AIMA
ALL INDIA MANAGEMENT ASSOCIATION

65th FOUNDATION DAY & 15th NATIONAL MANAGEMENT DAY

Transformation for Continuity

Saturday, 20 February 2021 : Online

SOUVENIR

Co- Sponsors

Associate Sponsor

Committee of Host

AIMA
ALL INDIA MANAGEMENT ASSOCIATION

65th FOUNDATION DAY & 15th NATIONAL MANAGEMENT DAY

Transformation for Continuity

Saturday, 20 February 2021 : Online

Souvenir

ALL INDIA MANAGEMENT ASSOCIATION
Management House, 14 Institutional Area
Lodhi Road, New Delhi - 110 003. India
Tel. : +91 11 2464 5100 / 4312 8100, Fax : +91 11 2460 8503
Website: www.aima.in

ALL INDIA MANAGEMENT ASSOCIATION

65th FOUNDATION DAY & 15th NATIONAL MANAGEMENT DAY

Transformation for Continuity

Thank You Sponsors

Co- Sponsors

CavinKare
Making Lives Happier

USHA

Associate Sponsor

BSE
INVESTORS' PROTECTION FUND

THEJO

Committee of Host

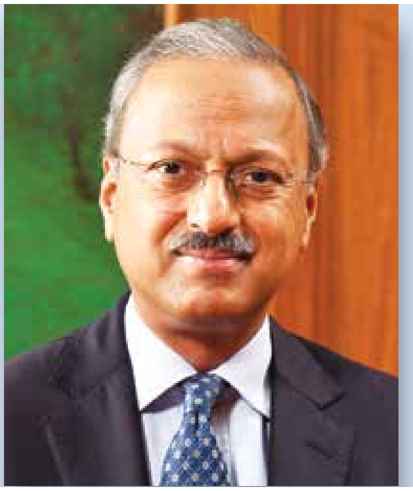
DEMPO

NICCO NESL

PATTON

CONTENTS

CONTENTS	PAGE NO.
Message from the President of AIMA	**06**
About AIMA	**09**
Background - Transformation for Continuity	**11**
Articles	
• Pattern for the future?	14
• Beyond definitions	17
• Boundless opportunities	22
• More data privacy, more value	25
• Power of many	29
• Roadmap for the future	32
• Rural outreach	35
• Strong connect	42
• The 'disputed' child	44
• The intangibles	47
• The way forward	50
• Through a new lens	53
Calendar of Forthcoming Events & Programmes 2021	**57**
Advertisements	**61**



PRESIDENT'S MESSAGE

Dear AIMA Members,

Many congratulations on the 65th Foundation Day of All India Management Association (AIMA), which is also being celebrated as the National Management Day all over the country.

A lot has changed since the last Foundation Day celebrations of AIMA. Since then, Covid has overwhelmed the world, but AIMA has ensured continuity through digital transformation. All of AIMA's activities and events have moved online and the organisation has ensured continuity through transformation.

While AIMA has not been immune to the general disruption, it has been quick to adapt and reinvent its revenue and operating model to minimize the impact of the disruption. A lot of the credit for this goes to the AIMA team which has shown exceptional resilience and inventiveness during this trying period. It is thanks to the digitalisation of AIMA that today this Foundation Day function is being held entirely digitally, including award presentations.

Still, the challenge of Covid is far from over and the disruption and damage caused by it cast a long shadow on the economy. AIMA is conscious of the need to be agile at all times and be ready to adapt to any new challenges. While technology helps in being resilient, AIMA leadership's mindset is the organisation's biggest strength, as has been proven over the past year.

AIMA's affiliates - the Local Management Associations - have also shown great initiative, and adapted quickly to the new normal. Many LMAs have accelerated their adoption of technology to keep functioning and serving their stakeholders and I have personally witnessed. AIMA has been there to help them.

During the crisis, AIMA has pioneered online testing for management admissions, using AI for proctoring. Remote MAT has allowed many students to save a year and helped many B-Schools admit students. In 2020, AIMA also held India's first virtual B-School convocation in which the Education Minister and the AICTE Chairman participated. AIMA held its first virtual National Management Convention as well, with a record number of Indian and international speakers.

AIMA has launched many new management development programmes to guide India's business leaders and executives during the crisis. The LeaderSpeak programme has proved extremely popular and nearly 40 sessions have been held with distinguished ministers, bureaucrats, business leaders, army generals, scientists, economists, futurists, academics etc.

The BusinessUnusual series has been another major success of AIMA's digitalisation. The programmes in this series have educated and counselled Indian executives to overcome the crisis and to capitalise on the new opportunities.

AIMA has also launched a new website and the online Management TV to increase engagement with its stakeholders.

Today, we celebrate AIMA's Foundation Day by acknowledging the outstanding leadership of some of the transformative individuals and organisations. It is AIMA's privilege to honour Mr Azim Premji with the AIMA - Life Time Achievement Award for Management and Mr Sanjiv Mehta with the AIMA - JRD Tata Corporate Leadership Award. We are also felicitating one of the key players in India's battle against Covid, Dr Randeep Guleria with the AIMA - Public Service Excellence Award, for his pivotal role in containing Covid and delivering the vaccine.

The Foundation Day celebrations have been enhanced by the participation of the Finance Minister Ms Nirmala Sitharaman, who is addressing AIMA for the first time. We are also privileged to have an address by Mr Uday Kotak, a globally recognised entrepreneur and a past AIMA-JRD Tata Award winner.

