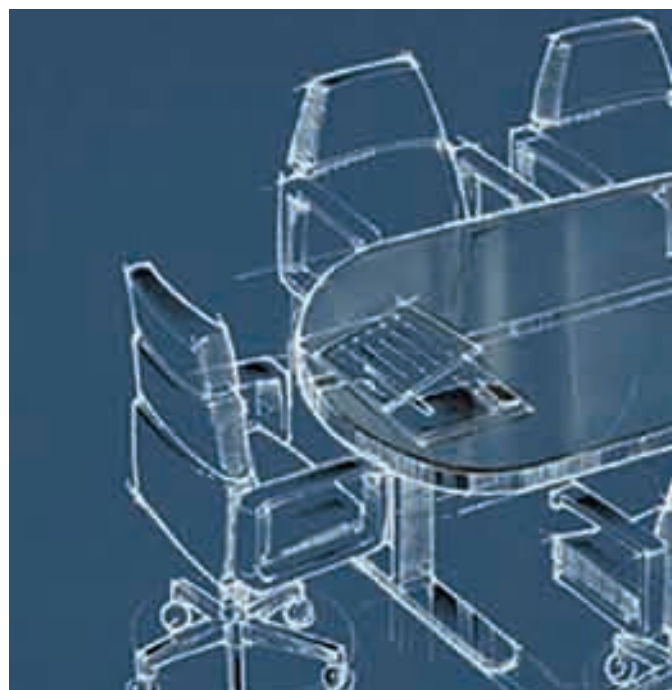
“Yeah, I am. We’ve achieved what we set out to. The entire field team knows that we need to be smarter and tougher in negotiations.”

“Luke, as soon as we take our foot off the gas, the field folks’ attention will drift elsewhere. It’s not embedded yet in their DNA.”

“I’m not suggesting that we eliminate the work or thinking that goes into the process. We can ask the field to submit all the data and their recommendations for a settlement. If we agree, we can sign off. If we have some concerns, we can ask for more info and talk about it by phone. But requiring these people to travel to headquarters and face the firing squad is unnecessary and unhealthy.”

“I’m in violent disagreement. We need to inspect what we expect,” – I was right up to date on the latest management aphorism – “so no way am I prepared to abandon this process.” I was really annoyed.

Luke tried a few more arguments: it was expensive to fly people to headquarters and it was preventing the field from focusing



on their many other priorities. I was buying none of it. “No way, Luke. Absolutely no way.” I was adamant.

And Luke did something interesting. “Mike, can we agree to disagree? And table this for another time? You feel strongly about this but I think it’s worth picking up at another time.”

### How could I say no?

And for the next month or so Luke would revisit the subject, never trying to win me over in a single conversation, but rather calmly reprising his arguments, and adding a new one or two each time. Finally, he had moved me to the point where I thought what he had been saying made sense. So I agreed to try his approach for six months.

Instead of forcing a decision which would not have gone his way when he first raised the subject, Luke executed a Strategic Retreat, thereby avoiding an extended skirmish he could see he would lose. By reengaging me in discussions at other times, he won the war.

### 3. The Law of the Candy Store

High-Performance Leaders don’t shy away from pushing back. Painful and tricky as it sometimes is, push-back is part of a High-Performance Leader’s repertoire. Yet no leader, no matter how skillful at push-back, can win every disagreement. So

leaders must recognize whose candy store it is – that is, they must show they know who’s the boss. They recognize that bosses have the right to make the final call and that, short of that decision being a breach of their personal ethics or a violation of the law, it must stand even if they feel it’s wrong. What’s crucial, however, is that the leader leaves the office that night knowing he or she fought the good fight and told the emperor or empress they didn’t agree with a course of action.

So, why is it that organisations don’t work? They rely, as makes sense, on structures of power and authority (the org chart) in order to get things done. But the same hierarchies which are so essential for efficient operation also inhibit the vital flow of information up the organisation to where it’s most keenly needed. People experience a tension between the need to push back, to pass critical information and opinions up the organisation and the need to respect the office, to know whose candy store it is and who holds the power. Fundamentally, organisations don’t work because the balance is tipped away from the need to push back, and towards the need to follow the boss and protect our continuing employment. And this imbalance exists because most people lack skills when it comes to telling the emperor he or she has no clothes.

As we’ve seen, real options exist between the extremes of silence on the one hand or resignation on the other. High-Performance Leaders know these options and use them.

And when they do practice these Laws of Push-back, the results are dramatic. Bosses with oversized egos begin to listen. “My way or the high-way” superiors begin to accept opposing points of view. Executives whose knee-jerk reaction is their own self-preservation begin to realize there are better ways to achieve results. I’ve worked for very tough bosses who responded to these laws, so I speak from experience, not from naïve optimism. Effective



## Painful and tricky as it sometimes is, push - back is part of a High-Performance Leader’s repertoire

push-back can go a long way to properly clothing our corporate leaders.

### Feiner’s Laws of Push-back

1. **The Law of Loyalty vs. Insubordination** Leaders must establish early on that they intend to tell bosses what they need to hear as opposed to what they want to hear. Having set the ground rules, they must reiterate them often.
2. **The Law of Re-Pledging Allegiance** Leaders must repeat the loyalty oath periodically so that bosses don’t perceive push-back as a lack of commitment.
3. **The Law of the Strategic Retreat** If push-back turns contentious, a leader should not continue to advance his or her opposing view but should reserve the right to return to the issue later.
4. **The Law of the Candy Store** Leaders recognise whose candy store it is, i.e., knowing who is the boss ■

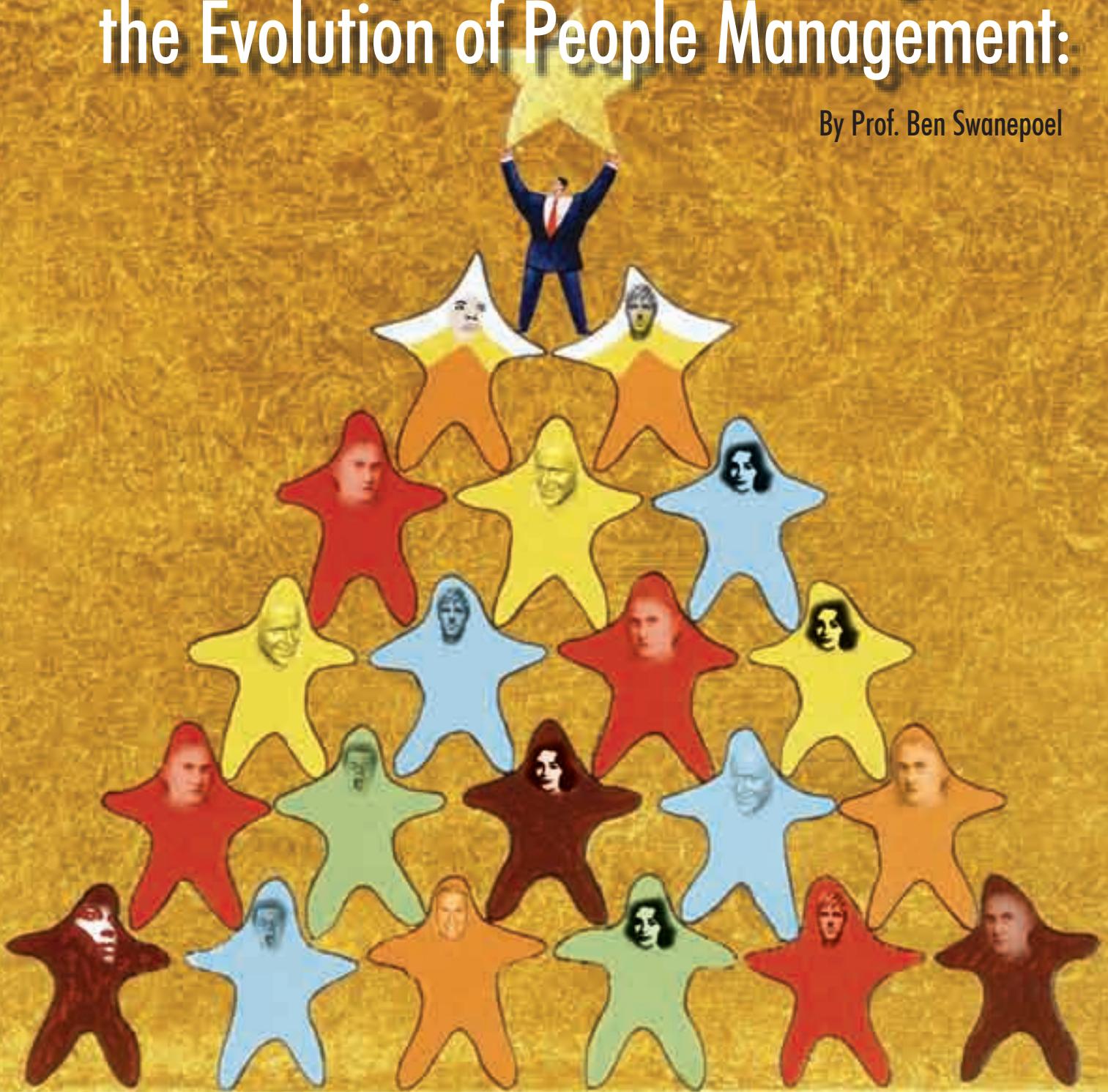
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# Leadership and Team Building, and the Evolution of People Management:

By Prof. Ben Swanepoel



## What's New?



It has been a very long time of trying to come to grips with what really makes the human dimension of organisational life work. Some claim that leadership and teamwork are the 'new solutions'. At the same time many also claim that 'HR' is not 'delivering' (such as Ulrich 1998a and Kochan 2003). So – is it now a case of leadership having come to replace 'HR'?

It has not been too long ago when 'HR' was introduced as the 'new' panacea for managerial problems. During the late sixties and seventies many were saying that paternalism and welfare orientations do not work. The last quarter of the twentieth century saw many claiming that 'IR' (industrial relations) was not delivering. Before that the welfare phase had to make way for personnel administration. And before that?

Each time something new different and 'better' is said to be needed in order to make it into the future. So it came that 'human resource management' was born.

It was especially during the later 1970's and the 1980's that 'human resource management' gained increasing popularity in countries like the United States, the United Kingdom and elsewhere too. The concept of 'HR' (human resources) probably originated somewhere in the 1960's. Becker's work (1964) probably laid some foundations and Miles (1965) clearly distinguished between human relations and human resources. There were trends of moving away from a 'relations' driven orientation to a 'resource' based approach.

In the UK, Guest (1987 & 1989) and Storey (1992 & 1995) contrasted the 'new' and the 'old' - 'HRM' and 'Personnel and

IR'. Personnel management and Industrial relations were said to belong to the more traditional way of managing the people side of organisations. Industrial relations (IR) as a field had its seeds sown during the era following the industrial revolution and focused more on the formal, conflict and collective dimensions of work and the people employed to do the work in organisations. Personnel management (PM) on the other hand developed as a natural progression from the welfare phase and the human relations movement with a focus more on the individual and general well-being dimensions of employees. 'PM & IR' thus essentially developed in response to some of the negative aspects that were associated with the era that was born from the industrial revolution. But what happened before that?

Before the industrial revolution, people were mostly engaged in some agricultural activities and/or some form of home craft. People worked in a context where they felt they 'belonged'. Even owners and workers "often toiled side by side and became intimately acquainted ... The owner invariably knew by name the members of his workers' families and usually took a keen interest in their welfare ... this closeness between master and worker disappeared" (Slabbert & Swanepoel 2002: 5).

The establishment of factories altered things radically and working life was no longer part of an environment where support and care and 'belonging to' were central themes. Work became somehow separated from non-work life and labour became a commodity. Organisations and their owners developed very different objectives and styles of doing things. 'Them and us' mentalities developed. The overriding driver came to be production and the industrialists were interested only in productivity improvement.

The first 25 years of the twentieth century saw the rise of not only a number of

great industrialists (like Henry Ford) but also 'scientific management'. It was soon discovered that the productivity of labour as one of the 'factors of production' was key. Unfortunately maximum utilisation of the 'human factor' also often meant poor conditions of work, hardship and a general lack of 'care' for the workers. The economic dimension was paramount and labour was viewed as a cost (as is still the case today). The work of Frederick Taylor laid some foundations for the scientific management movement based on the rational economic view of man but as Maund (2001:12) explains: "However, scientific management techniques did not prove to be the panacea expected by industrialists ... economic reward as a driver to improve productivity was not always an intrinsic motivational factor." These orientations and concomitant practices could therefore not continue indefinitely.

Much earlier, already the Scottish textile manufacturer, Robert Owen (1771-1858), for instance bought into, or many might argue probably laid the foundations for, what became known as the human relations movement of the early to mid 1900's. He used profits to improve the working and living conditions of those who worked in his cotton mill factories in Scotland. These included better health and sanitation facilities at work, villages near the factories where workers and their families could live and schooling facilities (Beach 1980; Cuming 1989). During that same period the United States experienced its first ever documented strike (in 1786) over minimum weekly wages and as such industrial relations as a field started gaining more prominence (Swanepoel et al 2000) and this continued throughout the first half of the twentieth century.

The work of people like Henry Fayol and Max Weber in the mid twentieth century reflected a shifting emphasis on the people and work dimensions of organisations



Challenges related to handling the human side of organisations? - **Prof. Ben Swanepoel** highlights a few brief evolutionary perspectives.

and management thought. In fact, Taylor's (1911) work also emphasised things like work design, the selection of workers, incentives for work and the importance of supporting workers by planning their work and "smoothing the way as they do their jobs" (Taylor 1911:44; Quinn et al 2003:4). Taking care of the people side of things thus developed momentum, the welfare of workers became more prominent and with all this came the more paternalistic model and pluralist frame of reference that laid foundations for the 'PM & IR' way of doing things where 'relations' were viewed as central.

The early forms of 'personnel departments' were established during the late nineteenth and early to mid twentieth centuries evolving from welfare and administration offices to fully fledged personnel and industrial relations sections or departments. In 1913, the Welfare Workers Association was formed in the UK, and this association eventually evolved to become the Institute of Personnel Management in 1946 (Cherrington 1983; Cuming 1989). Also in 1913, Hugo Muensterberg published *Psychology and Industrial Efficiency*, probably paving the way for further work by a number of researchers (like Elton Mayo and

other humanist psychologists like Abraham Maslow, Chris Argyris, Douglas McGregor and Frederick Herzberg) to establish the human relations school of thought.

It turned out that apparently neither the welfare phase, nor the human relations movement or 'Personnel and Industrial Relations' model, would be able to 'deliver'.

Then 'human resources' as concept and 'new approach' was invented somewhere in the 1960's and later moulded into what was promised to become the 'new solution'. It now seems uncertain whether this indeed was the resultant outcome.

Kochan (2003:1) says that the "human resource management profession faces a crisis of trust and loss of legitimacy" and he adds that after two decades it has failed in terms of delivering on promises of enhanced achievement, status and influence. Seven years ago Ulrich (1998a) argued that a new mandate was required and that if not transformed and revitalised (with a new agenda and role that steer away from traditional functions like remuneration and staffing) organisations may as well do away with 'HR'. Ulrich (1998b: 3) further qualified: "For HR to become a profession, it must develop a deliverables focus ... consider their activities as well as their results." Interestingly, this results focus, according to Ulrich (1998b:17), has shifted the responsibility for human resource management to line managers.

Das and Shuhra (2003) confirm this trend and a careful study of three recent books by Becker et al. (2001), Huselid et al (2005) and Hornsby and Kuratko (2005) bears further testimony to shifts of devolving the management of human resources to line management.

The message is clear: all managers have to take responsibility for dealing successfully with the people side of organisations. This trend seems to be intertwined with the apparent growth in popularity of things like leadership, teamwork and team building.

Developing leadership and teamwork: (re)discovering 'links' in the people-and-organisational success value chain?

Rucci, Kirn and Quinn (1998) coined the notion of the employee-customer-profit chain in the well-known case of strategically

transforming the large US retail company, Sears, Roebuck and Company, in the nine-ties. The essence of this business model is basically that one has to create a compelling place to work which would lead to a compelling place to shop, which would lead to a compelling place to invest in.

Creating such a compelling place to work obviously asks for all the people who work there to work towards making it such a great place to be working at. This 'chain' model therefore places heavy emphasis on getting every manager, every leader and in fact, each and every employee to understand and share in the purpose and value of, and to buy into and take ownership of such a model or system. Teams and teamwork are thus increasingly being acknowledged as central to the structural configurations of organisations like Sears where a customer focus and service enhancement are important. Waddell, Cummings and Worley (2004) cite other such 'team-based' firms like Hewlett-Packard, Motorola and Xerox.

The striking thing is that a key theme of such process driven structural configurations, is that the people or 'soft' side of things is what makes the difference ultimately. It is within this context that aspects like teams, leadership, and working together become more meaningful. Of even greater significance is probably that it is becoming more commonly accepted that these aspects have to become more the norm rather than the exception in particular because we are moving further beyond the industrial era and deeper into the knowledge and information era.

Pearce (2004:47) says: "Knowledge work – work that requires significant investment in, and voluntary contribution of, intellectual capital by skilled professionals is increasingly becoming team-based ... It is ever more difficult for any one person to have all the skills, and abilities required for all aspects of knowledge work, and this is true in a wide variety of contexts ... even to the executive suite." It thus seems clear that the responsibilities for people management are increasingly acknowledged to be less the domain of HR specialists or departments. Leadership is about people and so are teams and teamwork.



**Unfortunately maximum utilisation of the 'human factor' also often meant poor conditions of work, hardship and a general lack of 'care' for the workers**



Hayes (2002) goes so far to claim that “[m]odern management has become increasingly focused around the idea of the team” and the book of Weaver and Farrell (1997) even refers to the need to make all managers facilitators because of the changing workplace. The challenge during this emerging information and knowledge age thus seems to relate primarily to how organisations can best unlock and develop the potential and unrealised value of their intangible assets – most of which relate to the ‘human factor’. There seem to be changing roles and role-players however. Demands for a focus shift towards making the people dimension of organisations the business of all managers, all leaders, and in fact all employees seem to be the latest.

In the next section this distinction between managers, leaders and employees is taken a look at. It seems that this might be important because it is becoming rather common to be confronted with phrases like ‘more leaders and less managers, please’, ‘develop leaders, not managers’, or ‘managers do this whereas leaders do that’. Kotter (1990) wrote a whole book in which management is contrasted with leadership. Numerous others seem to be slavishly following propagating a shift ‘from a management paradigm to a leadership paradigm’ (Lussier & Achua 2004).

Does this make any sense though? Is it now a case of not only ousting ‘IR and PM’, or more recently ‘HR’, – but doing away with managers and management in total and replacing these with leaders and leadership? Are we to now break down all non-team structural configurations and make all organisations ‘boundary less’ and consisting of self-managing teams only?

Managers & management, and leaders & leadership: employees in a changing organisational context with changing roles.

Managers are people who are appointed to positions that give them some formal authority. They are employees because they are employed. Non-management employees are also employed but to play a different role. Managers are paid to play a role of acting on behalf of the ‘owners’ of the organisations that employ them and to make these organisations more successful.

In order to do so they engage in different activities, practices and functions. Some of these relate to other employees. The general process model of management still prominent today and the framework for most introductory textbooks on management even though it has its roots in the work of people like Henry Fayol and Max Weber in the mid twentieth century, includes the general management functions of planning, organising, leading and control. Two of these specifically relate to people and their work in organisations, namely organising and leading.

Leadership is thus, from such a perspective, part of management and has been viewed as such for a very, very long time. It cannot be a case now of leadership replacing management or of teams now being the only viable way of organising work.

All managers must organise and lead but they increasingly have to do so in contexts requiring different structural configurations with less hierarchy and bureaucracy and more needs for flexibility and team-based work processes. Not all leaders are managers however – and this is where notions like shared leadership and distributed leadership come in. But this is also where more traditional notions like delegation and participative management come in – notions that have been around for very long.

The roles and activities related to leadership, management and in all the people aspects of management, are thus increasingly shared by managerial and non-managerial employees – and also by specialists and generalists (the HR professionals and line managers and other employees). It does not seem to be all that new or radical therefore. There are different types of employees, different kinds of employment relationships and different ways of organising work and how to get work done. The challenge lies in getting the mix right and finding a recipe that works.

As has been highlighted at the more early stages the key ingredients seem to have revolved around ‘relations’. Then the key thrust became the ‘harder’ and more tangible or ‘resources’ side of things. Now it seems like we might be going back to a focus on ‘relations’ again. Or are we not?

**The knowledge age seems to relate primarily to how organisations can best unlock and develop the potential and unrealised value of their intangible assets – most of which relate to the ‘human factor’**



Moving away from the ‘either-or’ approach to a ‘both-and’ approach: are ‘relations’ in again?

Perhaps the time has come to accept that life in general and the world of work and organisational life in particular is far from simple. It is complex, changing at an increasingly fierce pace and in fact is filled with dynamics and diversities and paradoxes – all of which seem to indicate that we should refrain from trying to find simple, quick-fix or one-size-fits-all solutions.