Many thanks to all the dignitaries, past presidents of AIMA, AIMA council members and friends who have joined us virtually. It is great to have you in this celebration of Indian management, and AIMA and I invite you to contribute to AIMA's efforts to make Indian management more agile and resilient.

Best wishes

Harsh pati Singhania

Harsh Pati Singhania
President, AIMA
and Vice Chairman & Managing Director
JK Paper Ltd

TAMIL NADU SKILL DEVELOPMENT CORPORATION

Tamil Nadu Skill Development Corporation (TNSDC) was established by Government of Tamil Nadu as a not-for-profit public limited Company incorporated under Section 8 of the Companies Act, 2013 to meet the growing demand of skilled workforce and to transform the State into the skill capital of the country.

K. VEERA RAGHAVA RAO, I.A.S
Managing Director
Tamil Nadu Skill Development Corporation

- Hon'ble Chief Minister of Tamil Nadu presented Certificate for Best Public Administration Activities and Work Place Organisation System in Madurai District Collectorate on 30.06.2017.
- His Excellency Governor of Tamil Nadu presented Award for Best Enrollment of Young Voters and Best conduct of General Elections to Lok Sabha 2014 in Tiruvallur District on 25.01.2015.
- National Award for Best Implementation and Administration of MGNREGS in Tiruvallur District on 02.02.2016.

ACHIEVEMENTS

- In the past 10 years, TNSDC has conducted Short Term Skill Training to 7, 84,369 candidates out of which 4, 28,993 were placed. It is proposed to train 15,000 unemployed youth at a cost of Rs 31.14 Crore during 2020-21.
- In the past 3 years, 73,059 workers have been certified under Recognition of Prior Learning Scheme. During 2020-21, it is proposed to certify 10,000 workers at an estimated cost of Rs 5.34 Crore.

PROJECTS

- **Pradhan Mantri Kaushal Vikas Yojana (PMKVY)**
- **Pradhan Mantri Kaushal Vikas Yojana (PMKVY) 3.0**
- **SANKALP - World Bank Funded Project**
- **Advance High End Skill Training**
- **Apex Skill Development Centres**
- **Multi Skill Development Centre for Leather Processing Sector**
- **TNSDC – Coursera partnership**

Tamil Nadu Skill Development Corporation
Integrated Employment Offices Campus (1st Floor)
Thiru. Vi .Ka Industrial Estate, Guindy, Chennai-600 032
Ph.: 044 – 22500107 (Time 10.00 AM to 05.45 PM Mon to Fri excluding Government Holidays)
Email: support@tnsdc.in • **Website :** https://www.tnskill.tn.gov.in/

AIMA
ALL INDIA MANAGEMENT ASSOCIATION

The All India Management Association (AIMA) is the apex body for management in India with over 38000 members and close to 6000 corporate /institutional members through 66 Local Management Associations affiliated to it. AIMA was formed over 60 years ago and is a non-lobbying, not for profit organisation, working closely with industry, Government, academia and students, to further the cause of the management profession in India.

AIMA makes a salutary contribution to management learning and practice in the country by offering various services in the areas of testing, distance education, skill development & training, events & conferences, research, publications, executive education and management development programmes.

The association is represented on a number of policy making bodies of the Government of India and national associations including All India Council for Technical Education (AICTE), which is the apex regulatory body for professional education in the country under the Ministry of Human Resource Development; National Board of Accreditation (NBA); Association of Indian Management Schools, Hyderabad; National Productivity Council, New Delhi.

AIMA also brings to the Indian managers, the best management practices and techniques through numerous foreign collaborations with professional bodies and institutions. AIMA is an important and long-time member of the Asian Association of Management Organisations (AAMO), which promotes professional management in the Asia Pacific region. India (AIMA) took over the Presidency of AAMO in 2019 and will hold the AAMO Secretariat for the next three years. In addition, AIMA has developed close associations with several leading international Universities and Institutions including Imperial College, University of Berkeley, California, St Gallen Symposium, Horasis, The World Bank etc, to name a few.

Follow AIMA on:

गेल (इंडिया) लिमिटेड

लाएं ताज़गी भरा बदलाव

- हरित ईंधन प्राकृतिक गैस अपनाएं
- सार्वजनिक वाहन का इस्तेमाल करें
- प्रदूषण-मुक्त वातावरण बनाएं

#HawaBadlo

FOUNDATION DAY THEME

TRANSFORMATION FOR CONTINUITY

Economic disruption during covid has changed management perspective and priorities. Transformation is no longer a plan for the future. The previously imagined future is already here and transformation is a clear and present necessity.

The sudden and prolonged lockdowns have brought home the importance of being prepared for the impossible. In fact, the frequency of radically disruptive events during the past couple of decades must convince organizations to expect improbable scenarios and transform accordingly.

The new paradigm of continuity is about prevention of disruption and not just recovery from disasters. Measures have to be taken to ensure that the critical assets, processes and people are not put out of operation under any circumstance. The customers must be assured of mission-critical products and services and the supply chain must be infused with resilience. Information, communication, transaction and delivery must be secured through adaptable infrastructure and system architecture.

Continuity transformation would involve a judicious mix of physical and digital processes and a fundamental shift in the attitude towards skills. Technology proficiency of all is central to the new paradigm, and specialization has to be expanded for versatility. Instant repurposing of resources and emergency innovation capability have to be embedded into the organization. The continuity strategies have to also factor in regulatory caprice and consumer behaviour shifts.

Being able to shift shapes to fit shifting landscapes has become essential for success and longevity of business organizations. Transformation for continuity has to be a key priority now.

ARTICLES

PATTERN FOR THE FUTURE?

COVID-19 has effected a clear shift in consumer behaviour, but will it stay for long?

Winner of this year's 'AIMA-Dr Ram Tarneja Award for Best Article in Indian Management 2020'

Ambi Parameswaran, BRAND-BUILDING.COM

A few days before Diwali, as we were driving past Mumbai's Dadar market, we were awestruck by the crowds. While many of them had a mask on, some were using it as a chin cover, or a throat cover. There was no question of social distancing. This was the same market that used to be empty right through July and August, after shops were permitted to open. Even during the Ganapati festival, this kind of a crowd was not present. We wondered what was happening.

When the pandemic and the related lockdowns were in place, Professor Sridhar Samu (Great Lakes Institute of Management) and I were discussing changes in consumer behaviour. We wondered how consumers would behave during the lockdown, immediately after it would be lifted, and may be a few months after the markets open. The research we conducted uncovered a few interesting consumer segments. We thought there will be a significant number of 'Revenge Shoppers' in India. This term was originally coined after China opened up and Chinese shoppers went on a shopping frenzy. Our research told us that there were some Revenge Shoppers in India too, mostly affluent and younger consumers, but their numbers were not too large. Then there were the 'Revelation Shoppers'; these were the consumers who realised, during the lockdown, that they needed a new iPad, or a new dish washer. This segment drove the Diwali consumer durables sales boom we saw in November. Then came the 'Reduced Shoppers' who were hurting and were keen on conserving their savings. These were the less affluent and older cohorts. The fourth group we uncovered was of those we called 'Research Shoppers'—those looking for the best deal. These cut across all income and age groups.

In the last few weeks, I feel there is also a new set of shoppers emerging, and I would call them 'Relief Shoppers'—those who are relieved that they can shop now. As the pandemic and its fear spread, consumers came to adopt several new behaviour patterns. It has been a good time to be an e-com platform or merchant. Indian consumers who were addicted to COD (cash-on-delivery) have quickly moved to prepayment options like mobile wallets or credit cards. The last time we saw that kind of mass movement was when Indian consumers had no cash, during the demonetisation drive. But they quickly went back to COD once ATMs started spewing cash. Now the behaviour seems to have stuck. It is likely this will stay unless e-com merchants score a self-goal by encouraging COD once doorstep delivery is allowed in housing societies.

The other big movement, at least in cities like Mumbai, has been delivery at the gate. This is a big breakthrough for e-com brands and can reduce delivery costs by a huge margin. In advanced countries, this has been the practice for many years. It is always fascinating to see multiple packages lying outside suburban homes in the US. If housing societies stick to the policy of not allowing delivery boys inside their premises, then this could also be a big trend that may hold.

Many sectors are going to change. Let me start with the multiplex and mall visits. These have seen very slow uptick in November. Contrast this with the crowds in the Dadar market. What is happening here? I suspect the more affluent consumer, the mall regular, is a little more worried about the disease and is not wanting to take the additional risk. My interviews with leading brands revealed that while footfalls have dropped, almost all the consumers end up buying; conversion rates are almost near 100%. Luxury brands are showing tremendous enthusiasm to woo back consumers (check out the Rolex and Omega ads in the papers prior to Diwali). Their core consumers have not lost much during the lockdown, but if they get out of the habit of splurging on the latest luxury watch, they may not come back— this could be a fear driving the ad spends. In our survey, almost 14 per cent of the consumers wanted to go back to watching movies on big screens. If we were to draw a comparison between the Dadar market and the upmarket mall, then it is likely that single screens will see a quicker uptick than fivestar multiplexes.

Our research with 1000+ consumers revealed that the most dreaded thing today is international travel. Just a small percentage of consumers are keen on travelling overseas, which is now curtailed due to international agreements. But I suspect that even after it opens up, there is going to be a drastic drop in outbound international travel. What does the Revenge or Research Shopper do? They are already travelling within India. And this trend will gain momentum. A research study pointed out that 52 per cent of those interviewed preferred domestic travel over international destinations[1]. What was also interesting was that 68 per cent preferred to travel by their own transport and shun public transportation systems. There is, however, a huge sense of regret over having lost out one year in pandemic-related measures. A large 49 per cent said that they want to travel more to compensate for lost time. And 70 per cent of those interviewed were looking for good deals. In a sense, the Revenge and Research Shoppers are going to be driving domestic tourism bookings in the coming months.

Consumers have been locked in for months now. Schools and colleges have not opened as this article was being written. A family outing for a dinner and a movie is now a distant dream. While Swiggy and other food delivery services are seeing a big boom, the ready-to-cook market has never had it better.

Indians have been very slow in accepting new food products. Most homes prefer cooking each meal, that too 'scratch cooking' from the basic raw materials. Marketers have always lamented the lack of demand for ready-to eat (RTE) and ready-to-cook (RTC) offerings. To clarify, 'ready to eat' are products that can be put in a microwave for a few minutes, taken out, and eaten. 'Ready to cook' are products that can help in cooking but will still need a fair bit of human ingenuity. Maggi 2-Minute noodles is a good example of an RTE that managed to capture the imagination of Indian mothers by straddling both the RTE and RTC markets—make it straight off the pack or add your creativity, with cheese, butter, vegetables, or egg. The extended homestay has also created a demand boom for products that will add variety to the daily diet. As *The Economic Times*[2] reported, 'as consumers crave a break from home food and are still skeptical of eating out or ordering in, the packaged ready-to-eat segment is witnessing a sales boom'. The article quotes Sachid Madan (Chief Executive, Fresh F&V and Frozen Food, ITC Limited) as saying, "People who were averse to eating frozen foods are now drawn to it. There is a surge in demand". While we used to have two market definitions, RTE and RTC, we now also have RTH, or ready-to-heat products. These are products like rotis, parathas, and wraps. The desire to try new products, different tastes, and different cuisines is a welcome change for branded food marketers. If this trend holds, then we will see a major transformation in the branded foods market in the country.