Of course the people that work in and for organisations can be viewed as ‘personnel’. Of course we still need some ‘personnel management’. Of course we have to move beyond traditional ‘PM’ functions and focus on how best to organise the work and the organisations’ processes, systems, etc. There are many different options here and teams and team-based designs make up one such option. But there are alternatives and variations. Not all organisations and situations will operate best with self-managed teams for instance – and so not all organisations will be best off using the same kinds of

distributed leadership approaches. There are different types of teams and different intervention styles for different circumstances may be more appropriate.

All of this calls for a contingency approach. While there may be room for 'HR' issues, not all is about that. It seems to be more about relationships in all of this. It's not a case of no focus on the resource side with all the focus on relations however.

Resources are owned and can be bought and sold. Organisations do not buy staff. So there is a fundamental difference. We hire staff, and there is a relationship of exchange irrespective of how one looks at it. There is an exchange transaction. This relationship of exchange can be complex and multidimensional but it essentially includes that one party's knowledge, skills, abilities, energy, etcetera is sought to be put to use for the purposes of the other party—the employer. Note again that the 'other party' is the employing entity—the 'employer', and the managers are also in



**Just as 'resources' have to be planned for, acquired, utilised, etc, the relationships between those who (will) work in and for organisations, and the organisation and its work requirements, have to be planned for**

similar exchange relationships with the same employer. As mentioned, managers are also employees. The manager is responsible and held accountable for making the most of all the different relationships in the employment context. Some of these relationships, although still relevant to the human factor or dimension extend beyond the actual organisation's boundaries such as relationships with labour brokers or HR consultants or trade unions.

Many of the traditional personnel management and industrial relations functions are thus still relevant today, although the context is changing and hence the detail of the different practices and activities might be taking on different shapes. Just like other 'resources' have to be planned for, acquired, utilised, etcetera, the relationships between those who (will) work in and for organisations, and the organisation and its work requirements, have to be planned for, established (recruit, select and appoint), developed, nurtured and utilised as best as possible, etcetera. In many cases there are still interactions, negotiations and relationships with trade unions and their

representatives. This makes 'employment' relations to still be very real and relevant in many cases. Managers are responsible and held accountable for 'getting the work done' and making organisations as successful as possible – and this entails focusing on all the resources and relationships.

The resources or assets that are at play when it comes to people are actually locked up inside the humans who are standing in a particular relationship with the organisation. The people, as such, are not the resources or assets but they own the resources and assets which the organisations need. This is why the relationship side of things is again to be acknowledged as being of prime importance more than the actual resources as such. It is only through building, improving and nurturing these relationships that better exchanges between the parties may be elicited. Sometimes these relationships are moulded more in the context of teams and at other times less so.

HRM is therefore not irrelevant or obsolete. Leadership is not in and management out. Personnel management and industrial

relations are not dead. All of these are alive and there are many varieties of how these manifest.

Complexity, variety and diversity are thus key ingredients of the dynamic world of work and organisations it seems. In such cases where the organisational environment requires more organic and flexible design configurations and where teams and teamwork are supposed to be more prominent, the processes and content of various functions, practices or activities will have to fit such circumstances or conditions. The shape of things like recruitment

and selection, training and development, performance management, career development, etcetera, might have to change though if we want to develop the leadership capabilities and teamwork of such organisations.

If it is more about teams and teamwork, and distributed or shared leadership, the type of people to be recruited and employed will have to be different from those required in more traditional hierarchical and mechanical organisations. The same holds for the actual recruitment and selection practices (think of things like the types of psychometric tests, perhaps team-based interviews with prospective candidates) as well as things like performance management and reward (eg team-based appraisals and reward for performance). In such situations it will again be much more important to pay attention to relationships – the relationships between team members, between them and the HR professionals who might assist in the design and implementation of relevant systems, processes and practices, and also between the team leaders (or managers) and other team members

(some of whom may be co-leaders such as in the case of rotating leadership roles in distributed leadership models).

It therefore almost seems as though there is, once again (as was the case during the human relations movement era), a shift in emphasis or attention – but this time it seems to be back to the relationship side of things. After all, leadership is about relationships and so is teamwork. Or is this not the case?

### **Developing leadership and teamwork: relationships are central**

DuBrin and Dalglish (2003:3) say that an important contemporary thrust of trying to come to grips with what leadership is all about, “is to regard it as a long-term relationship” between those who make up the group/s and their leaders. In fact, the notion of a ‘partnership’ between leaders and group members is strongly favoured. This emphasises a relationship of working together and of collaborating. Further, based on an extensive study into leadership dynamics in Asia, Bennett and Bell (2004:20-21) conclude that the task of leadership in organisations is ‘refreshingly simple ... Leaders lead people ... You can’t lead your balance sheet or a profit and loss statement or a cash register ... The very essence of the definition of leadership when you strip everything else away is that it is concerned with the impact that the leader has on those people around them’. Clearly therefore, people and relationships are central to leadership. The same holds for teams and teamwork.

Hayes (2002: 51) says that “a team is a group of people actively co-operating to achieve the same goal or purpose ... Team members work with one another to achieve their goals” and the importance of things like communication interpersonal relations when it comes to building good teams and teamwork are emphasised. Welbourn (2001) also emphasises that sound interpersonal relationships and the development hereof can be a determining factor in the functioning and performance of teams, and suggests that “teams more often fail because of relationship issues than for lack of technical ability” (Welbourn 2001:173).

The same author explains that the origins of teams and teamwork are actually to be found in the human relations movement as that school of thought emphasised that most people like to be treated very well and enjoy to cooperate with other people as they work rather than to be treated like other assembly line elements. It does not seem to be all that new therefore – but the importance of these things is once again reiterated.



**The shape of things like recruitment and selection, T&D, career development, etc have to change if we want to develop leadership capabilities and teamwork in organisations**

Efforts to develop leadership capabilities ought to take into account all the complexities and diversities that the field of people management theory and practice has witnessed as it has evolved over time. The University of Southern Queensland (USQ) does this in terms of the spectrum of courses offered in the fields of management, leadership and human resource (HR) management.

Leadership is a lot about people and relationships between people, and so are things like teams and teamwork – and the management of people in the context of organisations in general. A lot boils down to ‘human relations’ and as such these pose



complex challenges to managerial leaders and all who work. Finding appropriate ways of establishing and developing optimal and mutually beneficial relationships in changing and a variety of contexts is indeed very challenging.

Developing teams and teamwork and leadership and in particular team leadership – and also the general management of people in organisational and employment contexts are all closely intertwined and form part of a complex web of challenges related to how best we can develop relationships with different dimensions and dynamics. Through distance learning, USQ offers numerous opportunities (in courses like ‘Team Leadership’, ‘Leadership Development’, ‘Leading Organisational Change’, ‘Global Issues in Employment Relations’ and ‘Entrepreneurship Innovation and Creativity’) for anyone, anywhere, to learn more about these challenges. In order to face all these challenges we need to become life-long learners – and develop learning organisations. ■

## Finding appropriate ways of establishing and developing an optimal and mutually beneficial relationships in a changing environment is the challenge!



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# IIPM - Think Tank

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The **IIPM Think Tank** is wholly free of ideology and looks at the Indian Development Paradigms, Purely modeled upon the basis of 'Objective Reality'. We passionately believe in the credo that we constantly seek to follow: rethink, edify and delineate. This enduring commitment has helped us foster and broaden the parameters of public policy debate and alternatives. Toward that goal, it strives to archive greater involvement of the intelligent, concerned change agents (reform minded politicians, public servants, media, socially responsible firms and citizens) in questions of policy and the ideation, furthermore, we ardently believe that the managers of tomorrow that are being groomed at IIPM today will play a decisive role in India's renewed tryst with destiny.

## What we do..

As a premier 'ideas organization' in Asia The **IIPM Think Tank** is committed to enhance public awareness of policy issues an economics and management and to engineer solutions that will fulfill the 'Great India Dream'. By publishing the finding of its research, and though the active participation of its senior researchers in the media and policy, it aims to bring new knowledge to the attention of policy makers. Every year, The IIPM Think Tank commissions and publishes three quarterly reviews and an annual review, on a wide range of policy issues including education, health, poverty, unemployment, agriculture, industry, services, FDI, external trade, infrastructure and environment. All these outputs meet the highest standards of scholarship, are accessible to a broad readership, and explore policy alternatives consistent with the philosophy of ours. The central theme of our issues are devoted to assess where the critical predicaments are, analyzing what needs to be done to annul the element of development deterrents in the economy and offer concrete proposals on how to accelerate welfare everywhere towards achieving inclusive development. The India Economy Review is a small manifestation of that vision. More than 1,000 students (seven nodes of IIPM0 have---and continue to-spent endless hours conducting primary and secondary research on contemporary issues that confront the Indian Economy. This research is then analyzed threadbare by at least 50 knowledge workers across the seven campuses. Brand new insights and policy recommendations that are provided by this core team are then crafted, honed and polished by 20 members Economy Research Group (ERG). This massive effort is spearheaded and led by the renowned economist and management guru, **Professor. Arindam Chaudhari.**



# Serious About Unlocking High Performance?

## Leading and Measuring Sustainable Culture Change



There isn't a Chief Executive who does not dream of getting more commitment, energy, effectiveness and efficiency out of his or her workforce. A common approach is to push the 'machine' to its production limits – driving people for higher and higher results, demanding ever greater commitment and 'alignment' to the corporate vision and values. Employees at all levels are responding to these increasing demands in ways that tend to deliver the CEO's demands in the short term, but at a cost to personal balance, exhaustion, stress and a growing restlessness at work. The consequences are grave.

### The consequences

40% of high flyers said they intend to leave their employer within 2 years and 73% have recently been approached from the outside with job offers (Whiteway Research International).

75% of business change projects fail to meet their objectives. 90% of the time this is because of failure to address the people and behavioural issues (PwC Transform).

25% of "high-value employees" want to quit their job within one year (London-based Corporate Leadership Council. Characteristics of Generation X and Y).

62% of employees in a supervisory or management role claim that work related stress is affecting their health.

57% of employees in a supervisory or management role claim that work related



stress is affecting the quality and or stability of their non-work relationships and family life.

### STRESS AT BREAKING POINT

Stress at work has reached unprecedented levels. Collating the results of a range of formal and informal surveys into workplace stress, these are seen as the common causes:

- Unclear targets and lack of (or confusing) vision from the top.
- Poor emotional support for perpetual change; and lack of training in how to manage change.
- Insensitive supervision and management by superiors.
- Unrealistic targets set by managers; conflicts of priorities.
- A “masculine”, “competitive” or “driving” culture for short term financial results over sustainable business development (particularly acute in start up entrepreneurial environments and in the larger, public quoted companies).
- Disconnection from work-life balance and little or no management understanding of non-work related needs.
- Increasing hours, caused by reducing support staff and increasing expectations and targets.
- “Out of touch” executive boards.
- Poor inter-personal relationships.
- Bullying.

### A Crisis of Confidence & Commitment Walking the talk

We asked 120 CEOs and Managing Directors what part ‘values-centered leadership’ played in their organisations.



**Adrian Gilpin** discloses the ticking time bomb behind the illusion of ‘success’.

96% told us that their business had clearly articulated values (2% were in the middle of reviewing the corporate values and 2% did not believe that publishing corporate values made any tangible difference to performance.).

118 (98.3%) told us that they had been personally involved in the writing of the company values.

62 (51.6%) had used an external agency to help compose the published values.

In 78% of cases, the HR Director led the values initiative.

Only 7 (5.8%) of those interviewed could recite their company’s vision (or mission) statement and all of the company values without reference to paper.

### Is There A Way Out Of This?

#### Thinking out of the box (but not so far out)

“Vision comes from the board, values come from the people.”

*RICHARD BARRATT, AUTHOR LIBERATING THE CORPORATE SOUL.*

We believe there needs to be a new ‘contract’ between Executive Boards and the employees of an organisation.

In 1998 Richard Barratt published his first book, *Liberating The Corporate Soul*. The impact was immediate and felt worldwide. For the first time business leaders were able to see, measure and prove the immediate short term and long term financial benefits of developing a sustainable values-centered organisation. Suddenly all the ‘soft’ talk from HR Directors snapped into focus and CEOs and Finance Directors had a tool for measuring the intangibles within an organisation.

Since 1998, hundreds of organisations have guided themselves through change with Richard Barrett’s Cultural Transformation Tools at the hub of the change.

A few years on, there is now overwhelming evidence that culture can be measured against the bottom line (and against the share price of commercial organisations).

**Out of the 120 CEOs questioned on what role did values-centered leadership play in their organisation, 96% claim they had clearly articulated values**

We believe it is within the easy grasp of almost every business leader to change the course and culture of their organisation by making one simple shift in focus.

If a CEO was able to say, authentically, to all employees, “help us to drive the organisation towards our vision, and we will shape the organisation according to your values”, the resulting culture would unleash far more of the potential of the employees than before.

We have been investigating Richard Barrett’s tool in depth, and reviewing the impact that his model has had on organisations in many different sectors. Our findings have caused us to radically reappraise our approach to building values centered organisations. The knock on impact has been to weave Richard’s Cultural Transformation Tools into all the board development and leadership development work we design at the Institute of Human Development.

We have not found, in ten years of research, a more elegant or effective tool for stimulating and guiding real performance-led change within an organisation. The next section sets out a new approach to performance change.

### Making Immediate and Sustainable Shifts in People, Performance and Profit

Businesses which have no sustainable energy for change?

The way most organisations work is that the board –with help from a consultant or an internal committee – agrees and publish the organisation's values, often along with a mission or vision statement.

In our view, this is often interpreted by the majority of employees as an instruction to adopt the published values personally and adopt new behaviours that align with the new corporate values. In fact, it is often the stated intention of the board that this should be so.

This presents two problems:

1. Most corporate values are passive – in other words they do not excite passion or create energy.
2. Most people – at least those who are clear about their own values – do not feel positively inclined to adopt a new and inauthentic set of values while at work. In fact, having to do so is one of the greatest stressors in the workplace for most people.

### Passive Values

A passive value is one which does not energetically drive people to action. An example might be the value of honesty. While most of us would claim this as a value, it only

## Passive values are like the sleeping policemen of the soul

rears its head when violated. Only when someone is being dishonest to me, or when I am being less than honest with someone, do I trigger internal signals that something is wrong. In other words, passive values are like the sleeping policemen of the soul.

Quality, service and customer care are all examples of passive values. While vital for running a successful business (like honesty is vital for running a successful life) these are fundamentals that do not excite energy or passion. No one leaps out of bed in the morning inspired by the opportunity to be honest or achieve further benchmarks in quality, service or customer care.

### Passions

Passions are the values that drive us to action. Things we can get excited, passionate about. Every individual is unique, but common passions are love, being valued, being cared for, being stretched, being part of something exciting (adventurers) or interesting (intellectuals) or different, being safe, making a difference, being authentic, being with friends and family, partying or celebrating, connecting with others mentally (thinkers), socially (engagers and extroverts), emotionally (feelers) or spiritually (questors). These values are often called 'soft' values. The term soft has come to imply 'not business-like' and many leaders are fearful of these more fragile and less easily defined human emotions. Many years of neglect have made these fundamental human needs scarce in most commercial organisations, and under valued in all sectors.

### Fragile = easy to break!

The more fragile the emotion, the easier it is to break. The irony is that those emotions that are most needed to drive an individual or organisation to succeed (courage, confidence, self-

esteem, love and respect) are all but extinct in company mission and values statements and rarely in evidence in the workplace. It is hard not to conclude that many (most?) leaders have a fear of the power of these 'softer' human emotions and have learned to settle for the results they can achieve through harder-nosed, tougher (more masculine) values and behaviours.

### The risk & the disconnect

The old style of directive leadership is increasingly becoming a risk to organisational stability and sustainability. We are also beginning to see that leaders who remain fearful or resistant to building organisations on better foundations – human, emotional foundations – are risking their own careers. Daily the media brings us stories of senior leaders losing their jobs through making the wrong (values) choices about how to behave and how to lead an organisation authentically.

The obvious conclusion is that playing hard-nosed, aggressive, and competitive (to the exclusion of more potent human values) does not maximise profit or shareholder value in the longer term nor does it make for a stable career.

Inside most organisations it is possible to see and feel the disconnection between stated organisational values and the fundamental human needs of the people. The degree of stress that people experience is directly proportional to the scale of this disconnects. A genuine difficulty for many CEO's (and many senior leaders) is that – in the most part – they are personally much more in touch with the result-oriented part of themselves than with the part that seeks balance. In many ways it is this absence of balance that drives high achievement. Achievement is almost always a stronger value in leaders than fulfillment. Both exist, but one dominates. Leaders must recognize that these values are reversed almost everywhere else in their organisation. For the achievement oriented leader, the pathway to success is through fulfilling the needs of the followers. When successful, the transformational leader creates achievement and fulfillment for the whole community (shareholders, managers, employees, customers,



suppliers and the wider community.)

The emotional language of achievement and fulfillment are subtly but significantly different. There is a language – spoken by few – that brings these forces together: it is the language of authentic leadership.

### Authentic Leadership in Practice

Achievement means driving for results in bursts – leadership means sustaining performance over time. At the IHD we have been exploring the idea of authentic leadership since 1993.

We believe there are a few component parts.

1. Creating Clarity of Purpose.
2. Creating a compelling Vision.
3. An authentic commitment to excellence and sustainability in the execution of the vision.
4. A culture that first meets the fundamental human needs of the workforce.
5. An emotionally intelligent leadership team that is fully committed to walking the talk, especially when it is difficult to do so.
6. Managers who are naturally gifted or professionally trained to coach others to higher levels of performance, personally and collectively.
7. Employees who have been liberated

from fear and who have been given the license to define the culture (the real values) of the organisation.

### The Role of Cultural Transformation Tools (CTT)

Let us restate one of the things we have said above.

If a CEO was able to say, authentically, to all employees, “help us to drive the organisation towards our vision, and we will shape the organisation according to your values” the resulting culture would unleash far more of the potential of the employees than before. Full Spectrum Leaders and Full Spectrum Organisations’ Cultural Transformation Tools capture and analyse the personal, organisational and the societal values operating within an organisation and within any division, team, location or sub-culture.

Values are recorded at seven levels of individual and organisational ‘consciousness’ – these levels are well understood by all global cultures and relate to the physical, mental, emotional, and spiritual values of a society.

#### The levels are:

1. Survival
2. Relationships
3. Self-Esteem (of Self Efficacy)

**For the achievement oriented leader, the pathway to success is through fulfilling the needs of the followers**

4. Transformation
5. Internal Cohesion
6. Making A Difference
7. Service

A leader who can respond appropriately at all seven levels of consciousness will lead a very different organisation as compared to one who is stuck exclusively or predominantly in one mode of values and behaviour.

A full spectrum organisation is one that pays appropriate attention to each level of consciousness and operation. If any level of consciousness is not present, or if any level is out of balance, the organisation cannot operate to peak potential.

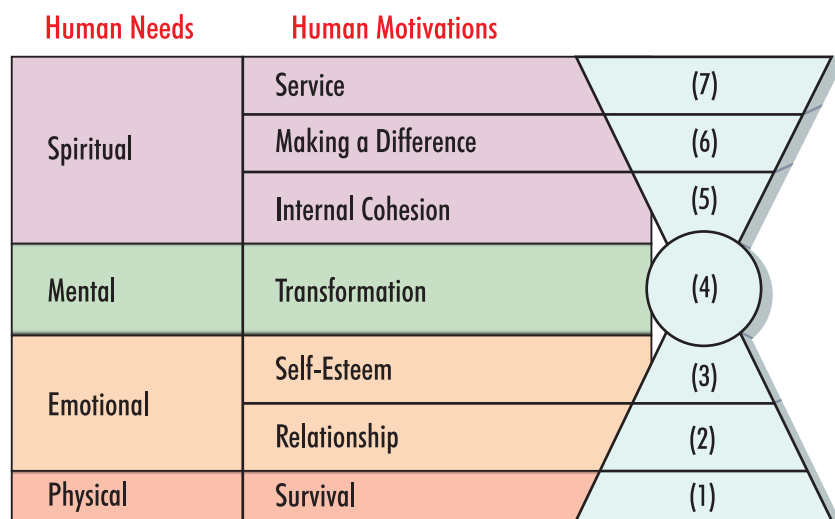
By looking at the matches and mismatches of values in an organisation, we can identify areas of ‘entropy’ or negative energy inside an organisation. This is akin to finding the virus that is sapping a patient of health and wellbeing. Entropy is almost always invisible to the naked eye but has a tangible impact on the effectiveness of an organisation to perform at its peak.

CTT can be used with a board, a team or – for optimal impact – a whole organisation. CTT starts by asking three questions:

1. What are your core personal values?
2. How do you perceive the current culture of this organisation (values and behaviours of the organisation) ?
3. What culture according to you is necessary for your organisation and the people of the organisation for it to achieve the highest potential? ■

*Adrian Gilpin is the Chairman and Programme Director of the Institute of Human Development and a leading authority on peak performance coaching for individuals in business.*

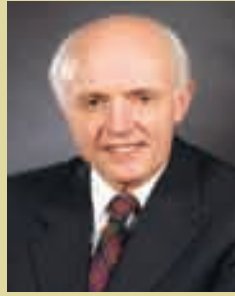
## I<sup>h</sup>D 7 Levels of Consciousness







*Prof Dave Ulrich is a professor of Business Administration at the University of Michigan.*



*Prof Wayne Brockbank is the Clinical Professor of Business & Co-Director of Human Resource Education at the University of Michigan.*



*Prof. Alejandro L. Sioli is a professor at the IAE Business School at Austral University.*

# So! We Are **At The Table.** Now What?

Are HR professionals ready to face today's business realities which mandate involvement of HR at the "strategy table"?

**By Prof. Dave Ulrich,  
Prof. Wayne Brockbank,  
Prof. Alejandro L. Sioli,  
Prof. Dani Johnson**



The human resource side of business is emerging as the ultimate source of competitive advantage. HR professionals are increasingly joining the senior business decision-making forums. Whether HR professionals have actively campaigned to have access and involvement, or whether they have been encouraged by enlightened line executives who understand the potential of such a move, today's business context mandates that HR professionals be at the strategy table (Brockbank, 1997; Brockbank, 1999). Several reasons that their input is not only welcomed but essential include: the rate of speed at which all aspects of work have increased; the economies of developed countries are shifting from products to services; competition for a demographically changing workforce has never been greater; loyalty lasts only as long as customers' needs are met; and finally, financial markets are mandating attention to the human side of business (Ulrich and Smallwood, 2003). They have recognized that a firm's market value is heavily contingent on the human side of the business (Ernst & Young, 1997).

Assuming that HR Professionals are indeed expected to be at the strategy table and that HR professionals accept primary responsibility for major HR agendas (e.g. culture change, bureaucracy reduction, in-

novation, accountability, leadership bench, talent management, and other organisation capabilities), this article addresses two central questions relative to their strategic role:

1. What competencies are required of HR professionals to be effective participants at the strategy table?
2. With those competencies, what agendas might they bring to the strategy table?

The first questions will be addressed through the ongoing study of HR professional competencies that has been conducted at the Ross School of Business at University of Michigan. (See Ulrich, Brockbank, and Yeung, 1990; Ulrich, Brockbank, Yeung, and Lake, 1995; Brockbank, Ulrich, and James, 1997.) As we answer the first question based on our survey research, we will answer the second question through case study examples of high value-added HR agendas that senior HR executives from

## Today a firm's market value is heavily contingent on the human side of the business

high performing firms bring to the strategy table.

In our HR competency research, senior HR executives and their teams from the participating firms recommended a number of HR Participants. These participants then selected a number of "Associates" (a mixture of superiors, peers, internal clients, and subordinates) who had working knowledge of the Participant's functioning as an HR professional. Participants completed a self-assessment survey and the Associates completed a survey on the relevant Participant. The demographics of the data set are included in Table 1.

In 1997, five competency domains were studied and serve as the independent variables: business knowledge, HR functional

**Table 2: Regression Results**

Competency Domain	R Square
Business Knowledge	.18
HR Functional Capability	.25
Culture Management	.30
Change Management	.37
Personal Credibility	.44

competence, change management, culture management and personal credibility. The dependent variable was a single question: Overall, compared with other human resource professionals that you have known, how does the participant compare as measured on a twenty point scale with 1=bottom 5% and 20=top 5%?

This question was regressed against the competency domains to obtain the percent of the overall competence that is predicted by each. The results are given in Table 2.

In this work, the component variables in each competency domain were subjected to factor analysis<sup>1</sup> to assess the grouping of HR knowledge or skills that comprise each competency domain. This analysis provided a more precise view of the variables that comprise the major competency domains. Analysis of variance<sup>2</sup> was then applied to assess which competency factors differentiate the HR professionals in high performing firms from HR professionals in low performing firms. To ensure a more precise analysis<sup>3</sup>, the firms in the data sample were placed in high, medium, and low performing groups. The medium performing companies were taken out of the analysis, which provided a more distinctive comparison between the high and low performing groups. Earlier work has suggested that the rate of environmental change influences relationship between HR competencies and business performance (Ulrich, Brockbank, Yeung, & Lake, 1995).

**Table 1: Sample Demographics**

Individuals	3229
Business Units	678
Companies	142
Respondent	
Associate	2565
Participant	664
Gender	
Male	70%
Female	30%
Functional specialty of Associates	
General Management	20%
Finance/Accounting	10%
Manufacturing	16%
Marketing/Sales	10%
Planning	2%
R&D	3%
HR	23%
Other	16%

<sup>1</sup> The variables in each competency category were subjected to factor analysis using varimax rotation method with Kaiser Normalization and principal component analysis as the rotation method. Reliability analysis was then calculated for each factor. All factors had an alpha greater than .8 with the exception of the three business knowledge factors which had alphas greater than .7

<sup>2</sup> The ANOVA results are simplified into weak, moderate or strong differentiation depending on the level of significance (F-test) with weak being greater than 0.1, moderate being greater than 0.5, and strong being greater than 0.01. If the level of significance is less than 0.1, the results are reported as none.

<sup>3</sup> For a more detailed review of analytical techniques used for this paper, see Sioli (2000)

**Table 3: One-way ANOVA comparison of Business Knowledge Competencies of HR Professionals in High Performing Businesses with HR Professionals in Low Performing Businesses under High Change Conditions**

Factor	Mean Score Factor	Mean Score for High Performing Business	Mean Score for Low Performing Business	F	Sig.
Human Resources Human Resource Practices Organisational Structure	4.29	4.37	4.19	3.808	0.055
Internal Knowledge Information Systems Finance Production Capability Supplier Management Government Relations	2.88	2.94	2.81	1.613	0.208
External Knowledge Competitor Analysis Customer Buying Criteria Customer Relations Globalisation Marketing and Sales Mergers and Acquisitions	2.97	3.09	2.83	6.716	0.012**

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Therefore, for purposes of this analysis, the data set was also divided into three categories: high, medium, and low change firms. The medium change firms were eliminated from the analysis. ANOVA was conducted to compare firms in the high and low change categories. Finally, the mean score of each factor was calculated and compared on the basis of being high, medium or low relative to the other factors in each competency domain to identify which competency factors distinguish the HR professionals in the high performing firms from those in the low performing firms (Sioli, 2000).

These results will be reviewed for each competency domain. The HR agendas and practices that HR professionals can bring to the strategy discussion will be discussed. "SO! We're at the table. Now what?"

### Business Knowledge

Three sub-domains of business knowledge emerge from the data: knowledge of HR, knowledge of internal issues, and knowledge of external issues. (See Tables 3 & 4.) Collectively, these account for 18% of the variance in overall competence.

As might be guessed, HR professionals know a lot about HR; however, knowledge

of HR does not distinguish the HR professionals in the high performing firms from those in low performing firm. This is true under conditions of high as well as low change. It may be safely surmised that knowledge of HR is foundational; in other

words, knowing a lot about HR is required but since it is high for HR professionals in both high and low performing firms, it is not a competitive differentiator. Likewise, while HR professionals tend to know relatively little about internal operations, it is also not a statistical differentiator so even if internal operations were very well understood by HR professionals, it would not provide a competitive advantage either.

HR professionals tend to know little about external issues concerning customers, competitors, suppliers, and globalisation, yet knowledge about such aspects of business strongly distinguishes HR professionals in high performing firms from those in low performing firms. Intuitively, this makes sense. In a world of change, HR professionals must understand the direction and velocity of change in order to align organisational capabilities with changes to the external realities.

The goal is to ensure that at any given point in time the company has human capabilities required by the market place. This is increasingly difficult because of the speed at which change is happening; organisational capabilities have progressively shorter shelf lives. New ones must be adapted and created and unneeded ones must be eliminated. HR Professionals with

**Table 4: One-way ANOVA comparison of Business Knowledge Competencies of HR Professionals in High Performing Businesses with HR Professionals in Low Performing Businesses under Low Change Conditions**

Factor	Mean Score Factor	Mean Score for High Performing Business	Mean Score for Low Performing Business	F	Sig.
Human Resources Human Resource Practices Organisational Structure	4.25	4.28	4.22	0.524	0.472
Internal Knowledge Information Systems Finance Production Capability Supplier Management Government Relations	2.82	2.73	2.90	3.013	0.087
External Knowledge Competitor Analysis Customer Buying Criteria Customer Relations Globalisation Marketing and Sales Mergers and Acquisitions	2.74	2.74	2.74	0.000	0.996

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1



external knowledge will find themselves better equipped to bring high value-added agendas to strategy discussions.

### Functional Delivery

We examined six sub-domains of HR functional competence. The combined factors account for 25% of overall competence. Tables 5 & 6 show several useful trends in the competency levels at which HR professionals deliver HR practices and the extent to which these practices differentiate HR professionals in high performing firms from those in low performing firms.

HR professionals tend to provide performance appraisal and communication processes at high levels but it appears the HR professionals in the low performing firms provide them at the same competence level as the

HR professionals in high performing firms. On the other hand, HR professionals provide staffing practices at a high level and staffing practices also distinguish high performing firm HR professionals from low performing firm HR professionals. Therefore, a small amount of improvement in staffing, even among high performing firms, can provide significantly differentiating contributions to business performance.

Distinctive comparison between the high and low performing groups. Earlier



## Culture management is an important differentiator between HR professionals in high performing firms and those in low performing firms

work has suggested that the rate of environmental change influences relationship between HR competencies and business performance (Ulrich, Brockbank, Yeung, & Lake, 1995). Therefore, for purposes of this analysis, the data set was also divided into three categories: high, medium, and low change firms. The medium change firms were eliminated from the analysis.

**Table 5: One-way ANOVA comparison of Functional Competencies of HR Professionals in High Performing Businesses with HR Professionals in Low Performing Businesses under High Change Conditions**

Factor	Mean Score Factor	Mean Score for High Performing Business	Mean Score for Low Performing Business	F	Sig.
Performance appraisal Establish clear performance standards Design feedback process	3.61	3.73	3.47	3.662	0.060
Communication Design internal communications Explain why business practices exist Work with managers to send clear and consistent messages Helps disseminate of customer information Effective written communications Effective verbal communications	3.76	3.84	3.68	2.286	0.135
Staffing Attract appropriate people Promote appropriate people Outplace appropriate people	3.61	3.81	3.40	10.919	0.002***
Development Offer training programs Design development programs that facilitate change	3.51	3.57	3.45	0.811	0.371
Organisation design Help create reporting relationships Designs self-managing work groups Facilitates organisational restructuring Integrates different business functions	3.36	3.50	3.21	4.716	0.033**
Rewards Design compensation systems Design benefit systems Design on non-financial reward/recognition systems	3.20	3.23	3.17	0.130	0.719

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table 6: One-way ANOVA comparison of Functional Competencies of HR Professionals in High Performing Businesses with HR Professionals in Low Performing Businesses under Low Change Conditions**

Factor	Mean Score for Factor	Mean Score for High Performing Business	Mean Score for Low Performing Business	F	Sig.
Performance appraisal Establish clear performance standards Design feedback process	3.56	3.58	3.54	0.098	0.755
Communication Design internal communications Explain why business practices exist Work with managers to send clear and consistent messages Helps disseminate of customer information Effective written communications Effective verbal communications	3.70	3.71	3.69	0.04	0.841
Staffing Attract appropriate people Promote appropriate people Outplace appropriate people	3.51	3.60	3.43	2.840	0.096*
Development Offer training programs Design development programs that facilitate change	3.47	3.53	3.41	1.038	0.312
Organisation design Help create reporting relationships Designs self-managing work groups Facilitates organisational restructuring Integrates different business functions	3.13	3.13	3.13	0.002	0.968
Rewards Design compensation systems Design benefit systems Design on non-financial reward/recognition systems	3.08	3.19	2.98	1.813	0.182

\*\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

ANOVA was conducted to compare firms in the high and low change categories. Finally, the mean score of each factor was calculated and compared on the basis of being high, medium or low relative to the other factors in each competency domain to identify which competency factors distinguish the HR professionals in the high performing firms from those in the low performing firms (Sioli, 2000).

These results will be reviewed for each competency domain. The HR agendas and practices that HR professionals can bring to the strategy discussion will be discussed. "SO! We're at the table. Now what?"

### Business Knowledge

Three sub-domains of business knowledge emerge from the data: knowledge of HR,

knowledge of internal issues, and knowledge of external issues. (See Tables 3 & 4.) Collectively, these account for 18% of the variance in overall competence.

As might be guessed, HR professionals

**Figure 1: Relationship between having the best talent and designing high value-added work**

Having the Best Talent		High	
Designing High Value-added Work	Low	Need for hiring better people	Ideal
	High	Need for better people and high-value added work	Need better work design

know a lot about HR; however, knowledge of HR does not distinguish the HR professionals in the high performing firms from those in low performing firm. This is true under conditions of high as well as low change. It may be safely surmised that knowledge of HR is foundational; in other words, knowing a lot about HR is required but since it is high for HR professionals in both high and low performing firms, it is not a competitive differentiator. Likewise, while HR professionals tend to know relatively little about internal operations, it is also not a statistical differentiator so even if internal operations were very well understood by HR professionals, it would not provide a competitive advantage either.

HR professionals tend to know little about external issues concerning customers,

**Table 7: One-way ANOVA comparison of Culture Management Competencies of HR Professionals in High Performing Businesses with HR Professionals in Low Performing Businesses under High Change Conditions**

Factor (One Factor)	Mean Score for Factor	Mean Score for High Performing Business	Mean Score for Low Performing Business	F	Sig.
Culture Management Shares knowledge across organisational boundaries Champions the culture transformation process Translates desired culture into specific employee behaviours Challenges the status quo Identifies the culture required to meet the business strategy requirements Frames culture in a way that excites employees Encourages executives to behave consistently with the desired culture Focuses the internal culture on the needs of the external customers	3.56	3.58	3.54	0.098	0.755

\*\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

competitors, suppliers, and globalisation, yet knowledge about such aspects of business strongly distinguishes HR professionals in high performing firms from those in low performing firms. Intuitively, this makes sense. In a world of change, HR professionals must understand the direction and velocity of change in order to align organisational capabilities with changes to the external realities.

The goal is to ensure that at any given point in time the company has human capabilities required by the market place.

This is increasingly difficult because of the speed at which change is happening; organisational capabilities have progressively shorter shelf lives. New ones must be adapted and created and unneeded ones must be eliminated. HR Professionals with external knowledge will find themselves better equipped to bring high value-added agendas to strategy discussions.

#### Functional Delivery

We examined six sub-domains of HR functional competence. The combined factors

account for 25% of overall competence. Tables 5 & 6 show several useful trends in the competency levels at which HR professionals deliver HR practices and the extent delivering to which these practices differentiate HR professionals in high performing firms from those in low performing firms.

HR professionals tend to provide performance appraisal and communication processes at high levels but it appears the HR professionals in the low performing firms provide them at the same competence level

**Table 8: One-way ANOVA comparison of Culture Management Competencies of HR Professionals in High Performing Businesses with HR Professionals in Low Performing Businesses under Low Change Conditions**

Factor (One Factor)	Mean Score for Factor	Mean Score for High Performing Business	Mean Score for Low Performing Business	F	Sig.
Culture Management Shares knowledge across organisational boundaries Champions the culture transformation process Translates desired culture into specific employee behaviours Challenges the status quo Identifies the culture required to meet the business strategy requirements Frames culture in a way that excites employees Encourages executives to behave consistently with the desired culture Focuses the internal culture on the needs of the external customers	3.33	3.41	3.24	3.662	0.060

\*\*\*\* p<0.01, \*\* p<0.05, \* p<0.1



**Table 9: One-way ANOVA comparison of Change Management Competencies of HR Professionals in High Performing Businesses with HR Professionals in Low Performing Businesses under High Change Conditions**

Factor	Mean score for Factor	Mean score for High performing Business	Mean Score for Low performing Business	F	Sig.
Interpersonal Facilitation Builds supportive relationships Establishes trust and credibility in relating to others Engages in constructive problem-solving with client Uses reasoning to influence others Puts specific problems in the context of the larger system Clarifies role and responsibilities	3.97	4.05	3.87	2.246	0.139
Direction setting Is visionary Identifies problems central to business success Takes a proactive role in bringing about change Encourages others to use innovative approaches to tasks and projects Clarifies business goals Articulates the outcomes of change Builds commitment to strategic direction Forecasts potential obstacles to success Encourages others to be innovative	3.61	3.75	3.46	7.193	0.009***

\*\*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.1$

as the HR professionals in high performing firms. On the other hand, HR professionals provide staffing practices at a high level and staffing practices also distinguish high performing firm HR professionals from low performing firm HR professionals. Therefore, a small amount of improvement in staffing, even among high performing firms, can provide significantly differentiating contributions to business performance.

GE serves as an outstanding example of a company that has capitalized on the understanding of those factors that are both strengths and are considered to impact business performance. GE's attention to a combination of these factors has driven several major initiatives over the past 14 years.

GE has determined that greater improvements in staffing practices as well as work design and organisation can yield moderately high performance benefits (See Tables 5 and 6) and has worked to progress in both arenas. GE's HR professionals have a reputation for their intensive efforts in competency-based hiring and succession planning (Kerr, 1998). GE is also continuously updating the design of the organisation and work processes so that

the work done by their employees is high value added and challenging—thus ensuring value to the customers and shareholders while simultaneously providing their employees with interesting work that stretches their skills and intellect. This continuous look at work processes has been a constant agenda at GE and has provoked many major initiatives at GE, including Workout, CAP (Change Acceleration Program), and Six Sigma. (Ashkenas et al, 1995).

### Culture Management

Culture management focuses on identifying basic business values and assumptions and translating them into competitive behaviours.

Three important issues became clear through our statistical analyses. (See Tables 7 and 8) First, culture management accounts for 30% of the variance in overall personal HR effectiveness. Second, the HR field as a whole does not do a very good job on culture management. HR professionals have been talking about culture management for many years but are far from being highly effective at making it happen. Furthermore, culture management

is an important differentiator between HR professionals in high performing firms and those in low performing firms. This is true in low change environments (Table 9) but even truer in high change environments (Table 8). Thus, there are important opportunities to create competitive advantage through a more pronounced and effective focus on culture management agenda.

The Walt Disney Corporation has applied culture change competencies in creating high value-added HR initiatives. Disney theme parks are especially skilled at effectively managing its culture. At the center of Disney's culture are four cultural pillars: safety, courtesy, show, and efficiency. These defining pillars are evident in specific behaviours expected by all of Disney's 'cast members.' For example, sunglasses are avoided because they block interpersonal communication with guests; hair styles are conservative and hair, if dyed, must be all one colour; deodorant must be used. The general culture and the identified behaviours are both communicated and reinforced through almost every aspect of HR—from recruitment to measurement and rewards to leadership development.

Close adherence to this cultural agenda has created an environment that has attracted more vacation dollars than anywhere else on earth.

### Change Management

Change management accounts for 37% of the variance in overall effectiveness. The Human Resource Competency Study data (Tables 9 & 10) reveal that the HR field as a whole has reasonably high levels of facilitation skills, but these skills do not distinguish HR professionals in the high performing firms to those in the low performing firms. On the other hand, while most HR professionals do not have direction setting competencies, the ability to do so is a significant differentiator between HR professionals in high and low performing firms. As might be expected, this conclusion holds true under conditions of high change (Table 9) but not under conditions of low change (Table 10). Thus, the traditional role of HR professionals primarily as facilitators is becoming a commodity. The emerging role of HR is that of being a central contributor to setting the direction of change (Brockbank, 1999).

Baxter Healthcare is a good example

of a company whose HR team has used a competency in change management to build HR agendas. The HR team takes an active part in a group called Innovation Leadership Team (ILT), whose sole purpose is to ensure that Baxter Healthcare is on the leading edge of pharmaceutical innovation.

HR has worked with this team to identify the ILT agenda. HR influence in this forum includes: 1) input into the financial resource allocation, including not only criteria for continued investment in specific R&D, but also criteria for discontinuation as well; 2) aid in communication design that fosters knowledge transfer among R&D chimneys throughout the company; and 3) leveraging key talent by: protection of brilliant but often difficult scientists responsible for revolutionary breakthroughs, tracking the development of key innovative talent and engaging them to attract future talent, and providing workspace that leverages the capabilities of key talent leaders. HR professionals at Baxter Healthcare have been able to play a higher value-added role because of the competencies they possess in helping to set the

direction of strategic change.

### Personal Credibility

Personal credibility accounts for 44% of overall competence. Tables 11 and 12 indicated that HR professionals tend to be better at achieving results with integrity than they are at contributing to business decisions. However, achieving results is not a distinguishing factor between HR professionals in low versus high performing firms. This is true under conditions of both high and low change. On the other hand, contributing to business decisions distinguishes (albeit weakly) the HR professionals in the high performing firms from those in the low performing firms under conditions of both high and low change.