There has been a dramatic change in the way consumers have adopted digital technologies too—for education, for work, and for entertainment. These effects will last long.

Let us now cut to June 2021. And let us assume that vaccine is available to all; for some free and for others for a fee. Will we see consumers going back to what they were doing in June 2019? Or, will some vestiges of June 2020 remain?

I would like to submit that some of the changes may stay a lot longer. It is possible that domestic travel will continue to boom as international travel slowly picks up. In a similar vein, malls will start seeing crowds and multiplexes will see sell-out crowds. The food marketing window will continue to widen. Concern for health and hygiene will continue in a little bit muted way. The use of digital technologies for education, work, and entertainment will continue to grow.

All said, some trends we have seen in November 2020 will stay for a lot longer than November 2021. The pre-Diwali crowds in Dadar will continue as always.

ABOUT AUTHOR

Ambi Parameswaran is an independent brand coach, best-selling author, and founder, brand-building.com. Spring – Bouncing Back from Rejection is his latest book.

References

1 https://timesofindia.indiatimes.com/india/travellers-will-preferdomestic-travel-in-next-one-year-will-be-more-priceconscioussurvey/articleshow/79140041.cms

2 https://economictimes.indiatimes.com/industry/consproducts/food/demand-for-packaged-ready-to-eat-foodsgathers-steam-as-indians-crave-a-break-from-home-food/articleshow/78722744.cms

Disclaimer:

This article was originally published in Indian Management (Issue 11 Vol 59) an AIMA & Spenta Multimedia Pvt Ltd

BEYOND DEFINITIONS

Leaders should follow a multistep process to convey the true worth of dissent and to shape a culture that values its merits

Vivek Mehra, SAGE Publications India Private Limited

How to build a culture of healthy conflicts and dissent in an organization? The answer begins with

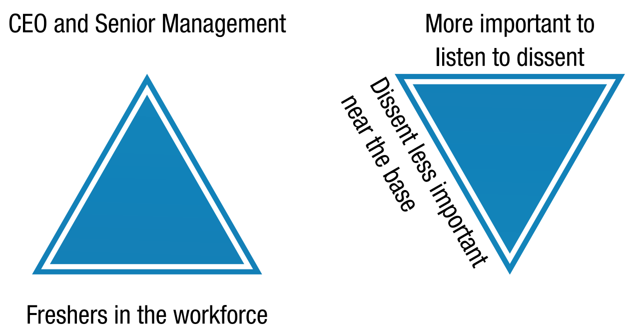
the question itself. What is a healthy conflict as opposed to an unhealthy one? The definition may actually surprise you. A healthy conflict is one that begins with the premise that there is 'need to dissent over a thought, process, or action, in any business or professional environment'. Here is a list of unhealthy conflicts:

- To dissent against the person initiating the thought, process, or action
- To show that 'I am superior' or that 'I know more'
- To gain brownie points with a boss/ colleague/peer
- To dissent because nobody else wants to
- Because I want to

The next big step is to communicate the definition effectively to the staff. One would assume that spelling it out and sending a company-wide email would do. In reality, it will not. The correct step would be to understand the steps past the definition and communicate the 'complete package' to the company.

IDENTIFYING WHERE CONFLICT IS WELCOME AND NECESSARY

Depending on where you sit in the management structure, it is important to understand the points at which conflict and dissent are critical and where they are optional. Almost all management [structures] have a hierarchy where the CEO sits at the top of a pyramid like structure. At the base are freshers entering the workforce. Dissent should follow the exact opposite pattern. Dissent is most important for decisions taken at the very top and lesser at the broader base of the pyramid. This is explained in the graphics below.



Decisions taken by senior management affect the present and future of any organization. It affects the workforce, products, process, profitability, and overall health. It is thus critical that dissenting voices are given adequate attention and space at this level. As we move lower down the management structure, the importance of dissent diminishes.

IDENTIFYING ROLES THAT SHOULD CRITICALLY REVIEW DECISIONS

Within every type of management structure, it is possible to identify roles whose voices are critical

to decision-making. The most obvious one is the voice, whether collectively or individually, of the

senior management that reports directly to the CEO. But as we move further down, it becomes less clear. Some basic principles to identify critical voices can be applied universally. Here are my top three:

- Leave it to the experts: Decisions that affect any critical function of an organization cannot, and should not, be made without consulting people who directly work in that function. These are the experts I refer to here.
- Listen the user: Another class of expert is the section that actually works on a process or equipment or product. These are functional experts within an organization that bring value to decision-making.
- Listen to the customer: Some input from an external customer is necessary but here I refer to an internal customer of an organization who is further downstream from where the decision is being taken. This conversation helps in removing 'dead fish' (a term referring to broken processes or faulty products) moving downstream.

EFFECTIVE CONVERSATIONS

Once levels and roles are identified, the next important step is to start a conversation on dissent. It begins with the CEO having clear and respectful conversations with his immediate team.

He needs to bring in the following elements to ensure that the conversation is not lost.