One useful example of HR "Contributing to Business Decisions" was documented by Brockbank and Ulrich (1991). Over a two year period, Oil Services Corporation (OSC—pseudonym) saw its market share drop from 24% to 19%. In a Senior Management Team meeting, it was concluded that in order to determine the cause of this drop, a large-scale customer survey needed to be conducted. Since the marketing department was in the middle of

**Table 10: One-way ANOVA comparison of Change Management Competencies of HR Professionals in High Performing Businesses with HR Professionals in Low Performing Businesses under Low Change Conditions**

Factor	Mean Score for Factor	Mean Score for High Performing Business	Mean Score for Low Performing Business	F	Sig.
Interpersonal Facilitation Builds supportive relationships Establishes trust and credibility in relating to others Engages in constructive problem-solving with client Uses reasoning to influence others Puts specific problems in the context of the larger system Clarifies role and responsibilities	3.87	3.91	3.83	0.650	0.423
Direction setting Is visionary Identifies problems central to business success Takes a proactive role in bringing about change Encourages others to use innovative approaches to tasks and projects Clarifies business goals Articulates the outcomes of change Builds commitment to strategic direction Forecasts potential obstacles to success Encourages others to be innovative	3.50	3.56	3.44	1.855	0.177

\*\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table 11: One-way ANOVA comparison of Personal Credibility Competencies of HR Professionals in High Performing Businesses with HR Professionals in Low Performing Businesses under High Change Conditions**

Factor	Mean score for Factor	Mean score for High performing Business	Mean Score for Low performing Business	F	Sig.
Achieves results with integrity Demonstrates high integrity Meets commitments Has earned trust Has track record of results Has "chemistry" with key constituents Instills confidence in others Performs accurate work Acknowledges personal limitations	4.12	4.19	4.05	2.151	0.147
Contributes to business decisions Provides candid observations Asks important questions Frames complex ideas in useful ways Takes appropriate risks Provides alternative insights on business issues Continually learns	3.91	3.99	3.83	3.058	0.085*

\*\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

its annual advertising campaign, the organisation and conduction of this survey fell to the HR Department. With the help of an outside consulting group, the HR Department developed a questionnaire and personally visited with 1200 of the most influential purchasers of this company's

product throughout the world. The survey covered many issues, but the question that ultimately had the greatest influence focused on the identification of customer buying criteria. This question required the customers to allocate 100 points over buying criteria, which included price, service,

product quality, sales effort, product features, and timeliness of delivery.

To avoid hearing, "we already knew that" from senior management when the results were presented, the HR team also asked senior management to give their best guess at the weighted responses. Senior

**Table 12: One-way ANOVA comparison of Personal Credibility Competencies of HR Professionals in High Performing Businesses with HR Professionals in Low Performing Businesses under Low Change Conditions**

Factor	Mean score for Factor	Mean score for High performing Business	Mean Score for Low performing Business	F	Sig.
Achieves results with integrity Demonstrates high integrity Meets commitments Has earned trust Has track record of results Has "chemistry" with key constituents Instills confidence in others Performs accurate work Acknowledges personal limitations	4.03	4.10	3.96	2.582	0.112
Contributes to business decisions Provides candid observations Asks important questions Frames complex ideas in useful ways Takes appropriate risks Provides alternative insights on business issues Continually learns	3.77	3.85	3.70	3,341	0.072*

\*\*\*\* p<0.01, \*\* p<0.05, \* p<0.1



**Table 13: OFS Survey Results – Management’s Estimates compared to Customers’ Actual Responses**

Customer Buying Criteria	Management’s Estimates	Customer’s Response
Price	34	13
Service	18	48
Product Quality	16	13
Sales Effort	17	14
Timeliness of Delivery	16	12
TOTAL	100	100

Management’s responses compared to those of the customers are given in Table 13.

Senior management had severely overestimated the importance of price and underestimated the importance of service. These assumptions had caused the management team to hire low-cost service personnel and provide them with standardized technical training that did include little in the way of customer relations. Based on the data gathered by the HR team, senior management substantially modified the hiring criteria and service training budget. Over the next two years, the market share that had dropped from 24% to 19% now rose from 19% to 31% for a \$1.56 billion increase in top line growth. Such is the potential influence of HR professionals in creating value when they ask important questions, provide candid observations and take appropriate risks in “contributing to business decisions.” ■

### Summary

This article has addressed two questions:

1. What competencies are required of HR professionals to be effective participants at the strategy table?
2. With those competencies, what agendas might they bring to the strategy table?

This article has identified the requisite competencies that HR professionals must possess to be effective contributors at the strategy table. In most cases the competencies in which HR professionals are generally strong do not distinguish the HR professionals in the high performing firms from those in low performing

firms. It can be argued that these are foundational HR competencies. They are necessary but insufficient. The absence of them can create competitive disadvantage but the presence of them does not appear to create competitive advantage. Foundational HR competencies include the following:

- Knowledge of HR
- Knowledge of Internal Operations
- Performance Appraisals
- Communications
- Training and development
- Facilitating change
- Building interpersonal relations
- Achieving results with integrity.


There are also those competencies that clearly and significantly distinguish HR professionals in high performing firms from those in low performing firms. In most cases, HR professionals as a whole do not do them well. Thus, they provide great potential sources for creating competitive advantage. These competencies include the following:

- Knowledge of the External Environment
- Staffing
- Organisational Design
- Culture Management
- Setting the Direction of Change
- Contributing to Business Decisions

With these competencies in hand, Human Resources (HR) professionals are able to develop and deliver agendas which add substantial value to their respective businesses.

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A portrait of Vikram Chandra, a man with dark hair, wearing a light blue button-down shirt, standing with his arms crossed. He is positioned in front of a red background that features the NDTV logo in large white letters. The logo is partially visible, showing 'NDT' on the top line and 'इंडिया' on the bottom line.

Vikram Chandra in conversation with  
The Human Factor on what it takes to  
make it big in the world of news media

# Vikram Chandra: Media's Man Friday

*"Journalism largely consists of saying 'Lord Jones is dead' to people who never knew that Lord Jones was alive."*

*-G.K. Chesterton*

Well the above quote quite succinctly brings out the agony that most of us had to go through while watching news bulletins during our formative years. But thanks to the visual media company with a charming red logo, which redefined the way news was presented and transformed news bulletins into a delightful experience. A news bulletin where dynamic and vibrant reporters kept you hooked onto your seat, where each line uttered made one marvel at the way in which they made the most seemingly mundane issues seem relevant, interesting and thought provoking.

Today, the same media company with three 24 hour news channels has become an integral part of our lives. It is the brainchild of Prannoy and Radhika Roy, New Delhi Television Ltd. popularly known as NDTV. Founded in 1988, NDTV has witnessed a superlative growth in a short span of 17 years. Today the word news has become synonymous with NDTV and NDTV has set a benchmark for others to match. But this dream journey would not have been possible without the exceptionally qualified and motivated staff that NDTV considers as its most indispensable asset. The Human Factor Team had the opportunity of interacting with the soft spoken leader of the NDTV fraternity, Vikram Chandra. It is this interaction with him which forms the basis of this article.

Vikram Chandra, an enigmatic personality whose presence vibrates with the energy and passion that drives today's most reputed television channel in India. Known as a reporter par excellence with more than a decade of experience in TV journalism, Vikram has been named "Global Leader for Tomorrow" by the World Economic Forum in Davos. He studied at the Oxford University on an Inlaks Scholarship, followed by a course in Mass Media at Stanford University and graduated from St Stephen's with Economics Honours. The man has been associated with NDTV since its infancy and is today considered the icon of many aspiring journalists. An expert at what he does, Vikram Chandra's brilliance is showcased in his super achievement over the years to being the head of NDTV Profit and the CEO of NDTV convergence.

There was a time in 1994 - 95 when Prannoy Roy was the only prominent factor by which people could identify NDTV. But today NDTV is a big brand in itself and getting the chunk of the market pie has not come at the cost of compromising with the principles of NDTV. As a news channel, it is aware of its responsibility towards society and has a deep-rooted focus on the highest journalistic standards. According to Vikram, NDTV has always followed where the truth is, stuck to those basic journalistic ethics and maintained a balance. All its reporters known where to draw the line when it comes to news reporting. The guardians of NDTV, Dr Prannoy Roy and Radhika Roy have always been clear as to what constitutes ethical journalism. According to Vikram, the Roy duo has been the back-



bone of the organisation through all these years. The vision, philosophy and values are greatly inspired by them.

“Passion, passion and passion are the three most important ingredients of making it big in the world of journalism. One needs to have a single minded passion for getting correct and fast news to survive and succeed in the world of journalism. The glamour is only skin deep and evaporates within weeks.”, says Vikram. He also emphasises that TV journalism is anything but glamorous. Infact this shortlived passion for seeing oneself on screen is quite prevalent in youngsters aspiring to be TV journalists. This superficial passion in turn leads to frustration on the job once the euphoria of seeing yourself on air is dead. To be out in

- We are getting it first
- We are analysing it first
- We are breaking it first

Vikram considers it important to take in new people, encourage them and in turn help them grow in the organisation. It helps in generating a constant dose of fresh ideas without which it becomes an inevitable trip to disaster valley.

Vikram personifies the passion that NDTV stands for, to the hilt. Today, he is the head of two of the most important business verticals of NDTV and has a bagful of responsibilities. While most others in his shoes would have been knocking on the doors of self actualization stage of the Maslow's hierarchy. But for Vikram, journalism is almost his basic survival need like food and air. He has a perpetual hunger for doing live reporting and regrets the fact that

the nation. If on the one hand they have NDTV India aimed at the masses, on the other hand they have NDTV Profit which focuses exclusively on the dynamics of India Inc. Today, his organisation has something for everybody on its menu. Vikram joined NDTV when he was in his mid-twenties and feels that the sole factor which gave him the confidence to surge ahead was the trust that was placed on employees of his age in the organisation by Prannoy Roy. “The employees got a chance to rise and grow, and were made to feel that the power to herald change is in their hands.”, states Vikram.

The more successful a person, greater is the modesty acquired by him, is a fact well espoused by Vikram. In fact even modesty would be embarrassed when a person like Vikram attributed the success

of his journalistic career to luck and to being at the right place at the right time. On further insistence, he said that it was his love for the profession that has got him to where he is today. Being an illustrious

scholar, he could have easily gone for much more comfortable careers but he decided to do otherwise and follow his dream instead.

A long and fulfilling journalistic career would certainly have had its share of learning. “Have an open mind while exploring possibilities and try your luck in a number of different areas. Only then will you come to know the one field which you are most passionate about. And once this happens, things will start falling in place on their own”, insists Vikram.

At the end of it all, it would be safe to say that Vikram's contribution will certainly figure in the highest echelons of the history of journalism. Together, Vikram and his organisation have proved to be the harbingers of change which the society had been craving for in the field of news. Here is hoping that we continue to get such refreshing and rejuvenating shots in the arm from the house of NDTV. ■

## Passion, passion and passion are the three most important ingredients for making it big in the world of journalism



the sun for 8 hours waiting for a politician to give that one sound bite, to be in the middle of chaos and danger, and to stay in hovels spelt as h-o-t-e-l-s is anything but glamorous. In fact, one of the things that sets NDTV apart from others is that they do not have the concept of only newsreaders. Every new recruit at NDTV joins as reporter and not just as a newsreader.

Environment is one of the major drivers of the competitive spirit of the NDTV employees. Informal culture and giving as many opportunities as possible, are just few of the many facilitating factors the organisation tries to provide to its workforce. “Just look around and you can feel the buzz in the studio and the newsroom. Being on the cutting edge of news gives one an unparalleled high.”, adds Vikram. People at NDTV derive the strength, zeal and the energy from the following statements:

he gets to do very little of that today. From reporting and part time anchoring, his role is now much more of editorial and managerial nature. But he is enjoying his new role of helping in the process of grooming young people and creating bright journalists for the organisation as it is great reporting and anchoring that makes NDTV stand out from the crowd today. In a way NDTV is today what it is because of its people and also its people are today what they are because of NDTV. It has been a symbiotic process wherein both the organisation and its employees have contributed extensively to the betterment of each other.

Looking back at his 17 year long journey with NDTV, Vikram believes that he could not have asked for more. In a country where cricket and Bollywood is the opium of the masses, his organisation has managed to elevate the status of news to a similar level. From a channel aimed solely for the elite in its initial years, today it caters to almost the entire length and width of

rethink

edify

delineate

# IIPM - Think Tank

web : [www.iipmthinktank.com](http://www.iipmthinktank.com)

## Who we are..

The **IIPM Think Tank**, an independent, India-centric research body, is inspired by **Dr. M.K. Chaudhuri's** vision of India as an economic powerhouse in the 21st century; a modern nation state where poverty becomes history and the underprivileged are not consigned to the dustbin of amnesia. The national presence (across seven nodes, News Delhi, Mumbai, Chennai, Pune, Bangalore, Hyderabad and Ahmedabad), makes our understanding of the economy superior, where is many research fellows, senior research associates, research assistants, program coordinators, visiting fellows and etc embark on research assignments and network with global intelligentsia.

## What we believe..

The **IIPM Think Tank** is wholly free of ideology and looks at the Indian Development Paradigms, Purely modeled upon the basis of 'Objective Reality'. We passionately believe in the credo that we constantly seek to follow: rethink, edify and delineate. This enduring commitment has helped us foster and broaden the parameters of public policy debate and alternatives. Toward that goal, it strives to archive greater involvement of the intelligent, concerned change agents (reform minded politicians, public servants, media, socially responsible firms and citizens) in questions of policy and the ideation, furthermore, we ardently believe that the managers of tomorrow that are being groomed at IIPM today will play a decisive role in India's renewed tryst with destiny.

## What we do..

As a premier 'ideas organization' in Asia The **IIPM Think Tank** is committed to enhance public awareness of policy issues an economics and management and to engineer solutions that will fulfill the 'Great India Dream'. By publishing the finding of its research, and though the active participation of its senior researchers in the media and policy, it aims to bring new knowledge to the attention of policy makers. Every year, The IIPM Think Tank commissions and publishes three quarterly reviews and an annual review, on a wide range of policy issues including education, health, poverty, unemployment, agriculture, industry, services, FDI, external trade, infrastructure and environment. All these outputs meet the highest standards of scholarship, are accessible to a broad readership, and explore policy alternatives consistent with the philosophy of ours. The central theme of our issues are devoted to assess where the critical predicaments are, analyzing what needs to be done to annul the element of development deterrents in the economy and offer concrete proposals on how to accelerate welfare everywhere towards achieving inclusive development. The India Economy Review is a small manifestation of that vision. More than 1,000 students (seven nodes of IIPM0 have---and continue to-spent endless hours conducting primary and secondary research on contemporary issues that confront the Indian Economy. This research is then analyzed threadbare by at least 50 knowledge workers across the seven campuses. Brand new insights and policy recommendations that are provided by this core team are then crafted, honed and polished by 20 members Economy Research Group (ERG). This massive effort is spearheaded and led by the renowned economist and management guru, **Professor. Arindam Chaudhari.**



# Leadership

## at the altar of the marketplace





In his book 'Only the Paranoid Survive', former Chairman of Intel Andy Grove describes the crucial point when INTEL Corporation shifted from memory chips to microprocessors. It took a continuing decline of over a year in the sales and revenue of their flagship product namely memory chips before that point was reached. Why the delay, you may ask? Because until then Intel and memory chips were synonymous in the market and it was impossible to conceive of themselves in any other form. And in the memory chips market they were taking a hammering from the Japanese who had only one mantra "Quote 10% below Intel and AMD and if they requote quote 10 % lesser till you win...."

Sitting in the then Chairman and CEO office of Gordon Moore, Andy Grove wondered loudly that if they were kicked out of the company by the board what is the first thing their replacement would do. "He would get us out of memories" said Moore.

*Why don't we do that ourselves replied Andy Grove and thus was set in motion the turnaround of Intel into the world famous semiconductor company we now know it as.*

No other industry in recent times has seized the imagination of the entire world as much as the computer industry. From mainframes to PC's to the networked computer. From the proprietary software to the off the shelf software to controlling piracy. Entire paradigms of doing business based on technology and assumptions changed. The customer changed from the big companies to the desktop user and ultimately the palmtop traveler. The need changed from data to processing to gaming to entertainment. From vertical all purpose firms to horizontal sectors with sector leaders. This brought about a huge challenge before the industry and its players. Many big names

like Digital and Compaq became history. Many reinvented themselves to their pre-eminent positions such as IBM and Intel. Many new legends such as Bill Gates and Michael Dell were created.

If we examine the computer industry in the 1920's and today, one name is still around and that is IBM. It is still big news as it hived off its PC business to LENOVO of China, which had the US Senate worried about security implications. To new readers of management this in itself may not be very surprising but at one stage IBM lost out in the big computer market by ignoring the relevance of the PC and the desktop, and then entered it in a big way only to exit

clining sales of mainframes. IBM has more than 300000 employees worldwide.

IBM was built around the personality of its late founders the Watsons and accordingly the beliefs were still stuck in the form that suited its existence as a company that grew from humble levels to global proportions. This was a) Excellence in everything we do; b) Superior customer service; c) Respect for the individual. However, over time the company had internalized these beliefs to the extent that it became identified with procedures and did not reflect the changing realities of the marketplace. To cite an example, superior customer service meant servicing the IBM computers at the

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**At IBM, superior customer service meant servicing the IBM computers at the site of the customer. Whereas, for IBM to survive, it had to change its products to meet the growing customer need**

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again. Since leadership as simply stated, is the ability of leaders to transform organisations i.e. management of change, the views of its last Chairman, Lou V Gerstner, on leadership surely merits discussion.

#### **The IBM turnaround**

To understand it better, a few statistics first: in 1992 when Gerstner took over, the revenues were distributed as follows: Hardware 56 %; Services 25 % and Software 10%.

In 2001 when he left, the distribution was as follows: Services 43 %; Hardware 31 %; Software 16 % & Technology 10 %. This when revenues itself increased from \$64.5 billion to \$85.9 billion, a jump of 25 %. It must be remembered that when Gerstner took over it was widely stated in the press that the writing was on the wall for IBM; that it would split into two companies and it was hemorrhaging cash losses besides de-

site of the customer. Whereas, if IBM had to survive, it had to change its products/business to meet the growing needs of the customer. Clearly, a case of good management but no leadership.

#### **Gerstner outlined his principles to the employees of IBM:**

- a. The marketplace is the driving force behind everything we do
- b. At our core, we are a technology company with an overriding commitment to quality
- c. Our primary measures of success are customer satisfaction and enhancing shareholder value
- d. We operate as an entrepreneurial organisation with minimum bureaucracy and an undying focus on productivity.
- e. We never lose focus from our strategic vision.

**Prof Hari Parmeshwar** identifies the indispensable need of leadership at various levels - the village, district headquarters, at the state and at the national level.

## The corporate world as correctly stated by Lou Gerstner is dictated by the conditions in the market. The corporate exists because of the market and not vice versa

- f. We always think and act with a sense of urgency.
- g. Outstanding, dedicated people make it all happen, particularly when they work together as a team.
- h. We are sensitive to the needs of all employees and to the communities in which we operate.

While the principles were important, the question was how to instill it into the DNA of IBM:

To quote Gerstner *“What are the levers of motivation? What can a CEO – or, for that matter, a head of state or university president – do to change the attitudes, behaviour and thinking of a population? Of course, different things motivate different people. Some by money. Some by advancement. Some by recognition. For some the most effective motivator is fear - or anger. For others that don't work; it's learning, or the opportunity to make an impact, to see their efforts produce concrete results. Most people can be roused by the threat of extinction. And most can be inspired by a compelling vision of the future. Over the past ten years, I've pulled most of those levers.”*

In his talk to the top management team of 420 people Gerstner said *“There are no ifs in my vernacular. We're going to do it together. This group is going to work as change agents and he outlined the required behavioural change”*.

Thus, it is that IBM continues to be in the news for its acquisitions/ sales and layoffs. Similar corporate turnarounds are abundant in the automobile industry such as Maruti Udyog Limited facing the onslaught of the Koreans. The TATAS have successfully engineered a complete transformation in their image from an ageing warhorse to a mean, fit and fighting machine in an array of industries ranging from hotels to

automobiles, to software. The list of remarkable feats of leadership is endless in the corporate world.

### The marketplace

The corporate world, as correctly stated by Lou Gerstner is dictated by the conditions in the market. The corporate exists because of the market and not vice versa. The market has been at the center of human activity, ingenuity and with the onset of globalisation, it has taken firm roots. As a result organisations have had immense opportunity to grow and innovate. The key aspects of organisations are limited focus areas such as profit and established rules of ownership and control such as Board of Directors and the MD. Barring recent issues of corporate governance, the corporate business organisation has done very well and many

a books such as “When Corporations Rule the World” written by a Stanford B School Professor chronicles the rising influence of corporations in world affairs. The corporate sector has also been able to attract the best talent away from research, civil administration, politics, and other fields such as medicine, law, armed forces etc.

As a matter of fact while the business leaders list is increasing, there is a paucity of leaders in other areas. To illustrate, in India itself we have Narayanmurthy, Azim Premji, Aditya Birla, AM Naik, Mittals etc...whereas in the political arena we have largely leaders based on ideology, caste or sectarianism. Nowhere to be seen is the passion or vision that is so essential for society and nations in order to transform. This is equally true of other countries as well barring exceptions such as Singapore or some countries in Latin America. Europe and the USA find themselves moving in a direction not acceptable to its citizens and strains and fissures are appearing such as the bitterly fought elections in the USA or the recent negative referendum in France. Some schools do not teach Charles Darwin's theory of evolution to children for fear of reprisals. That's how far we have digressed. The consequences are there for everyone to see. Be it illogical wars or lies to the public or corruption. Subtler, the utter disregard for the environment with issues such as global warming or human rights or civil rights finding a subdued impact on the lives and activities of people and their affairs. In direct contrast the marketplace continues to excite as it has more gizmos and products to offer and please.

Some alternate leadership activities have emerged but more as a challenge to corporate hegemony rather than posing any serious alternatives such as NGO's who have succeeded in raising questions on globalisation. Responsible corporate citizens have also tried to expand their role in civic affairs such as Infosys in Bangalore. The left too has excellent leadership and commitment but alas no plans or alternatives.

What is required is for the District Collectors, the Superintendent of Police in Districts, the Chief Medical Officers, the District Magistrates, the MLA's the MP's to display some passion and talent for their job. Or the

### The IBM leadership competencies were as follows

#### Focus to win

- ▶ Customer Insight
- ▶ Breakthrough Thinking
- ▶ Drive to Achieve

#### Mobilise to execute

- ▶ Team Leadership
- ▶ Straight Talk
- ▶ Teamwork
- ▶ Decisiveness

#### Sustain momentum

- ▶ Building Organisational Capability
- ▶ Coaching
- ▶ Personal Dedication

#### The core

- ▶ Passion for the Business

managers of PSU's and Public Sector banks. Imagine if these people were vested with the same zeal as that of Lou Gerstner or Narayanmurthy, we may still see an India with AIDS, malnutrition and inhuman living conditions under control. There are well argued systemic reasons for the above malaise but none so great as the loss of leadership in civic society to the marketplace.

Perhaps the solution lies in Stephen Covey's 8th Habit where he states that leaders must listen to their inner voice while taking their decisions. And to illustrate, he gives the fine example of Mohammed Yunus, a Professor of Economics in Dhaka University, Bangladesh who while teaching economics could not but help feel inadequate as famine ravaged his country.



Stepping out of his academic confines, he discovered the paucity of sufficient credit facilities to the poor and not the want of talent or ability to work hard behind the cause of poverty. Thus, on a limited scale, he experimented with what we now know as "micro credit" and gradually expanded to become a much touted successful experiment but even though this example is well known and also desirable in several other countries including India, we are yet to implement. This only underscores the importance of leadership. Why, even in India we have very few examples of successful

leadership in the non corporate sector, for example, the Delhi Metro led by E Sreedharan at the remarkable age of 70 +. Or Kiran Bedi in the IPS. But they are too far and too few.

P Sainath, the journalist and the crusader of the Center for Science and Environment are other reasons for hope. But perhaps the reality is more typical of the IAS officer who is caught in the flood relief scam. Up to the late 1980's, the PSU's and IAS offered very good careers for those passing out from the top educational institutions. These people must now be in the mid 40's, perhaps in various middle levels of government bureaucracy stagnating and sick over the mistakes made in their careers. The Prime Minister has talked of reforming the performance appraisal system. Has he identified such officers who can take up the mantle of leadership? Does he have the opposition with him on this vital issue? It is only post liberalisation that the IT sector

and the private sector witnessed the huge salary boom and saw talent diverting from the IAS or PSU's.

Have the government, thinkers, media, public, management institutions thought of building leadership beyond the dynamics of the marketplace. Would the marketplace survive, if the rest of society crumbles? These are serious questions, which go beyond the realm of short-term excitements such as the Sensex climbing beyond 7000. These are questions which the CII and Industry Associations need to consider besides merely asking for continuous sops from the government.

Leadership, therefore, is required at the village, at the district headquarters, at the state level, at the national level. It is time we realise that leadership is required beyond the marketplace ■

*Hari Parmeshwar is a Professor of Business Law at the Indian Institute of Planning and Management, New Delhi.*





Prof Chakraborti analyses the pros and cons of playing the blame game and concludes that determining accountability is a better strategy to avoiding mistakes rather than mudslinging after an error has been committed.

By Jayanta Chakraborti

# The Blame Game

I had the good fortune of working under a dynamic person who had taken up the reins of the organisation at a critical juncture when questions were being raised whether the organisation would survive. Unfortunately, he used to crib bitterly, “I’m supposed to clean the other man’s shit !!! My predecessor has messed up everything and I have to clean up the whole mess before I can rescue this organisation from debris !!!” Although I admired the man’s grit, determination and strategic approach with which he finally pulled the organisation out of the crisis, I could never appreciate his constant cribbing and passing off all the blames to his unfortunate predecessor.

When some great milestone is achieved, everyone jumps into the fray to pick up the credit. A great deal of self accolades will be seen floating around. But unfortunately, when things go wrong, the first question that everyone asks is “Whose fault is it?”. It is said “Success has many fathers but failure has no son”. But this knee-jerk response of witch hunting to find scapegoats undermines learning and leads to distrust and defensiveness. Blame is a natural reflex when problems arise but resorting to finger-pointing limits productivity and innovation.

David Baldwin has contented that blame can be a powerful constructive force. It can be an effective teaching tool, helping people to avoid repeating their mistakes. When used judiciously, and sparingly, blame can prod team members to put forth their best efforts while maintaining their confidence and focus on goals. Indeed, blame can have a very positive effect when it is used for the right reasons.<sup>1</sup>

Not being criticized after committing a mistake may also make a team member feel uneasy. “Does the leader care enough to reprimand me or does he think I am absolutely hopeless ? Or are they planning to throw me out of team ? That might explain the reason for the silent treatment !!!.”

There is another school of thought that says playing the blame game actually accomplishes nothing. Experienced leaders have realized that coming down hard on team members for a mistake in physical execution actually harms the team’s morale. Excessive blaming will result in everyone looking for scapegoats to escape the wrath.

Interestingly, the word scapegoat comes from the Jewish tradition where they would literally pick a goat, upon which they would symbolically place all their sins and then send the animal out in the wilderness. In organisations also, most of the times, we seek out a scapegoat, blame him for all the misfortunes and banish him from the team in order to save our skin and safeguard our own reputation.

Blaming is more than just a process of allocating fault. It is often a process of shaming others and searching for something wrong with them. Blaming provides an early and artificial solution to a complex problem. Blame makes inquiry difficult and reduces the chances of getting to the real root of a problem. Blame also generates fear and destroys trust. When we blame, we often believe that other people have bad intentions or lack ability. We tend to excuse our own actions, however, because we know firsthand the challenges we face. The internecine features of the blame game are poor judgment, anger, fear, punishment, and self-destruction.

The blame game can actually make good

teams go bad. In an article called “The Nut Island Effect”, Paul Levy talks of a team that operated the Nut Island Sewage Treatment Plant in Quincy, Massachusetts. This team would have been every manager’s dream team. Members of the group performed difficult, dangerous work without complaint. They needed little supervision. They improvised their way around operational dif-



ficulties and budgetary constraints. They sometimes put in their own money to buy spares and tools. They were dedicated to the organisation’s mission. But their hard work led to a catastrophic failure. What seemed like a dream team of self-sufficient workers was responsible for the worst pollution disaster in Boston history, releasing billions of gallons of raw sewage into Boston Harbor.<sup>2</sup>

Where did the team go wrong? Levy meticulously analyzed the problems at the Nut Island case and discovered a very important phenomenon. When trouble strikes and management passes off the blame, team members feel betrayed and develop an us-against-the-world mentality. They stay out of management’s line of sight, hiding problems. The team begins to make up its own rules, which mask grave problems in its operations. Management, disinclined in the first place to focus on the team’s work, is easily misled by team members’ skillful disguising of its performance deficiencies. And when disaster strikes, damage control becomes all the more difficult.

Why do we make mistakes while executing a task ? The answer probably lies in the way our brain functions. The procedural memory in the human brain stores information about how to do things while the declarative memory stores information about what to do. While executing tasks,

for successful execution, it is important we rely on our declarative memory and not procedural memory. If a person is more conscious of the procedure he’s executing instead of being focused on the desired result, he’s bound to land up in big trouble. The epic Mahabharata relates the story of how Arjuna had beaten Karna in a battle of archery to win Draupadi. Though both

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**Blame is a natural reflex when problems arise but resorting to finger-pointing limits productivity and innovation**

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had trained under the same master and possessed almost equivalent skills, Arjuna won because he focused on the bird’s eye (the result) while Karna was concentrating on the best way to shoot the bird (the procedure).

The vicious cycle of blaming and destroying the self esteem of others can be reversed through accountability. A focus on accountability recognizes that everyone may make mistakes or fall short of commitments. Becoming aware of our own errors or shortfalls and viewing them as opportunities for learning and growth enable us to be more successful in the future. Accountability therefore creates conditions for ongoing, constructive conversations in which our awareness of current reality is sharpened and in which we work to seek root causes, better understand the system, and identify new actions and agreements. The qualities of accountability are respect, trust, inquiry, moderation, curiosity, and mutuality.

In the late 1970s, a group of GE employees were attempting to develop a revolutionary new light bulb called Halarc, which would last ten times longer and consume less energy. However, the product failed as no one was ready to pay \$10.95 for a single bulb. Instead of punishing those involved in the Halarc effort, GE emphasized that they believed in the potential of the Halarc play-

## A great leader always owns responsibility for failures and gives credit for successes to his team members

ers by handing out cash awards and promoting several team members for their great attempt. Such kind of great gestures have catapulted organisations like GE & 3M into the big league of innovative companies.<sup>3</sup>

Accountability can be incorporated for proper functioning of team by making members responsible for their actions. This can be done by clarifying roles and responsibilities at the beginning of a task and designing a process for handling breakdowns before they occur. Accountability comes from clear job assignment, responsibility allocation, ongoing conversations and an organisational commitment to supporting accountability rather than blame. The job assignment focuses on tasks to be accomplished, roles to be taken, processes to be used, standards sought, and expected results. Team leaders need to hold periodic conversations to review both explicit and tacit contracts in order to verify shared understanding.

This communication becomes most useful when people are willing and able to discuss their common difficulties within a larger setting that values accountability.

Our honourable President, Dr APJ Abdul Kalam, while delivering Dhirubhai Ambani Memorial Lecture, told a very inspiring story of how leaders should handle failures. On 17th August 1979, while launching the maiden flight of the SLV-3 under the guidance of Prof Satish Dhawan, Dr Kalam made a crucial mistake. Four minutes before the actual launch, the computer came out with an instruction to delay the launch because of a leakage in the second stage control system. Ignoring the computer instructions, he went ahead and launched the rocket in manual mode. Within a few seconds, instead of putting the satellite in the orbit, the whole system crashed into the Bay of Bengal.

Prof Dhawan, instead of blaming his subordinate, stood in the press conference before hundreds of reporters, and accepted the responsibility of failure. Exactly after one year, on 18th July 1980, the same team under Prof Dhawan and Dr Kalam successfully put the satellite in the orbit. This time,

Prof Dhawan asked Dr Kalam to go and face the press conference. Dr Kalam summed up

the story with the emphasis that a great leader always owns responsibility for failures and gives credit for successes to his team members.<sup>4</sup>

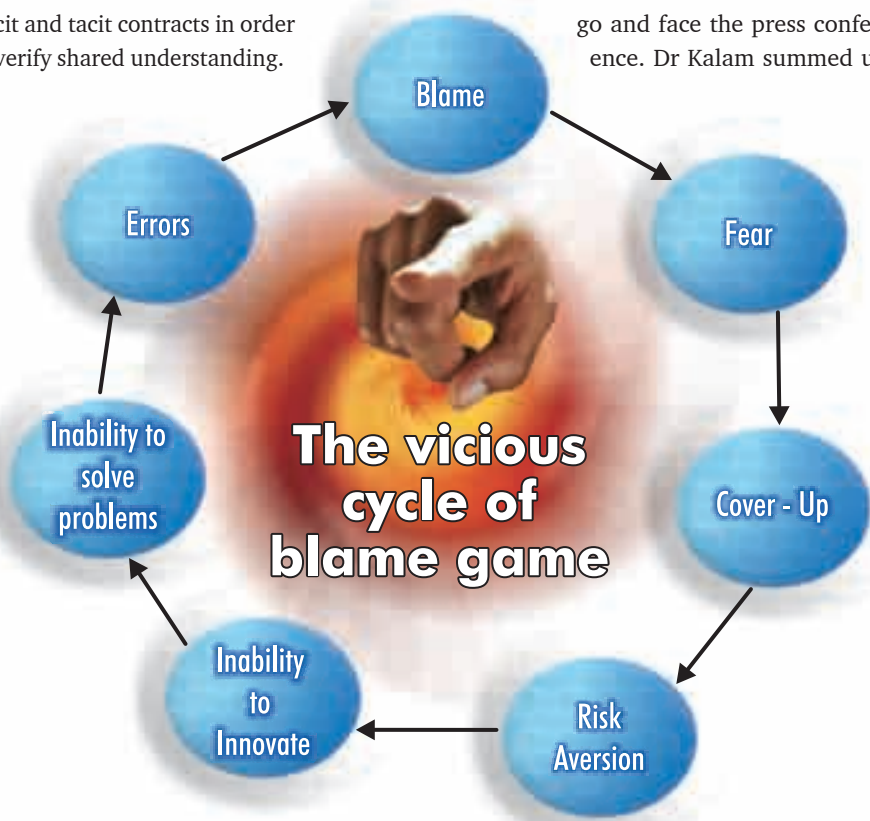
A leader should take great pains to correct the situation in which others are being blamed for his mistakes. In the year 2000, US regulators reported that 119 people had died because of faulty Firestone tyres in Ford Explorer and other models made by Ford. Jacques Nasser, the then CEO of Ford, starting rolling back the defective models, but refused to accept the responsibility and testify before a Congressional enquiry into the Explorer rollovers. He quickly reversed his position but a great damage was already done.

His reluctance to show accountability resulted in a series of unfortunate after-maths. The relationship with Firestone soured and by 2001, Ford got drowned in red ink, having suffered a staggering loss of \$2 billion. Its reputation for quality, so carefully honed throughout the 1980s and 1990s when it insisted “Quality is Job One” was in shambles. And finally, Bill Ford himself had to step in and sack Nasser and take up the responsibility of CEO.<sup>5</sup>

Tom Peters opined that the best formula to make an innovator out of every employee is to offer explicit support for failure. Emerson’s Charles Knight, Johnson & Johnson’s James Burke and 3M’s Lewis Lehr explicitly talked about the necessity to make mistakes. When Steve Jobs of Apple computers was asked about the secret of his company’s much admired brand equity, he replied “I still make a lot of mistakes. But Apple is a great company because we have created an environment where people can make mistakes and grow.”<sup>6</sup>

Hewlett-Packard (HP) is another company that encourages their employees not to be bogged down by the fear of failure and go for innovation. HP laid down a philosophy for fostering an environment for creativity and innovation in their 1999 Annual Report. This was known as the rules of the garage which stated:

“Believe you can change the world. Work quickly, keep the tools unlocked, and work whenever. Know when to work alone and when to work together. Share — tools,





ideas. Trust your colleagues. No politics. No bureaucracy. The customer defines a job well done. Radical ideas are not bad ideas. Invent different ways of working. Make a contribution every day. If it doesn't contribute, it doesn't leave the garage. Believe that together we can do anything. Invent."<sup>7</sup>

To avoid failures while executing strategies, communication and decision making should be approached both top-down and bottom-up. The problems creep in when decision making is solely concentrated on the central authority and thus suggestions and recommendations from other team members are often ignored. On 28th January 1986, the Challenger Space Shuttle exploded about 1 minute after launch killing all 7 astronauts

### Proper job accountability and delegation can take an organisation to pinnacles of success, while witch hunting can sow the seeds of destruction



on board. The shuttle exploded because two rubber O-rings leaked after losing their resiliency as the shuttle was launched on a very cold day (less than 0 Celsius).

On the day before the launch, the engineers who designed the rockets expressed their opposition to launching the challenger because they were concerned that the rings would not seal at such cold temperatures. The engineers presented their case using 13 charts which they faxed to NASA. A high level NASA official was "appalled" by the recommendation, and conveniently overthrew the apprehensions by saying that the evidence presented by the engineers was inconclusive in showing that O-ring problems were linked to cool temperatures. The result was the historic disaster that shook the foundation of the US Space Research.<sup>8</sup>

It is always better to blame in private and praise in public. The team leader need not chastise the errant in front of the whole team to impress upon him the gravity of the error committed. If that is done, the errant will turn defensive and become nervous instead of being receptive to criticism. If a team member is strongly reprimanded in

private and praised in public, it evokes an equally strong emotion in him which helps him to remember the event better and to avoid similar kinds of blunders in future.

Blame can be an effective teaching tool, but overusing it can quickly diminish its effectiveness. Blame can serve some very useful functions within any organisation but it must be managed wisely. Otherwise blame can create problems that are far worse than the unsatisfactory situation that spawned it in the first place.

Playing the blame game is easy; playing the accountability game is tough. It's quite easy to pass off the responsibility of failure to someone else and snatch away the credits for good performance. Some people do it even more ludicrously - they keep on postponing their decision making as they are too concerned to accept the onus of failure.

However, a true leader not only accepts responsibility of failure, but also sees that that the kudos for success are shared by all team members. Proper job accountability and delegation can take an organisation to pinnacles of success, while witch hunting can sow the seeds of destruction. The

decision lies in your hands - which is the path you want to choose and where do you want to take your organisation ■

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Everyone is talking about the importance of leaders and leadership, but do we have enough leaders to help us win this ongoing battle?

By Sandeep Kumar

# ‘Pipelining’

**Cohan’s Value Leadership  
Principles for Practical**

# Performance

I had the good fortune of working under a dynamic person who had taken up the reins of the organisation at a critical juncture when questions were being raised whether the organisation would survive. Unfortunately, he used to crib bitterly, “I’m supposed to clean the other man’s shit !!! My predecessor has messed up everything and I have to clean up the whole mess before I can rescue this organisation from debris !!!” Although I admired the man’s grit, determination and strategic approach with which he finally pulled the organisation out of the crisis, I could never appreciate his constant cribbing and passing off all the blame to his unfortunate predecessor.

Organisation is essentially about people working together and yet so often they fail to capitalize upon its full potential. Most of the work in the organisations is done in teams. Even though individuals are important, their effectiveness depends, to a large extent, on the teams of which they are members.

The importance of teams was first realized from the results of the famous Hawthorne studies in the 1930s. However, it was Mc Gregor who brought special attention to teams in the 1960s. Likert, during the same period, focused attention on teams as important elements in the humanization of organisations. A real key to success is the way in which individuals behave with each other and the way in which groups of people relate to and work with each other. Teamwork improves these things.

### **The ‘value’ in Value Leadership alludes to the nature of relationship between the company and the others**

A high – performing team is a group of individuals whose coordinated competence and personal commitment to overall goals and to each others’ success results in the outstanding performance of team tasks. Now a team leader is clearly one of

the mechanisms for transitioning the team. Also, a good leader is required today for every unit and everyone in the organisation. Nowadays, everyone is talking about leaders and leadership, but do satisfied employees and delighted management mean ‘we have won’? No! What we should strive for is not just good leadership, but as advocated by Peter S. Cohan in his seminal book, it should be Value Leadership. Value Leadership is based on very specific notions of value and leadership. It recognizes that a company cannot survive without the participation of others: employees, customers, investors and communities. The ‘value’ in Value Leadership alludes to the nature of relationship between the company and the others. Cohan mentioned 7 principles of value leadership in his book.

#### **The Seven Principles are as follows**

1. Value human relationships
2. Foster teamwork
3. Experiment frugally
4. Fulfill your commitment
5. Fight complacency
6. Win through multiple means
7. Give to your community

These values are guidelines for every leader to follow. But as I mentioned earlier, we should think of fostering not just leadership for creating followers, but we should create leaders for each and every unit of the organisation. Every team member should be a leader in his/her own right.

But time and again, we have seen high – potential people fail as leaders even though they work hard and display obvious talent. For this, Leadership Pipeline model described by Ram Charan, James Noel and Stephen Drotter really helps. This leadership pipeline consists of six important transitions that commonly occur in large organisations: from

managing oneself to managing others, from managing others to managing managers, to becoming a functional manager, then business manager, then group manager and finally enterprise manager. Each transition requires that a manager learn new skills, broaden time horizons and define success in different ways.