- Define dissent: This means agreeing to disagree.
- Define the process of dissent: It is important to know which conversations should be in-person with an individual and which conversations should be with a group. This is often critical because most people, even at senior management positions, are uncomfortable airing views in a group.
- Establish the final decision-maker: The CEO has absolute authority vested in him from the board. But there will be many decisions that are delegated. To have effective conversations, it is essential that the decision maker is identified clearly. It could be someone other than the CEO, and this should be respected by the group.
- Establish rules for having the conversations: In any decision-making process, the role of emotions can never be ignored. However, it is critical for the CEO to be clear on 'getting personal' about a decision, a comment, or a project. More often than not, emotional conversations derail the decision-making process. It is thus important to keep emotions

out. Dissent should be based on facts, technical expertise, working knowledge, and personal knowledge; it should rarely be based on thought, assumption, or hunch.

- The learning /understanding of dissenting conversations should be put into practice within the strategic functioning of the CEO + the team. It is best to designate at least one individual in the CEO + team whose mandate is to dissent from every decision that is being discussed. This helps the team understand not just the process of dissent but also appreciate the outcomes of a balanced debate.

The next step is to roll out the same methodology to the rung below senior management. Each member of the senior management group should be tasked to training and working with their respective reports on learning to dissent. For both the CEO + team and layers beneath, it is important to check in periodically and evaluate the efficacy of dissent. Over time, this gets easier and the need for checking in reduces automatically.

SETTING UP GUIDELINES TO HANDLE DISSENT

Whether it is the CEO and his team, or senior management and their respective teams, it is very important to set up guidelines on how dissent is to be handled. Very often, dissent loses steam when people start believing that 'no one listens to me; they just do what they want to'. There are many different approaches to setting up these guidelines. I am listing guideposts whose efficacy I have personally tested and believe in.

DEFINING AN ESCALATION MATRIX

All dissent must follow an escalation matrix. This is essentially a step-by step guide to registering any sort of dissent. Every company must believe in escalation of dissent, and one way of demonstrating this belief is to define an escalation matrix. The simplest form is to encourage individuals to talk to their managers. If there is a problem that is not resolved at the immediate manager's level, the individual must have the right to escalate it to the next level. At each level, the manager must be trained to handle the dissent and ensure that there are no negative consequences perceived or received by the dissenter. It is absolutely essential that the CEO communicates this consistently, be it in town hall-type meetings, SMG meetings, etc. While I have not really felt the need for having a written document defining the escalation protocols, it is clear that basic guidelines are always talked about. These are:

- All dissent should be in writing and to the immediate supervisor.

- Supervisors can resolve the issue but if they feel they cannot, then they must move it to the next level of management while keeping the dissenter in the loop.

- Where the dissent is not resolved to the dissenter's satisfaction, he or she must be allowed to escalate it to the next level up while keeping the immediate supervisor informed.

EVALUATING DISSENT—THE THREE-QUESTION FRAMEWORK

One effective way of allowing healthy dissent to come forth across any organization is to subject the dissent to a transparent set of three questions. The wordings may be changed, but here is what I have used effectively:

- **How is the dissent beneficial for the larger good of the company?**
  Sometimes a change in process might work for a department or even for many departments, but it is essential to evaluate if it works for the entire company or not.

- **Does the dissent come from a full understanding of the project/process/policy?**
  One danger of opening up dissent is the potential opening up of floodgates of 'input'. It is essential to first evaluate if the communication of the project/process/policy has been adequately transparent or

not. If it has, then it is important to evaluate the dissent in light of what has been communicated to the larger group. More often than not, most dissent comes from a lack of well-rounded understanding. Rather than address the dissent, it is essential that the root of the dissent is understood first.

- **Has the dissent followed due process of being raised?**

  Cafeteria conversations and water/coffee dispenser conversations are not true dissent. They are to be treated as conversations. The moment an organisation elevates these to acknowledged dissents, the entire intent of dissent loses its validity. Everyone has an opinion about everything, and they rightly should. But when one wants to provide constructive dissent to the organization, it must follow defined protocol—usually as simple as putting the dissent in writing (over email perhaps) and sending it to the appropriate team or individual. Oral submissions or hearsay must be ignored.

RESOLVING DISSENT—THE FRAMEWORK

There must be a defined protocol that transparently defines how any dissent is resolved. Most often, when the three-question framework is used, most issues are resolved. But if any issue passes the three-question phase and still remains unresolved, it is essential to define the authority that is entrusted with resolving it. Typically, the CEO is the final authority on all issues. But it is impossible for every dissent to reach the CEO for resolution. For each type of dissent, an authority must be defined. Here are some examples of defining authority:

- For issues related to finance, taxation, or accounting, the Director - Finance must be the final authority to resolve any dissent.
- Where dissent is against an HR policy, the HR committee (if an organization has one) is the final authority. If such a committee does not exist, then typically the Director – HR in consultation with the CEO, should be designated as the final authority.
- Sales policy or discount structure or sales accounting issues should be resolved by the Director - Sales in consultation with the Director - Finance.

ENCOURAGING DISSENT

Once the framework has been established, individuals will generally become more receptive to the concept of dissent. But the vast majority will not openly dissent about anything. Most organizations stop at the point where the framework is in place and willfully ignore the next phase of 'encouraging the airing of dissent'. I have frequently heard that management believes creating the framework is their only duty; it is no longer their responsibility if no one uses it. More often than not, employees choose to stay quiet. This is harmful in two ways.

- Dissent does not get a platform to be aired and builds up like a pressure cooker. This results in low motivation, less ownership of decisions, and worse, the hunt for other pastures.
- Great ideas come from dissenting with just mediocre or good ideas. A company loses the benefit of so many minds concurrently at work.

There are many steps a company can take to encourage people to voice their concerns.