So, we need a team of leaders and not a team of ‘one leader – others follower’. But one of the management’s biggest challenges is finding new leaders and one of

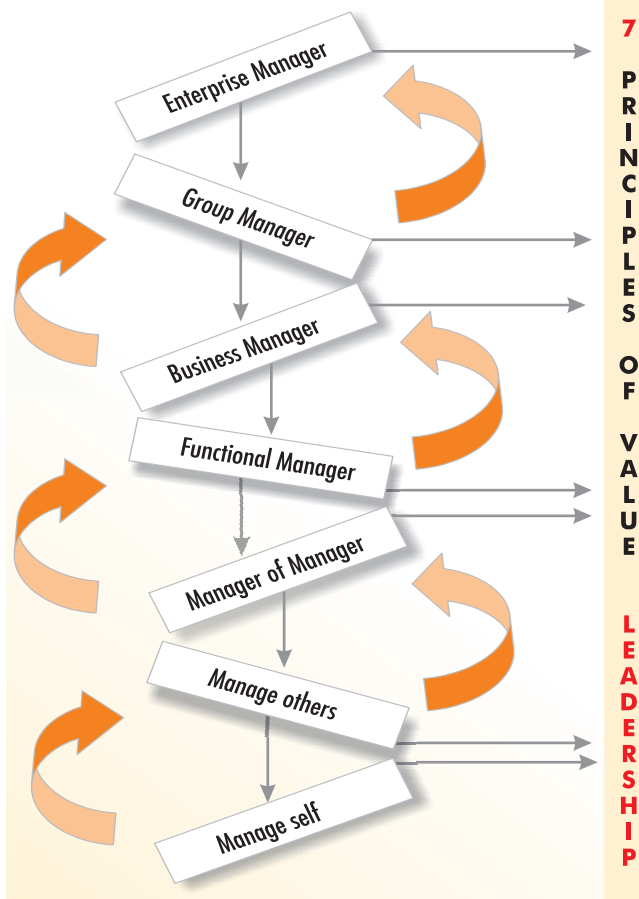




the questions that arise in this quest is whether to bring in “new – blood” and fresh ideas or take advantage of “home – grown” experts already acclimated to an organisation’s corporate culture. For this, we need to diagnose an individual’s performance and capabilities. Once you have diagnosed that an individual or a group of people working at inappropriate leadership levels, you have some major pipeline repair work to do.

The Leadership Pipeline emphasizes about ‘The Relevance of Role Clarity’. Also about ‘Performance Gaps’ and ‘Performance Overlaps’. So, a purely result oriented approach is something which can be observed here. Now, we can see that among the concepts that I have discussed above, “The Value Leadership” shows how to value human relationships and provide a better deal to your employees, customers and society from that of the competitors. “The Leadership Pipeline” model deals with creating leaders, managing and improving their performance.

## TEAM OF LEADERS (TOLs) MODEL



### We need a team of leaders and not a team of ‘one leader – others follower’

According to my observation, I found various big business houses that are a proper combination of both the models that can make the organisations achieve their desired goal. As we are thinking of increasing market share, more profits, employee welfare and social development as well, so, I am propounding a new model for leadership which is a combination of both ‘Value Leadership’ model as well as ‘Pipeline’ model but with some changes and more clarity. I am suggesting one new model Team of Leaders Model (TOLs Model).

TOLs model talks about how to create leaders, all the issues that need to be considered in order to create leaders, to make a team of leaders as well as to ensure growth of the entire organisation by working in a

collaborative manner. At the same time it emphasizes how to value the human relationship while taking care of your goal. According to this model, managers at each level are interrelated/interconnected with each other and their individual roles correlate with each other also. This is because result of one manager will affect the result of other manager and finally it can affect the overall objective. Also going through the Pipeline Model, there should be no gaps and no overlaps of roles. In the TOLs Model, block arrows shows the interrelation between different levels as well as how individual effort sums up to the achievement of final objective. The downward arrows show the flow of Values, direction, standard setting and motivation for the sub-

ordinates. Coupled with a little bit of autonomy, we have leaders at each and every level.

Now leaders at all the levels are supposed to follow the Principles of Value Leadership. But obviously, few of the principles will have different meaning and different objective for the managers at different levels.

We need to incorporate all the 7 principles of value leadership at all the levels because managers at each and every level are supposed to have a different job profile and they have different potential also. The following 7 principles of Value Leadership would help in understanding it better which showcases that they need to be different for different levels of managers to help them emerge as leaders:

**1. Value human relationship:** As one has to work with humans, for humans. For any level, if one is a team leader or a sales executive or even if a CEO, one has to work with one’s employees, peers, juniors and seniors as well as with outsiders also. As at all levels, human relationships are imperative, this principle cannot have much variance at the different levels levels.

#### TEAM OF LEADERS (TOLs) MODEL

**2. Foster teamwork:** Select everyone according to ones potential and develop them. For the first level managers, they need to develop themselves and specialize in any one particular area to improve their skills further.

**3. Experiment frugally:** It deals with accidental innovation but this accidental innovation means different things for different levels. For example, a CEO can experiment with different strategy for implementing it in the organisation while a GM marketing can assign some different targets for different sales executives and the PR department can think of doing the publicity by means of some never-before tried source. Simultaneously, the impact or the outcome of the

experiment will have a different level of impact on the organisation.

**4. Fulfill your commitments:** This is the most important principle for managers at every level and for everyone in the organisation. If you have committed something, fulfill it at any cost. Do whatever you say. By doing this, you can express your deep concern towards others. If one is a sales executive and has committed something to the customer, it has to be fulfilled. So, this shows that one is giving importance to the customer and this is how one can value customer relationship. Again, if one is an HR Manager and he/she has committed that he/she will issue bonus during festivals then it has to be distributed. This shows that one values human relationship and also adds a sense of responsibility and caring among employees.

**5. Fight your complacency:** One is supposed to fight against oneself if one is getting complacent. Keep doing something new, something innovative. Also, being a leader, everyone is supposed to find one's own new ways. This again adds up to the generation of new skills among all the employees thereby adding new dimensions to them.

**6. Win through multiple means:** This again varies according to the level of leadership. For the first level managers/employees, it is the presence of mind, fast and smart thinking i.e. high IQ and EQ. For CEOs, it is strategic thinking and analysis. For the middle level managers, it is high HQ. So, this does not mean that we need to have market leadership only; rather we should win in all

the situations in all our functions.

**7. Give to your community:** Never do charity, do social work. Believe in Stephen R. Covey's one statement that "give a man a fish and you feed him for a day, teach him how to fish and you feed him for a lifetime". Transfer corporate resources to society. Not only in terms of donations, but also by means of imparting knowledge; contribution in terms of manpower for doing some social development and welfare work; we can control pollution coming out of our own factory if we have a production unit. Every level can contribute according to their potential.

So, as per the TOLs model, every employee at all the levels should have their own set of 7 principles. Obviously few of the principles will vary as per the potential and profile of employees at different levels.

To make things more clear and to prove the relevance of TOLs model, I would like to take examples for four companies and to locate it on the GE Leadership Matrix. This GE leadership matrix has four quadrants based on two parameters 'Value' and 'Result'. Here again VALUE deals with valuing the human relationship and RESULT is achievement of goals.

From the matrix we can see that we have four quadrants like the following: -

1. High in Value – High in Result
2. Low in Value – High in Result
3. Low in Value – Low in Result
4. High in Value – Low in Result

The four companies that I have taken here are very well known. All of us know about Infosys, Tata, Reliance and Union Carbide (the infamous MNC where Bhopal

Gas Tragedy took place). The first 3 companies are still operating while Union Carbide closed down. The reason behind assigning these companies to different quadrants are as follows:

**1. Infosys:** India's most admired company both in terms of performance as well as human values.

**2. Reliance:** India's biggest private company, but low in values. The recent property issue among Ambani brothers added more colour to it!

**3. Union Carbide:** The notorious, previous owner of Eveready, once operating in India where the very tragic Bhopal Gas Tragedy took place and was closed down. It closed down because of the scams running within the company. So, no, values, no result.

**4. Tata:** Again a very famous and one of India's oldest business houses. The company is very ethical with a lot of values. Results are also good but the company is not aggressive in its approach.

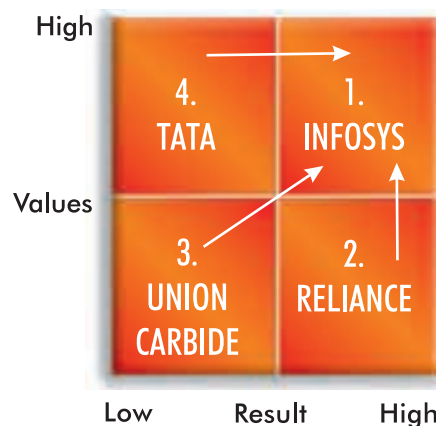
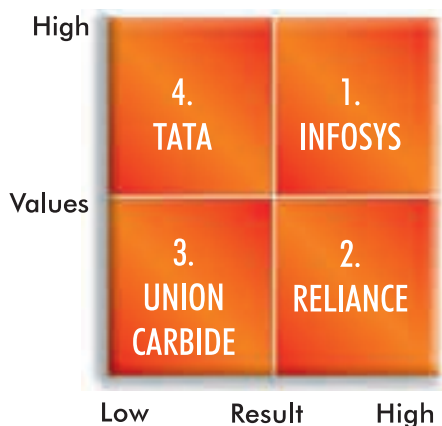
Now, the first quadrant is the ideal position for every company. High values as well as high result. We should try to bring our company into the first quadrant.

Now, the question is how can we do this? We can do this if we have ethical values among each of our employees; if we have human relationship values within us; if we have commitment for our goal and our company; if we know what to do and how to do; if our vision is clear to us; if we are motivated enough to achieve our individual as well as our organisational objective and if we are not only utilizing the living and non-living resources but also developing and adding value to them.

Following the TOLs Model can make it possible because this model deals with creating values, role clarity, performance improvement, value addition and collaborative team work. It deals with creating and managing leaders.

So, we can reach the destination, at the same time we can or design destiny! ■

*Professor Sandeep Kumar, Indian Institute of Planning & Management, Chennai.*



"I start with the promise that the function of leadership is to produce more leaders, not more followers". Ralph Nader.  
By Leslie Rebello



# Leadership

## across the Organisation

### – Distributed Leadership: A need of the hour

**W**e live in a world that is discontinuous. A world where wealth is destroyed when a new business model drives out an old one. In corporate circles we always hear a voice which says, “Only a few will survive”. This statement will find relevance today, as there is a rapid rate of change in businesses, markets, technology, hard skills and soft skills required to run an organisation.

With globalisation, leadership in an organisation has become even more critical than before. A leader, with his vision, action and spirit guides the organisation on its journey of actualising its potential to the fullest. However, the reality is that with the vast operations spread, organisations are finding it more and more difficult to manage the challenges thrown up during the actual functioning such as diversity and differences brought about by multi-location operations, lack of alignment in values, ethics and goals, issues of distribution of wealth and ownership, integration of people and process etc. Moreover, with increasing complexity at the workplace, there seems to be an alarming paucity of leadership.

The leadership required today cannot be confined to theories of trait nor can lead-

ers rely totally on the situational models for efficient governance. Everybody in the organisation needs to be ready for transformation and thus the subordinates’ ability to lead and take over some of the leader’s functions has gained importance and needs introspection. So what is important is to not restrain leadership to ‘a position’ but to disseminate its power at several levels so that the ‘reach’ of leadership is multiplied or distributed.

#### Back in Time

Before we dwell on the concept of distributed leadership, it would be necessary for us to familiarize ourselves with the leadership theories propounded by researchers in the past. Leaders are unique in their approaches, which differentiates them from

**Organisations need to be ready for transformation and thus the subordinates’ ability to lead and take over some of the leader’s functions has gained importance and needs introspection**



their followers. Thus, there is a tendency to perceive a set of traits in such leaders. Some would even believe that a chosen few are born to lead, be it by their intelligence or energy levels or confidence. However, simple people have also become business leaders and tycoons. Mr. Richard Branson of Virgin Airlines or Mr. Arnold Schwarzenegger, Governor of California are strong cases in points.

Research over the years does not indicate that hereditary traits have a role to play in successful leadership nor is there any correlation of a set of traits that lead to success in a business. Leadership is an art as described by Max De Pree, which can be learnt.

A leader could further be understood from the behavioural approach or style he/she uses to achieve his goals. Such approaches are simple to understand as it has a continuum - Autocratic to Laissez-faire or a grid indicating the leader's position depending on his concern for people or production as described in the Blake and Mouton Managerial Grid.

When leaders help followers achieve their goals, for task attainment, team building or development of individuals, they adopt a style for a situation (as described by Hersey and Blanchard in the Situational Leadership Model). To be a successful leader then sounds very meaningful as it demands certain flexibility and an understanding of the followers. The question before most of us in a work situation is the mismatch between leader and follower for which there appears no solution. The issue of multiple approaches required for handling followers who function differently in different time frames

can also pose a problem, as leaders tend to develop a

preferred behaviour pattern over time towards a stimulus in a situation.

Such fundamental approaches have paved way for a deeper understanding of the concept of leadership and its process, which are easy to comprehend. However, the reality of work situations today involves complexity, change and diversity, hence to attribute a style that leads to performance can bring up several unexplained issues.

Transformational leadership is one of the current approaches to understand the leader. The transformational leader, as the name suggests, transforms people. It is a process that incorporates charismatic and visionary leadership. The leader creates a connection that enhances motivation and morality in both the leader and the follower. This style is socially desirable and has a popular appeal.

Today with the gaining interest and loyalty towards different forms of meditation, and discipline of the body and mind (Yoga), leadership and spirituality have been offered new definitions. Individuals the world over are undergoing dramatic transitions with their recent interest in spiritual literature, inter-faith dialogues etc. Jean Houston in *The Possible Human* describes the new heroes – people who have a healthy and spirited appreciation of the complexities and capacities of their own being:

“They regularly spend time in discovering, refining, and applying the latent potentials of their own body-minds. They take time to prepare themselves so that they can listen to the rhythms of awakening that may be ‘pulsing’ from a deeper more coherent Order of Reality”.

A need is perceived for the integral development of ones attitudes and competencies to become leaders. In turn, it is a well known fact that the leaders with their daily, disciplined, devotional, ardent practice of thought and action which is the

basis of spirituality (upasana) have created value and wealth for their organisations. However, this line of research still needs to be established. Moreover, when and how the followers' belief structure and respect for a value defined by the framework set up by the leader will beget success is an undefined issue.

### Distributed Leadership

When one defines leadership as a process, it no longer remains the hallmark of a person; it becomes a function of a transaction between one who leads and the ones who follow. It implies that a leader impacts others and is in turn impacted by others too.

Max De Pree goes on to say that leaders are required for product, design and organisation innovation in his writings; “Leadership is an Art”, “Leadership Jazz” and “Leading without power”. He describes effective leaders as part of a jazz group where simplistic instructions with a simple wand raised high and low directs one musician to complement the other in a complex world of multiple instruments and sounds to create a wonderful piece of music. The worst player in the group of musicians is going to decide the fate of the musical session. It is then in the evoking of the leadership and the direction that is provided at each vulnerable point that creates the contribution.

In this situation, the leader neither has all the facts nor all the competencies across musicians/sub groups of musicians, but through a magical formula of trust, design, hope, promise and mystique, he creates the euphoric music. This leader or the sub-leaders across the groups who take the initiative may possess traits/have varied styles and could be subjected to dynamic situations. But what they are taught to embrace by the distributed leaders is the paradox by not judging but learning to adapt to the given situation



**It is a well known fact that the leaders with their daily, disciplined, devotional, ardent practice of thought and action which is the basis of spirituality (upasana) have created value and wealth for their organisations**

and move in the next situation in trust.

Over 100 organisation diagnostic studies conducted by our organisation with various manufacturing and software concerns reveal data that underlines the criticality of leadership in organisations today. Representative comments of employees speak volumes of the issues faced by employees about the lack of distributed leadership:

- “Till our MD is here we have our bread and butter, but after that we don’t know”.
- “People feel that Mr. ABC is the only reason for the company progressing and they have hopes from him.”
- We feel that till the time Mr. ABC is heading the company we will have a good future. After him we are unsure of the future”.
- “We should develop an authority matrix; as even a manager executing work of over XX crores has no authority”.
- “There is no decentralized decision-making”.

Thus one can conclude the following:

- Followers do not sense meaningful leadership and tend to leave the organisation.
- Followers are constantly searching for a leader whom they can emulate or where leaders have an ability to sense their voice/concern.
- People feel ready to take responsibility if assigned to them.

### What is Distributed Leadership?

Imagine a business arena as a war zone. The one to strike first will win the war or succeed. In a few minutes the war is over. All ones strength backed by talented and competent personnel in an army, navy or air force will be of no consequence - however gigantic - if the required leadership either does not exist or is split across functions resulting in a failure to respond. There has been a tendency to keep leaders disconnected lest they acquire power with which they are distrusted, but by the time the leaders are connected, the ultimate results would be an inability to function. The essence/base line is that there is a lack of trust in Distributed Leadership even at the

top - of a nation’s security force.

In the massive world of business across nations, the need for partnering to succeed is based on trust. Leaders at all levels need to facilitate one common purpose. Leaders need to convince and evolve in a given situation, which is the base for Distributed Leadership. The uneven capacities to influence and the uneven distribution of talent and power can never make a leader omnipotent but for leadership to be omnipresent the solution is through Distributed Leadership. This capability of the organisation is based on its ability to create a psychological exchange through discussion, consensus and



**For distributed leadership, an environment is created where everyone feels free to develop and share new ideas**

agreements in fundamental shifts that are required to run a business.

These fundamental shifts are invariably created by demands from customers; and the old mechanism of dealing with the external customer without considering the internal customer means disaster and no place for Distributed Leadership. Unpredictable nature of business, unstable set of followers and demanding customers the world over today makes it imperative to have Distributed Leadership.

Under Distributed Leadership, everyone is responsible and accountable for leadership within his or her area. Good ideas come from throughout the organisation, and many people cooperate in creating change. For distributed leadership, an environment is created where everyone feels

free to develop and share new ideas. Even if the concept of leadership in general and distributed leadership in particular is in its fluid/amorphous state, there are certain ideas that clearly differentiate what distributed leadership is and what it isn’t.

- Distributed Leadership means finding the best path by tapping the expertise, ideas, and effort of everyone involved.
- Ideas are not only encouraged and shared but also applied in reality. Mistakes are not brushed under the carpet but are openly discussed so as to generate creative solutions.
- People share a mission but contribute differently. There is diversity of thought and unity of action.
- One of the most important criteria of distributed leadership is trust at all levels in people and their competencies. Everybody is equally significant.
- Distributed leadership empowers people so that they are more open to try out new ventures leading to more satisfaction with their jobs.
- There are no limits or boundaries to perform with of course reasonable risk taking. The “traditional” or “time-tested” methods are not necessarily the best. All look for better ways of functioning through controlled and reasonable risk taking.

### Let’s explore the Nokia Story:

Circa 1992, Nokia – the 130-year-old Finnish company – had the following concerns:

- Can Nokia sustain a 50% growth rate year after year and face an uncertainty with courage where margins were bound to drop sharply as the product would belong to a low profit business, and it would become a commodity item.
- Nokia’s top management admitted that they underestimated the scale and growth of telecom sector.
- Nokia needed to explore its core competencies and examine discontinuities. Nokia had sensed the warning signals namely:
- Their environment was changing at a rapid rate due to emergence of new markets,



- technology, liberation and competition.
- Rival companies could outspend Nokia in research and development thus challenging its ability to bring new products in the market faster than the competitors.
  - Nokia needed a strategy to attract young talent that would push creativity and innovation.
  - The company faced a threat with reference to its values, behaviours, organisation cohesion and the balance between anarchy and bureaucracy without undermining independence.

The Company rationalized the business portfolio, which then included paper, aluminum, power generation, tires and electronics into a highly focused telecom business. Its performance: 100% volume production per year increase with entry into new geographic markets and building an organisation with 30% new comers. The gains in productivity were higher sales per employee than Motorola & Ericsson.

Nokia's approach that compared to the process of instituting the concept of distributed leadership amongst others is detailed below:

The company drew resources from all parts of the world, which included provocative insights from inexperienced but talented youngsters. The insights were communicated to several thousand employees for their reactions. All those who wanted participated, shared their experiences and when problems arose, the top management served as a sounding board. Several hundreds of managers met to discuss the outcomes. Thus there was a feeling that everyone's ideas were used to shape the future rather than predict the future. There emerged no clear picture of what the outcomes would be but the ambitious nature and the positive attitude of the group was noticeable. These behaviours resulted in the multiple groups reflecting on opportunity identification, actions and deliverables. Effort levels required in a simple framework were discussed which enabled the emergence and a process that helped Nokia to renew itself.

With the best ideas available now and

the most competent people, Nokia concluded that they had the greatest opportunities to succeed. The conducting of such an exercise/endeavour involved thousands of sparkling minds that required distributed leadership to support the process. It is this distributed leadership that could bring Nokia a set of new:

- Venture opportunities to create fundamentally new businesses
- Learnings that got reported.
- Behaviours which were practiced within and across units.
- Business ideas that continuously flowed.
- Activists who championed idea implementation without sacrificing current operations.