Here are some of the ones I have tried and tested:

◆ Speak your mind

An organization should have a channel where employees can air dissent. This channel can be anonymous but should allow individuals to identify themselves if they choose to. Comments, observations, suggestions, and even criticism should be addressed in a transparent manner. A town hall-type meeting is my preferred way of doing it. Everyone gets to listen to the issue and the resolution. This builds trust, which to me is the most fundamental building block of airing dissent.

◆ The CEO's direct channel

A tool I firmly believe in is the unhindered, direct communicating channel that anyone can use to reach the very top. Again, it could be an anonymous channel, or one where one can identify themselves. However, if this channel is created, then one has to be clear that it is handled by the person claiming to own it.

Here are two examples of how this channel is damaging if mishandled:

I used to be a frequent flyer with a now defunct Indian airline and loved its service. Many like me were enamored with the welcome message the Chairman gave as soon as you boarded a flight. The message ended with the Chairman displaying an email address to which one could directly send feedback. Once when I was upset with the airline, I sent an email to the address. I expected a bot,

or at least the Chairman's PA to write back. But I was not prepared for a supervisor-level person responding to my query without even understanding what the issue was.

The second has to do with a management consultant (marketing) who is still in business. This person was a pioneer in creating the direct channel. I once wrote to him on this channel but never received a response. That was early on in my career when I was without an attractive job or title. Many years later, I had the opportunity of letting the consultant know about this shortcoming. I explained to him that I could not do business with him because I did not think he was credible.

◆ Building credibility

Perhaps the most fundamental building block to establishing trust is 'credibility'. If employees do not see the CEO and/or the senior management as credible, then they are not going to believe in any trust-building exercise. Credibility is not going to be built in a day; but every day can be used to build credibility. It begins with walking the talk; not making exceptions for oneself from any rule created for the entire company. Policies that affect the lives of people must be thought through and should necessarily be a consultative process. Setting up smaller groups of individuals outside of senior management, who are entrusted with handling internal issues (e.g. committees that handle green initiatives, employee engagement, charitable giving, etc.) help build trust. When people feel empowered, they build trust.

There is no real shortcut to creating a culture of anything. It is built one day at a time, and requires commitment from the very top. It is only then that this will bear fruit.

ABOUT THE AUTHOR

Vivek Mehra is Managing Director and Chief Executive Officer, SAGE Publications India Private Limited.

Disclaimer:

This article was originally published in Indian Management (Issue 6 Vol 59) an AIMA & Spenta Multimedia Pvt Ltd

BOUNDLESS OPPORTUNITIES

A highly networked world eliminates barriers and drives positive outcomes for the various stakeholders—it is like a close weave wherein every thread draws its strength from the others.

K Shankar, Feedback Business Consulting

Globalization is an opportunity while a networked world is a compulsive ecosystem. Globalization is an ambition while a networked world is a phenomenon that is brutally compelling on nations, organizations, corporates, and businesses alike. It is an undeniable truth that allows for greater control on vision and deliverables for every stakeholder.

In recent years, the only constant across the board has been upheavals or disruption. Changes have occurred at every level, from the way supply is organized to the last point—consumption of a product or service. New paradigms of customer service, satisfaction, and its measurements have been established. There have been changes of gargantuan proportions in the way basic tasks are carried out by individuals and organizations. In an era of radical uncertainty and changing business rules, a networked world has pushed managers and management thinkers to constantly innovate and shift their core thinking from how business is conducted to how business is conducted within an efficient networked framework. This has made businesses complex and the competitive edge even sharper. Scripting a strategy is not done in isolation anymore. Networked world opportunities are at the heart of the thinking.

Simply put, the digitization of information, embellished with consistent progress in computing, automation, and communications, has fundamentally changed how all networks—people as well as technological—operate. This change is having profound consequences for the way work is done and value is created throughout the economy.

In a networked world, everyone and everything is expected to be connected. This accentuates speed, precision, and perfection in service quality, which allows for economic value in the loop to behave very differently than it does in the traditional world situation. Value is created and benefits are directly passed on to the entire value chain, across supply chain, and customers. The five value pockets in the system are those that make a difference to business results. Revisiting the gospel truths of business is most critical for corporations in a networked world:

- **Money is made in sourcing and from customers**

It all begins with the corporation's ability to get the best product and service at the very best price. After processing the raw products, the next big value pot resides at the customer end. Most economic value will be created at the ends of networks. At the core—the end most distant from users—generic, scale intensive functions will consolidate. In a networked world, it is possible to simultaneously achieve very high economic efficiency at both ends of the network through efficient sourcing and creating highly customized connections with customers spread across. Conventional sales models that allowed for exclusive B2B have moved to a B2B2C. Large, generic retail platforms available across the globe have made it possible. Alibaba is a great case in point for sourcing and helping in efficient customer reach. This trend pertains not only to technological networks but to networks of

companies engaged in shared tasks and even to the human networks that exist within companies.

- **Infrastructure optimization eases pressure on capital**

In a classical world or in polarized manufacturing and service, infrastructure was generously distributed among different machines, business units, and facilities. Organizational strengths and synergies were overlooked in favor of customer reach. In a networked world, this paradigm has been

vanquished. A networked world allows for shared infrastructure. This not only helps in addressing low-cost, high-opportunity adjacencies but also creates centers for excellence in various activities. A networked world allows for an organization to seamlessly identify common activities and leverage them from any part of the world. We Work is a case in point. Sales organizations of global corporates

plug in and out of We Work facilities easily and focus on core activities of sales instead of office administration. Similar examples exist in manufacturing and other aspects of a business that have decisively determined how common infrastructure allows for managing costs efficiently. Shared infrastructure is not only prevalent across computing data storage functions but also in common business functions, such as order processing, warehousing and distribution, finance, compliance, and customer service.