In Nokia's approach they went about listening to new voices and entered conversations with new perspectives. Their Distributed Leadership encompassed diversity to exploit and discontinuities that could be leveraged to create new wealth.

### Building a Company of Giants

*If each of us hires people who are smaller than we are, we shall become a company of dwarfs. But if each of us hires people who are bigger than we are, we shall become a company of giants.*



**Distributed leadership is an attitude and an approach one assumes rather than a mere management technique**

—David Ogilvy

In Distributed Leadership, the leaders understand and align the edge of the organisation with the centre as they are sensitive to the fact that all revolution comes from there; be it social – women's liberation or technical – steel being replaced by plastic. This pluralistic process helps leaders at every point to facilitate followers to experience and see the world in new ways by shifting their vantage points. Distributed Leaders evoke in all their followers the deep passion for discovery and novelty to chart out their collective destiny. The fear is that such a distributed leadership process could lead to conflicting ideas but in Nokia's case their experience suggests otherwise. What a company ultimately needs is a series of experiments continuously happening. For all these experiments you need leaders who are emergent. To climb any mountain, the path is invisible and if you want leaders and followers to reach the summit, the need of the hour will be to allow these distributed leaders to experiment, start moving and take the first step.

### So, How Do You Cultivate Leaders at All Levels.

When one visualizes leaders at all levels, it becomes a characteristic of the organisation rather than a person. Distributed leadership is an attitude and an approach one assumes rather than a mere management technique.

### Catch Them Young

Successful leaders have been invariably exposed to opportunities where they could lead, take risks and turnaround failures to achieve the desired goals. They have used these opportunities to learn from both failures and triumphs experienced by them.

The vast knowledge they gain from such experiences holds them in good stead in their later careers as effective leaders. Thus, if you want to grow/cultivate leaders to take care of the future of your organisation, push them into situations that will make them prove their mettle. Delegate authority, decision making power

ers and thrust responsibility onto them. The key word here is – decentralization.

Sometimes businesses develop additional challenging opportunities by strong growth through new products or services. e.g. 3M has had a policy that at least 25% of its revenue should come from products introduced within the last five years. That encourages small new ventures, which in turn offers hundreds of opportunities to test and stretch young people with leadership potential.

At the base of this process is the competency mapping exercise. An organisation must have an exhaustive inventory of the skills possessed by its work force. Working on the employees with potential will lead to a higher success ratio of churning out competent leaders at the respective levels. The organisation must then plan for the development of these 'budding' stars, such as fast track growth, learning opportunities and succession planning etc.

### Business and People Alignment

Communication is the key process in an organisation to establish awareness and create attachment / oneness with the goals of the company. This calls for a simple and direct statement of the vision of the company that is further broken down into objectives for each department and subsequently KRA's of each individual. Regular meetings conducted within and across the departments can keep people updated and focused onto the expectations from the organisation. If there is a misalignment between business and people objectives, then there is bound to be a friction which in turn will be a major block in grooming up-coming leaders.

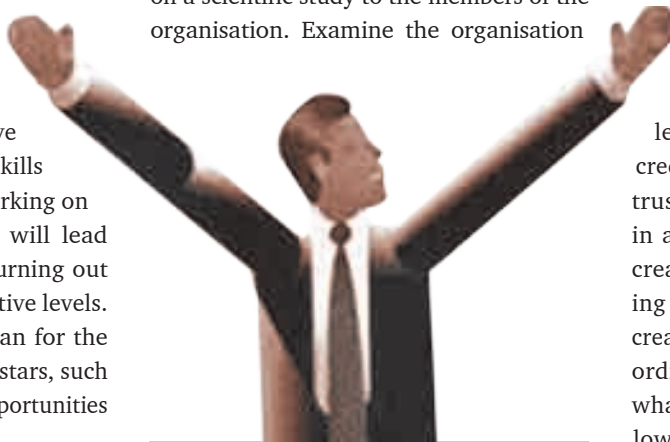
### Leadership - The Mentoring Way

An organisation, which wants to create leaders across the organisation, can learn from the prevalent practices of successful leaders from within. Mentors can take identified potential leaders through their own work style, competence and personality that have made them successful. In the course of my Organisational consultation, I

have recommended this strategy where the formal head treats every person or group differently and chalks out a development plan for each.

### Refresh, Renew, Redesign

Get the top management to rethink its business plan, the future path, decide on levels of achievement keeping in mind the resources capability possessed or acquirable and convincingly present the same based on a scientific study to the members of the organisation. Examine the organisation



**The key is to have an attitude that permits leadership to flourish and bloom across the organisation**

structure, define processes, renegotiate roles and eventually empower/ decentralize the decision-making at each point of contact.

### Begin at The Beginning.

Ensure that all concerned are familiar with the facets of leadership – traits, styles, approaches and so on. Encourage leaders across the organisation to think, adopt and construct a magic that will work and be accepted by followers through experimentation lest they adopt a behaviour, which gets rejected. Content matters so sensitivity to ones behaviours at every point of action in a process or event needs to be encouraged as it is through this feedback that the leader enhances his capability to influence the person or group.

### Back to School

A capacity to build leadership across

an organisation calls for an investment. World-class organisations like Infosys, Wipro, TCS have created institutions for leadership enhancement. The key here is to have an attitude that permits leadership to flourish and bloom across the organisation.

### Conclusion

Distributed leadership is spread across the organisation at different points. In an organisation that has distributed leadership, leaders have the capacity to attract talent at their own level and keep them together through credibility. It is these good followers who trust the leader and give him strength in and out of the organisation. Leaders create this environment of trust by bearing with mistakes. Such leaders lead by creating a difference and transcending the ordinary to change rather than manage what is around. The principles they follow are universal and they capitalize on the strength of the followers, chase high standards but provide freedom and most essential of all they learn at all times and from all.

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# Axing the Axis

John Friend, world renowned yoga expert in conversation with Prashanto Banerji





**D**oes the world think better on its head than on its feet? Having spent inordinate lengths of time with an inverted worldview, I'm inclined to believe that such a perspective is not without its benefits. Yogic philosophy would have you believe that, besides holding the promise of well grounded feelings, such a position would ensure that thoughts flow from the heart to the head instead of vice versa, which could be a fairly useful state of mind in this apparently loveless world. However, there is a lot more that yoga has to offer to the world than just the ubiquitous ideal of a bearded face peering through an assortment of limbs arranged with the randomness of a Salvador Dali painting.

While yoga has been riding the crest of a resurgent wave all over the world, the breadth of its potential still awaits sensitive comprehension and assimilation. Large sections of society reject or disregard its potential benefits because it purportedly rejects the twin fulcrums of all symbiotic and cultural evolutionary initiatives – conflict and ambition.

Yoga however is not a unified philosophy but a confluence of thoughts, practices and values which, in unison, aspire for a common goal. Perhaps the most popular form of yoga practiced in the world today stems from Vedantic roots. Popularized by Swami Sivananda, Swami Vishnudevananda, Sri. Krishnamacariar, his students, Vanda Sacravelli, B. K. S. Iyengar, Pattabhi Jois and his son TKV Desikachar, the vedantic form of Yoga puts greater emphasis on the concepts of detachment and Kaivalya.

Conversely, Tantra, a much misunderstood and much maligned form of yogic expression which has spawned its own archipelago of yogic philosophies, has a very different approach to life and its challenges. Tantric philosophy is extremely comprehensive and offers a perspective about every

aspect of life, from health to spirituality. Unfortunately, Tantra has become synonymous with the sexual practices that form only a minute part of its broad philosophy. Public imagination notwithstanding, Tantra presents an usable world-view that can find expression in worlds as diverse as religion and business.

Tantra maintains that every aspect of life is a manifestation of the divine and therefore deserves to be treated with an equal amount of emotional intensity and compassion. While in Vedantic philosophy, the purusha (the self), is considered separate from the prakriti (the environment), the purusha is encouraged to separate and isolate oneself from the environment. But in Tantra, both being manifestations of the divine, are encouraged to converge and emerge, entwined in the cosmic dance, each playing its merry part with integrity and consideration. According to Tantra, the trials of life are the agents that temper character and purify the soul.

Every action, therefore, that serves the purpose of life, serves the purpose of spirituality and spiritual growth. For example, popular perception might assume that celibacy ought to be a prerequisite for spiritual growth, the acts of soldiers and business executives are perhaps sure-fire one way tickets to hell, wherever that might be. From a tantric standpoint though, no action deserves condemnation in isolation, and the qualifying verb is 'depends'. Depends on the intention, which conceived the action in question.

Celibacy, for example, isn't necessarily a virtue but a tool, which is voluntarily undertaken to avoid distraction and dissipation of energy during certain practices, which in some cases could last a lifetime. A soldier, on the other hand, could be waging war for a variety of reasons. A mercenary is inspired by monetary incentives, a jihadi

by the promise of paradise, the demons of ignorance, the humiliation of persecution or perhaps a combination of all of the above, a private perhaps by patriotism, and there are others still who fight to protect and to preserve peace. Any act that serves the purpose of life is a virtuous act. And if a soldier fights to protect and preserve that life, or acts as a deterrent to the perpetrators of violence, his act is as virtuous and spiritually enduring as that of a celibate saint meditating in the Himalayas. Perhaps, in some respects, even more so.

The world of business presents its own myriad challenges which test the texture and strength of the moral and spiritual fabric that determines the pattern of our lives. From a theological standpoint, tantra condones the intention that drives profitable businesses as long as the business repays its debts to society and fulfils its responsibilities as a social and financial leader by enriching the lives of those that surround the business, and in various respects, contribute toward its growth and development.

Corporate Social Responsibility, or CSR, its more popular acronym, is in fact precisely that - a channel that offers a profit making concern, opportunities for investments in building (and/or reconstructing, as the case may be) the social institutions and organizations that support the foundations of progressive and prosperous societies, without seeking monetary benefits. If the concept of Corporate Social Responsibility were to become a conscientious movement and not mere lip-service, and if all profitable organizations were to focus on CSR

**There is a lot more that yoga has to offer to the world than just the ubiquitous ideal of a bearded face peering through an assortment of limbs arranged with the randomness of a Salvador Dali painting**



## Yoga helps one maintain equanimity and poise that provides the fortitude to keep us anchored to the values and attitudes

without flinching from the rigors of the task, not only would global societies benefit tremendously from the movement, but even the businesses themselves would benefit from the broader market base that would be a natural corollary of the aforementioned social developments.

Yogic philosophy can obviously benefit organizations and groups through spiritual and intellectual guidance and synergized practices, but in essence, yoga is an individual practice and its greatest benefits are reserved for the individual who can absorb the quintessential spirit of this great and ancient body of work that has retained its sense of purpose and relevance for thousands of years.



The world of business has drawn human resource benefits from the practice of asanas and meditation techniques for over a decade now. Yogasanas, pranayama and yoga nidra techniques have become de rigueur for stress management sessions in boardrooms and recreation lounges from New York to New Delhi. But the potential benefits of yoga and tantra go far beyond the physical. In fact, the greatest benefit that a regular yoga practice could bestow on its practitioners is a profound understanding of one's sense of self and the ability to retain that sense of self in the face of extreme pressures that might consistently challenge it.

Every business executive and agent of commerce has to face up to situations that inspire negativity and aggression and confront his faith in himself and his desire to remain faithful to his intentions of retaining his sense of self. It is under such trying circumstances, for instance, when one has to counter rudeness, aggression, ineptitude or acute lethargy in those who share our immediate environment and impact it in ways that impinge on our sphere of influence, that yoga helps one maintain equanimity and poise and provides the fortitude that keeps us anchored to the values and attitudes that define us and reduce the dissonance between our attitude and our behavior.

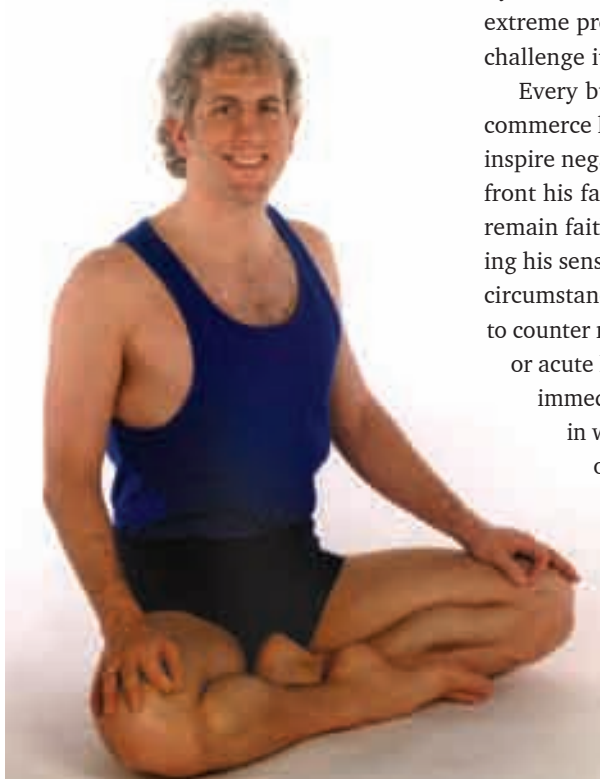
Thus, a regular practice will help us identify our true

and best nature, and more importantly, use it effectively to counter the stresses of a competitive environment and not let it affect either our psyche or our successes.

The profundity and beauty of yoga has only just begun to dawn on our modern civilization, but it holds many wonderful promises that could alleviate the suffering that this world endures at not just an individual or organizational level, but perhaps even at a global level. Every yogic treatise holds out the promise of Siddhis, or miraculous powers, for instance. While many may choose to doubt the true potential of these powers, and question the validity of these promises at a literal, physical level, the truth remains, that even on a metaphorical plane, the philosophy and practice of yoga can benefit our lives and enrich the quality of our contributions to not just society and family but most importantly, to ourselves.

*True yoga lies not in gymnastics, breath or fate,  
But the compassion that lives in the heart of every soul;  
For it is the ability to love in the face of hate,  
That makes a person complete and whole* ■

*John Friend is one of the most charismatic and highly respected hatha yoga teachers in the world. Blending an uplifting Tantric yoga philosophy with an entertaining sense of humor and a profound knowledge of biomechanics, John's teaching style guides each student to live every moment fully from the heart. Students often comment in amazement that they can perform their yoga poses under John's guidance with a level of creative freedom and inner power. Above all, John respects and honors his students with a great deal of loving-kindness and inspires them to see their own unique beauty and divine goodness. In 1997 John founded Anusara Yoga to promote his innovative vision. Today, Anusara Yoga is one of the most popular and fastest growing schools of hatha yoga in North America with an expanding presence in the UK, Europe, Japan and Australia. John Friend can be reached at [www.anusara.com](http://www.anusara.com)*



# Success Redefined

Meet the man behind India's rising KPO sector, Ashish Gupta **By Meghna Yadav**

“By 2010, the KPO industry should touch a figure of 17 billion dollars globally; out of which India will have a lion's share of about 12 billion dollars. This is certainly a very high growth rate but yet the BPO industry is going to easily surpass even these figures”, proudly exclaims Ashish Gupta, COO and Country Head of Evalueserve.

Ashish's contribution to the off shoring industry is exhibited by the fact that he has successfully created the third largest party KPO company in the world in a small time-frame of only four years. Today, Evalueserve is a globally acclaimed research services organisation with over 750 full time research professionals providing business, market and investment research, data analytics and intellectual property to clients' world over.

Driven by a vision to achieve continuous growth in the future, he believes that the

real challenge now lies in capitalizing on the first mover advantage that Evalueserve has acquired. Besides achieving excellence in providing quality research, Evalueserve recognizes the importance of leadership as being the key driving force for the success of any organisation. An enigmatic leader himself having established the foundation which Evalueserve proudly boasts of today, Ashish believes that a leader's thought leadership coupled with his ability to lead by example and to be able to smell the smoke before the fire breaks out is what makes him effective.

In Ashish's view, all managers need to be leaders but all leaders may not be good managers. He believes that in order to be a successful manager, one needs to be a great leader. In the corporate world, leadership & management are irreplaceable. Ultimately what is leadership? It is nothing but the ability to manage ambiguity! He has an interest-

ing point of view to explain in this regard. He says, “If there is no ambiguity that means you have a set process, set system which people can plug and play. If people can plug and play then effectively you are not managing anything. You are merely part of a system which is self managed. Whenever you are managing something you necessarily have to manage some uncertainty be it clients, projects, processes, cash flows, quality, technological obsolescence etc. So whenever you have to manage uncertainty you need to have that ‘thought leadership’, that pre-emptive nature, communication power while possessing that client servicing mindset.”

And it just does not end with Ashish, because at Evalueserve, they believe in creating the right platform to further nurture leaders within every employee. A high level of leadership potential in the employees is an essential skill set at Evalueserve. Its high growth rate commands the need for self initiated leaders at every level and therefore every Evalueserve employee is required to take on leadership roles very early. Thus, an ideal job fit would be defined as self starters, who are able to take on initiative and work in an ambiguous environment along with the drive to chase targets in a high growth environment. The ability to break intellectual bottlenecks and provide perspectives is what defines an Evalueserve employee.

According to Ashish, there is only one single bottleneck which is similar to any company be it a BPO or a KPO and that is its people. The industry does not suffer from any regulatory constraint, techno-





## **The key parameters of an Evalueserve team is transparency and teamwork i.e. everybody knows everything and at the end, we want the team to win and not an individual, within a team, to win.**

logical constraint or market constraint and the value proposition is also very attractive. But it is only the people bottleneck which is so evidently visible right now and which has started surfacing recently. We will have a shortage of quality people in the near future. It is unfortunate that even though we produce 2 million graduates a year yet 80% of them would not qualify as quality people, we produce 30,000 engineers a year, same. We produce more than 100,000 MBAs a year but again it is difficult to find the right people. These statistics lead us to an obvious implication that there is perhaps something lacking in the way we nurture and train our future workforce. Ashish sees this is a big operational challenge especially at the backend i.e. how do we get so many people here at the backend who are of the right quality? Quite unlike many, Ashish does not see China as a threat and he has his reasons. His views about China are perhaps a little different from those who are so skeptical that the Chinese population may overtake India even when it comes to the KPO industry. However, the challenge from China in non-voice based processes is a possibility but if you look at the BPO industry in India, more than 90% of it is voice based. So India really does not need to fear much from any likely threat from China. To put it simply, "I don't lose my sleep today because China is gearing up. Another 10 years from now, maybe, but this is something we will have to address at that point of time. The only thing we have to do is to maintain our competitiveness as a nation which can be made possible only by significantly beefing up our higher education system. And by significant, I mean significant, not a minor improvement here and there. So if we are able to take care of those then things like threat from China become a non-issue."

Looking within ourselves, the things we pride ourselves on are our meritocracy. The way people are evaluated and the way they are promoted, its all based on one's merit, therefore there is no other criteria other than performance which defines the existence of any employee. At the same time, another commendable feature at Evalueserve is the growth path which it defines for its employees i.e. how fast can they grow as well as the culture of the organisation which assures a transparent relationship between all and deep appreciation for people's efforts in their daily work lives. There is need to maintain a balance as on one hand, we can't afford to have consistent levels of bad performance but on the other hand, we also have to be realistic about how quickly a person can learn.

The key parameters of an ideal team at Evalueserve are transparency among the team members i.e. everybody knows what is going on at all points of time which is followed by teamwork i.e. we want the team to win & not an individual to win within a team. Teamwork cannot be successful if there is no proper plan or framework and continuous feedback forms the backbone of an excellent team. Similarly, there are project plans, deliverables which are pre-defined by the individual and constant monitoring about how these deliverables are being delivered, which ultimately ensures quality work.

Today, the rat race for survival is to become 'global leaders' and Evalueserve is already a very sought after name and has an established global presence. They have recognized that the one parameter which needs to be aligned in the strongest way for them to emerge as the global leader is quality. If they do it they will be able to grow fast and if the company is growing fast they will have much bigger and greater roles to play in the future. They recognize the need

to align quality in the strongest way possible. According to Ashish, misalignments happen when things go wrong. He does agree that it is impossible to have a situation where things do not go wrong but then again it is only in such times that the challenge of alignment is tested, i.e. how to align the organisation's objectives with that of its individuals especially while the organisation is going through a bad phase. And Evalueserve ensures this is done by having town hall meetings, giving constant updates on the company's performance to everybody, giving recognition to people in a public way, communicating openly with the employees as to what sort of behavior is expected and what sort of behavior is rewarded. Evalueserve has systems in place where they encourage having career managers for their employees who are like friends, mentors and guides. Their key role is to make sure that the alignment is always maintained i.e. if somebody wants to do something else or they are getting bored of a project such issues will get surfaced very quickly. Evalueserve boasts of its grandfather system of mentoring wherein a person is the mentor of two levels under him.