- **Business models will increasingly become modular to be effective**

Interventions led by technology, software, convergence devices, and shared platforms are influencing organizational capabilities and business processes in an interconnected world. These will become increasingly modular and lean in operations. Vagaries of businesses and the disruptions thereof can be better addressed through a modular approach. Aggregation business was conceived primarily because it could be delivered in a networked world through a modular approach. It allowed for asset-light businesses. Businesses began to focus on the core at both ends through a modular approach and delivered the best and most uncompromising experience to customers. Large government organizations have begun adopting the modular approach to become efficient. Governments have been able to track Covid-19 cases and its traceability across the world to improve their speed of response because of a modular approach in a networked situation. Organizations are increasingly opting for a modular approach to be primarily well defined and self-contained. Modules can be quickly and seamlessly connected with other modules. Value will lie in creating modules that can be plugged into as many different value chains as possible. Companies and individuals will want to distribute their capabilities as broadly as possible rather than retain them as proprietary assets.

- **Focus on process and handshake points is paramount**

The ability to coordinate amongst modules and maintaining their efficiency and uptime will become the most valuable business skill. Streamlining activities will define business excellence. In a modular

model, a rich process and, most importantly, a process adherence mindset is critical for business to succeed.

Process articulations, along with appropriate plugins and delivery definitions, will become the bedrock of an organization that deals with disruptions very well. This also becomes the most important attribute to function in a networked world. The entire Industry 4.0 or digital manufacturing is based on this. Without process thinking, IoT will never succeed as a practice. IT services companies around the world are helping their clients go digital, end to end. Well-architected and orchestrated process is the backbone of that strategy in the networked world. Much of the competition in the business world will centre on gaining and maintaining an edge over process and process efficiency in this world.

- **Reduce barriers through dynamic access of information**

In a networked ecosystem, it is possible to prepare strategies that can mitigate barriers. Information flow is continuous and updated. This will help eliminate the risk of physical and visual isolation in the network. Once that is addressed, it sets up for a common playing field for corporations across the globe. Barriers due to government regulation, business rules prevailing in various geographies, customer pain points, etc, are easier to address in a networked world.

The networked world creates new opportunities for organizations and professionals in the developing world. It eliminates barriers that have traditionally stifled flows of information and goods to and from developing nations. In doing so, it promotes improved efficiency in almost all business functions. Businesses can find new market opportunities and more efficient ways to run their operations. Governments can more effectively provide public services. Individuals can communicate with friends and family and become more informed about virtually anything that is on the network. Participation in the networked world can provide new ways for developing countries to improve their economic, social, and political well-being. These opportunities for positive change are increasingly relevant and achievable as information and communication technologies become more powerful and less expensive.

Leaders shape organizations, imbibe it, and then slide into networked ecosystems. The big starting point is about imagining the possibilities and then putting together a strategic plan and operating framework that connect ideas with people and resources. Good leaders decipher the labyrinths of business complexities to bring the networked world into the organisation as they make their organization part of it. It is about breaking conventional practice and adopting next practices.

Leaders who believe in collaborative and collective growth succeed in a networked world. Collaboration and structured modular approach to business become the cornerstone of strategy. This can create far greater impact and scale than individual leaders or organizations can manage on their own. Finally, networked leaders accept that being connected and collaborative exposes the organisation to vulnerability and complexities of a different kind. Control will be hard to retain due to many moving parts in the business process. Living with uncertainty becomes the new, yet acceptable norm. What it allows for is the creation of more alpha leaders in the organisation. Managing them will be a task, but nothing comes easy.

ABOUT THE AUTHOR

K Shankar is CEO, Feedback Business Consulting.

Disclaimer:

This article was originally published in Indian Management (Issue 4 Vol 59) an AIMA & Spenta Multimedia Pvt Ltd

MORE DATA PRIVACY, MORE VALUE

Mature markets with data protection laws in operation or on the anvil offer excellent opportunities for companies to differentiate their products and services through their ability to meet data protection regulations around the world.

Dr A K Chawla, Author, Pandavas: The Tech Warriors

Forbes reports that Fortune 500 and FTSE 350 companies will spend almost $9 billion to comply with the General Data Protection Regulation, or GDPR.[1] Look at any conversation about GDPR, and this increased cost of doing business is guaranteed to be a talking point. It reminds me of other regulatory changes, like Basel and SOX. Analysts and consultants work overtime whenever there is a major change on the anvil, with naysayers predicting doom every time.

I believe that data protection is actually a huge opportunity for the IT outsourcing industry. An organization's ability to handle GDPR effectively and efficiently can be a solid competitive advantage. In any case, we live in a globalized world; not doing business with the EU is not an option. Costs related to GDPR compliance are not in a company's control, so why sweat it?

COST OR FEAR?

Companies that are not prepared for GDPR and other privacy regulations claim to be worried about the cost of compliance. I think they actually fear the cost of non-compliance. In just the past few months, companies all over the world have been fined billions of dollars over data breaches.

- The US Federal Trade Commission (FTC) imposed a penalty of $5 billion on Facebook to settle its investigation into the Cambridge Analytica (CA) scandal.[2] CA purchased personal information of 87 million Facebook users collected by a third-party app. The firm then used this data to profile and influence voters in the 2016 US presidential campaign. The settlement also affects Facebook's management structure and handling of user data.