At Evalueserve, there are two important HR aspects to fight the Indian mindset of changing jobs every two years and it is surprising how 60-70% people make career choices based on wrong or incomplete information or peer pressure. One is to enforce their initial cultural training program so that people see a connectedness with the culture of the organisation. And the second objective is to have leadership development for which they monitor the performance of top 80-100 people in order to know as to understand what needs to be told to them to make them effective leaders of tomorrow.

With such futuristic plans in plan, Evalueserve seems to be set for a superlative growth and would perhaps grow at an even faster rate than predicted. They are definitely looking at a sparkling future as a globally renowned IPO as Ashish Gupta would further reaffirm, "We strive to grow successfully and profitably without any compromise in quality standards that we have established" ■

# Effective Leadership

Avaya Globalconnect's **Niru Mehta** discloses the power of effective leadership. **By Meghna Yadav**

**A**n alumni of the Wharton School of Management, University of Pennsylvania, USA, Niru Mehta is today the man behind Avaya Global as it sets out to mark the 'new Era of Intelligent Communication'. The Managing Director and Vice Chairman of Avaya Globalconnect Ltd and Avaya India Ltd. Niru Mehta is the bridge between the global technological leadership of Avaya with Avaya Globalconnect's extensive domestic presence to bring world communication for Indian business.

And the secret behind his continuous success is his belief in the power of effective leadership. He sees leadership more as a tool for inspiring confidence and re-emphasizing the vision of the organisation. As a leader himself, he describes his role in Avaya as being the inspiring confidence in his people. Considering the growing importance of IP telephony, Avaya today stands on a very unpredictable growth path. In such a scenario, it becomes imperative for each member to be prepared to lead the organisation out of all probable crisis situations.

According to Niru Mehta, the scenario today has much changed from being one giant ship where one person was the captain and everyone else had their own defined roles to play, to being the days of canoes which are going down the stream and where all members have to row together and in synchrony. Niru's differentiating view of how an organisation should function today in order to survive in the midst of unpredictable competition and growth, is to form an organisation of people where each have the necessary skills which are not restricted to a particular job. The rower should first of all know how to row, how to keep pace with the other canoes and be

in synchrony and also, how to swim back incase he gets dislodged from the canoe. So automatically, the skills required are much more than that of the crew members of the giant ship.

He emphasizes on the fact that the dynamics of business having changed, it is important for us to own every piece of the puzzle that needs to come together for the organisation to have a complete picture and operate successfully.

A master of perfection, Niru Mehta identifies the need to change perspectives and leadership styles while operating in an environment in India or abroad. His success is reflected in his expert ability of having a super coordinated understanding of his people as well as his business. His mantra to initiate excellence in his people's efforts lies in the leaders' ability to know what excites and motivates employees in the geographical area one is operating in.

And to understand what does it take to meticulously manage such a growing venture so successfully, we have to look into what all has gone into creating this 'Getafix' in the world of IP telephony. Much beyond his academic background, he has gained much a lot everything during his many years in the industry across the globe. He joined AT&T Bell Labs in the USA in 1982. He led the development of the latest platforms for cutting edge-communications solutions for 15 years and went

on to stay with Bell Labs even as it spun off from AT&T to become the R&D arm of Lucent Technologies. He was also the pioneer in establishing Tata Telecom in India while he was a member of the Lucent Management Team which took on the responsibility of defining a joint venture with the Tatas in India. His priceless contribution to the world of communication is his book on hardware development practices called "Hardware Inspections".

As much he has established himself as an expert in the world of IP telephony and communications, Niru Mehta's secret of his success and popularity lies in his expert understanding about the human factor and its behaviour. Although he agrees there are situations where it is essential to have watertight job descriptions, he would rather that his people own up to the end objective, instead of merely owning up to the means to the end.

A challenging personality ever ready to make things happen despite all odds, Niru Mehta personifies passion, dedication, commitment and the drive to create excellence. ■



# Leadership Ensemble

Lessons in leadership inspired from a 'leaderless' orchestra! **By Rajlakshmi Saikia**

TOOL BOX Leadership Ensemble

**I**t is a fascinating breakthrough as Leadership Ensemble reflects how music seeks to draw parallels with the corporate world. While the world of business and management tries to figure out the right concoction for a good leader, the Orpheus Chamber Orchestra tells us how the corporate world could perhaps learn more about effective leadership from this unique concept of a conductor-less orchestra. Through Leadership Ensemble, Harvey Seifter, Executive Director, Orpheus Chamber Orchestra and Peter Economy discuss the lessons in collaborative management from the only conductor-less orchestra in the world.

The concept behind Orpheus Chamber Orchestra is reflected in its renowned popularity as being a leaderless orchestra. But not having a conductor is not as astonishing as the fact that this ensemble actually leaves its reins in the hands of 'all to lead' and create quality music.

Leadership is about giving a directional pathway to others and as we all understand, in a team there is place for only

'one leader'. Likewise, an orchestra is a band of musicians usually being led by 'one conductor'.

Orpheus is a system which reflects the importance of democracy at work. Unlike other orchestras where a conductor takes the lead, Orpheus has a strong and deep rooted democratic tradition which believes in giving each musician a right

**At the Orpheus Chamber Orchestra, each member takes on the responsibility upon himself to create high quality music**

to voice his/her opinion and initiate their individualistic patterns of creating music. The system focuses on 'empowering musi-

cians' which is a radical innovation in the world of orchestra.

Musicians need the space to bring out excellence in their artistic expression. And quite contrary to this need is what forms the backbone of an orchestra where a conductor seldom leaves any such scope for creativity beyond the musical notes that he deems right. Quite like in an orchestra, the concept of leadership in the corporate world has been misunderstood many a times. Although most organisations recognize the need for good leadership on organisations in order to achieve excellence, there are still many which are yet to create the right environment to nurture leadership. It is like asking a musician to create music and at the same time giving him the exact notes to play.

The Orpheus Chamber Orchestra has developed an alternate model which prevents an orchestra from being the antithesis to a musician's ability to showcase his artistic talent. Leadership Ensemble brings forth 'The Orpheus Process' which defines the concept of or-



chestral leadership which seeks to eliminate the role of the conductor and divide the responsibilities among the twenty-seven members of the orchestra. The Orpheus process nurtures many leaders within an orchestra where individual musicians constantly rotate formal leadership roles while others spontaneously take on ad hoc

leadership responsibility in response to the organisational (Orpheus) needs and the unique demands of each piece of music. The process is such that each member is required to become a leader at a given point in order to ensure that the Orpheus Chamber Orchestra is able to create and sustain a unique 'multi-leadered organisation' that

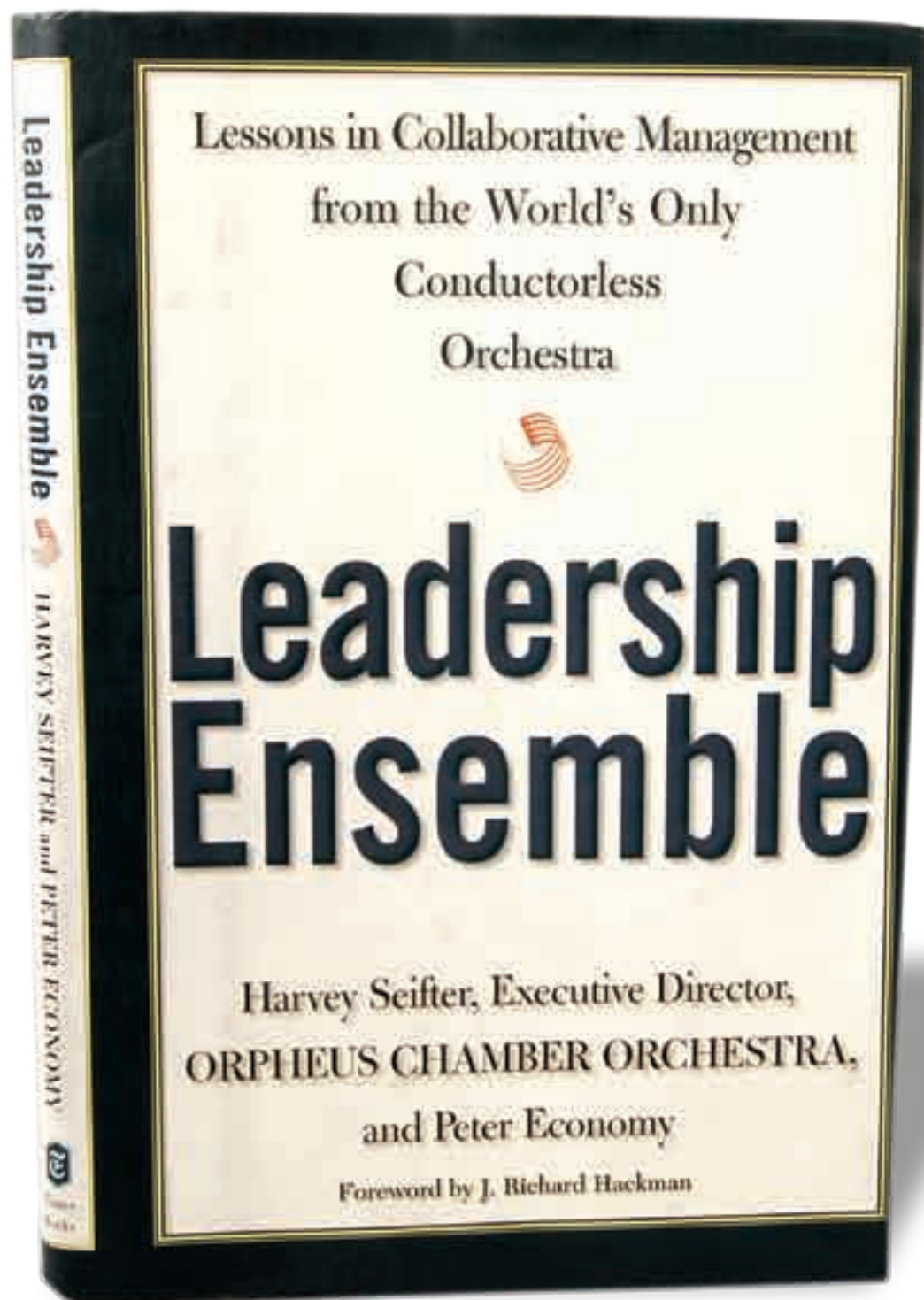
can make optimum utilisation of the creative talent that thrives in an orchestra.

The Orpheus process has undergone layers of refinement while carving out its three-decade success story. It has tried to keep itself open and unrestricted so as to make the most of the vast creative talent and to consistently and efficiently transfer the collective creativity of a

small, four-piece chamber music group into the much larger setting of an orchestra. The orchestra works on a very meticulously laid down process involving clear identification of the various means for developing leaders, strategies, the music (i.e. the product), perfecting the product and finally delivering the product (the Music).

The focal point of the Orpheus process are the musicians themselves. The work of this system is defined by the tremendous power and authority enjoyed by the musicians throughout the organisation, rather than by the absence of a conductor. Here, the musicians call the shots and each one is as responsible for running the orchestra as they are to create music. The structure of Orpheus reflects the power of musicians throughout the organisation. The members of the orchestra elect rotating representatives who serve in the management structure and on the board of trustees.

The Orpheus process and the orchestra's success are founded on eight core principles which draw parallels with the way leadership works in corporations. Interestingly, what defines the success story of the Orpheus Chamber Orchestra is the fact that it works as an organisation



# Orpheus emphasises the importance of passion and how passion is the key drive for every musical and every business decision made

of people which emphasizes the role of people and human behaviour in the success of any task at the hands of an organisation. The authors have studied and defined how these eight core principles which drive the Orpheus process can also form an integral part of an organisation's success today.

The book progresses as the authors try to unfold the eight principles followed by Orpheus which could perhaps form a platform for nurturing leaders even in the corporate world. Having worked with organisations like J.P Morgan Chase, the Ritz-Carlton Hotel Company, the San Diego Zoo and Intel, the Orpheus Chamber Orchestra shows how implementing these principles can lead to creating efficient world class organisations..

The eight Orpheus principles which have been the secret behind so many success stories so far are:

## Put Power in the Hands of the People Doing the Work

Just as the best music can be produced when each musician is given the power and freedom to express his/ her creativity, an organisation also needs to create an environment which will allow it to realize its creative talent to its optimum level. Power and decision making authority is exercised throughout Orpheus thereby unleashing a great deal of energy onstage as well as behind the scenes.

## Encourage Individual Responsibility

Quite talked about in the management world, the importance of individual responsibility along with authority has been re-emphasized by the Orpheus. At the Orpheus Chamber Orchestra, each member takes on the responsibility upon himself to create high quality music.

## Create Clarity of Roles

This principle strives to remove the one element in organisations which often hinders growth and success, that is, employee conflict. Orpheus proposes the principle of creating clarity of roles so as to extract all probable ambiguity from the system and therefore create an organisational environment where each member knows what is expected of him/her.

## Share and Rotate Leadership

A unique principle which is the core differentiator for Orpheus and the reason behind its tremendous success is that Orpheus encourages every member to lead at some point in time. It believes that every member has some value in him/her and therefore by sharing and rotating leadership, organisations can benefit from the unique skills and experiences of each individual which most often gets left behind and unnoticed.

## Foster horizontal teamwork

Orpheus works on the principle of cross organisational teams which enables the system to foster a wide range of personal expertise as well as individual responsibility. Over time, Orpheus has discovered how teams with individual as well as group authority reduces the time taken to make informed decisions and thus ensuring that each and every member works in a conducive manner to achieve the organisation's collective goals.

## Learn to Listen, Learn to talk

Orpheus defines how an organisation can be successful if it learns to listen actively and speak directly and with honesty. At the Orpheus Chamber, the power of 'open communication' is identified as the key to achieving organisational excellence.

## Seek Consensus (and Build Creative Structures that Favor Consensus)

The Orpheus process identifies the importance of having a clear and an unanimous path or manner of getting things done. If there is consensus among the members of the organisation, it is half the battle won. It highlights the significance of maintaining a clearly defined path or the role of a process-chart to undertake any task along with effective mechanisms in place to counter deadlocks.

## Dedicate Passionately to Your Mission

Quite apparent to us simpleton, it takes more than mere skills to create such worthy work of art, and likewise excellence in any endeavour requires one to be passionately involved with the task. Orpheus emphasizes the importance of passion and how passion is the key drive for every musical and every business decision made.

A laudable feature of Leadership Ensemble is that the authors have not only given us the principles derived from the world of a conductor less orchestra, but they have also successfully established connections between the two worlds of music and business in their quest to enable us to invigorate the much required passion to excel. Orpheus, besides its three-decade long experience in defining its principles and its methods of working, has already proved its mettle by successfully bringing about revolutionary change in various world class organisations.

Finally, the Orpheus process is a system that has demonstrated its capacity to sustain dynamic equilibrium between individual freedom and the imperative of cooperation in a variety of challenging environments. It has been able to evolve a system which is conducive to the real time need where all organisations need to deal with the one constant, i.e. change and the challenges that accompany change! ■

*This article is a summary of the concepts brought forward by Harvey Seifter, Executive Director of the Orpheus Chamber Orchestra and Peter Economy in their book "Leadership Ensemble".*

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The **IIPM Think Tank**, an independent, India-centric research body, is inspired by **Dr. M.K. Chaudhuri's** vision of India as an economic powerhouse in the 21st century; a modern nation state where poverty becomes history and the underprivileged are not consigned to the dustbin of amnesia. The national presence (across seven nodes, News Delhi, Mumbai, Chennai, Pune, Bangalore, Hyderabad and Ahmedabad), makes our understanding of the economy superior, where is many research fellows, senior research associates, research assistants, program coordinators, visiting fellows and etc embark on research assignments and network with global intelligentsia.

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# But, Seriously...

By Annu

BUT SERIOUSLY



## Is the net-work-ing?!!!

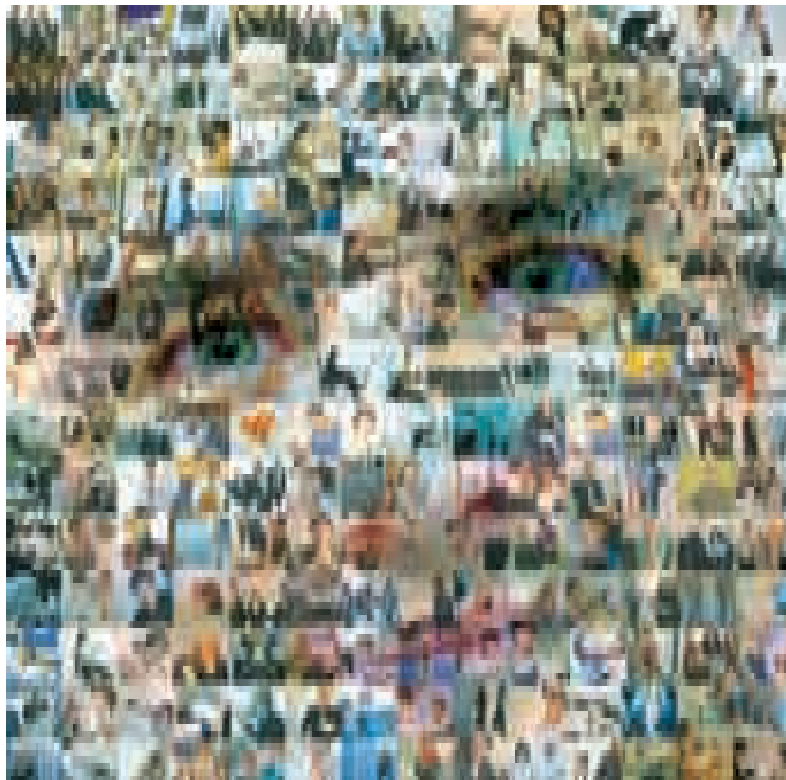
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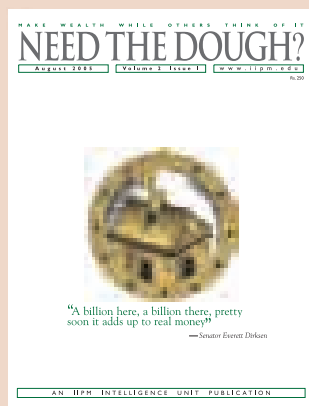
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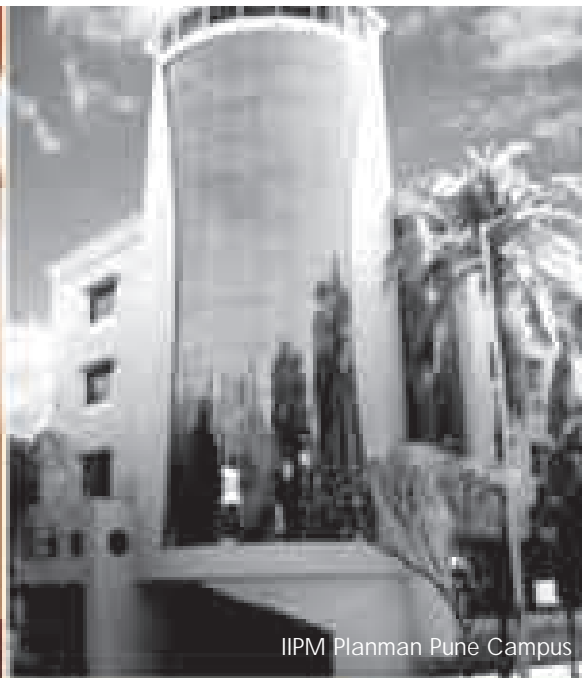
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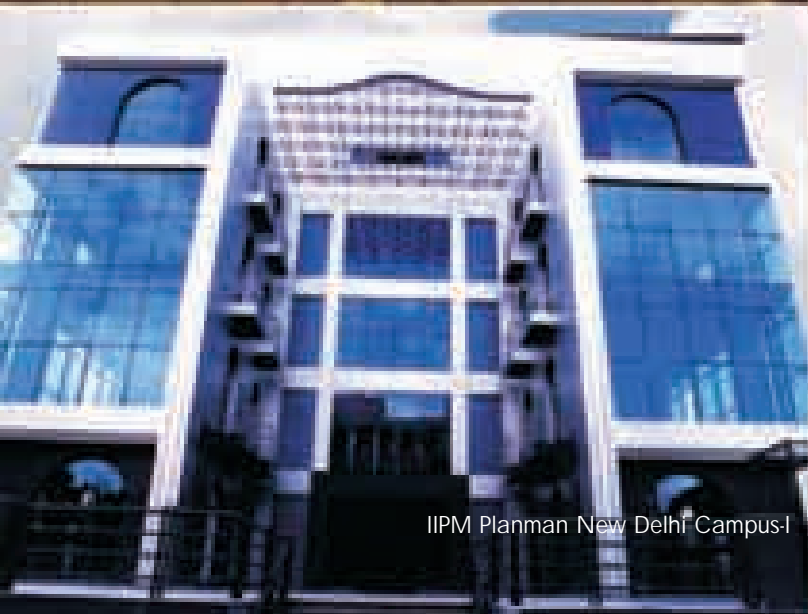
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