- Equifax will have to shell out $575 million in settlement after a cybersecurity breach allowed hackers to steal personal and financial information of nearly 148 million Americans.[3] Even after the breach was discovered, the company did not inform the public for weeks. Now, it faces multiple payouts to resolve a class-action lawsuit, and investigations by the FTC, 50 US states and territories, and the Consumer Financial Protection Bureau. Equifax must also have its information security programs assessed by a third party every two years.

- The UK Information Commissioner's Office (ICO) fined British Airways and its parent International Airlines Group $230 million after it found "that a variety of information was compromised by poor security arrangements at [BA], including log in, payment card, and travel booking details as well as name and address information."[4] Malware installed on the company's website scraped credit card information and sent it to a fake website. Data of 500,000 customers was affected. The fine amounts to about 1.5 per cent of the company's revenue last year. This is the highest the ICO has ever fined a company for a data breach.

- ICO also fined Marriott Hotels $123 million because "Marriott failed to undertake sufficient due diligence when it bought Starwood and should also have done more to secure its systems."[5] The central database of Starwood properties, an acquisition, was hacked. Discovered in 2018, the 2014 breach exposed 383 million guests, including 30 million EU residents. Marriott decommissioned the compromised reservation system, but faces a fine to 3 per cent of its global revenue.

In all these breaches, organization-wide data protection programmes were either absent, ineffective, or poorly implemented. IT systems were built without adequate consideration for data protection:

- Privacy by design absent
- No data minimization
- Poor data access control
- Avoidable data footprint
- Meager information security protocols

Clearly, weak IT systems pose big and real risks for global corporations. Moreover, during acquisitions and mergers, vulnerabilities of IT systems do not get as much attention as financial valuation and business synergies.

THREAT OR OPPORTUNITY?

India holds a significant share of the $200 billion global services sourcing market. Top IT service providers, such as TCS, Accenture, Infosys, IBM, HCL, Cognizant, Cap Gemini, and Wipro, have a lot at stake. Their clients have operations across the world, and the ability to comply with all applicable privacy regulations is critical. While GDPR is the most talked about regulation today, many other countries also have privacy laws in force or in the offing.

In this era of Business 4.0, IT services are becoming more commoditized.

Competitors can easily copy old tactics— global delivery model, full services play, cost arbitrage in offshoring model, and tools and frameworks for low-end jobs.

Companies have been countering this with agility and cycle time reduction, big data, artificial intelligence and machine learning, analytics capability, cloud-based solutions and services, partnerships, and deep domain knowledge, and other measures.

All these create visible, sustainable, and substantial value for the end customer. However, competitors are now replicating these as well.

CHALLENGES FOR VENDOR MARGINS

- Hard bargaining on pricing
- Demand for added value and freebies
- Splitting deals into smaller contracts
- Splitting work among multiple vendors

- Insourcing client associates
- Switching vendors for better deals
- Asking for benefits of automation and scale to be passed on

What differentiated company A from company B earlier has lost relevance in Business 4.0. Now data is a key raw material. Secure and controlled handling of data to arrive at useful business benefits becomes a powerful differentiator for service providers.

Imagine a global pharma company with a strong presence in the EU, the US, and the Asia-Pacific region. It wants to outsource a seven year contract valued at $5 billion. The entire process—from drug discovery to commercial launch—is up for grabs. The key asks are:

- High level of security and confidentiality for patients' data, which is sensitive personal information (SPI)
- Compliance with applicable privacy regulations
- Proven expertise in handling this kind of work.

The client knows that a data breach will attract heavy penalties. More than that, a breach will be an irreparable blow to the brand's reputation. The outsourcer will be concerned with the following:

1. How is SPI collected and processed?
2. If and when work is sub-contracted to other vendors, what are the contracting instruments and governance mechanism?
3. Is there cross-border transfer of data? If so, how is it covered contractually and handled by the provider?
4. What are the organizational and technical measures to store information? How is access to this data controlled?

5. Can the vendor assist relevant data controller organizations with data privacy impact assessment, risk identification, and remediation?
6. Does the vendor maintain a detailed and systematic record of processing activities?
7. Does the vendor have required systems to support handling of braches, data subject requests, and deploying privacy principles?
8. Are vendor employees aware of data privacy issues?

All other capabilities being equal, a vendor that can handle these data privacy concerns knowledgeably and maturely will be the strongest contender.

Legendary management guru Michael Porter propounded two strategies for gaining competitive advantage: cost leadership and differentiation. The outsourcing industry today has evolved from pure cost arbitrage to creating serious value for all stakeholders—shareholders, customers, partners, employees, and society at large.

Providers that can handle data protection better are likely to create more value for their various stakeholders, namely:

- Shareholders: Higher returns through differentiated offerings and reduced penalty and brand risks.

- Customers: Early identification of privacy risks and their mitigation, reduced reputation risk, protecting and enhancing brand image, action to prevent penalties under privacy regulations.
- Partners: Moving up the privacy value chain and competing globally.
- Employees: Employee loyalty through discreet handling of their data while respecting their privacy.
- Society: Balancing data protection with positive potential of analytics.

I believe companies that adapt to changing data privacy regulations promptly and comprehensively will save their dollars and reputations. They will stand out from competitors, and earn the trust of their clients and the public.

Views expressed in the article are personal.

ABOUT THE AUTHOR

Dr A K Chawla works on the data privacy program of TCS to ensure alignment and Compliance with GDPR and other global data protection regulations. He is the author, Pandavas: The Tech Warriors.

References

1 https://www.forbes.com/sites/oliversmith/2018/05/02/the-gdprracket- whos-making-money-from-this-9bn-business-shakedown/.

2 https://www.engadget.com/2019/07/24/facebook-will-pay -5-billion-fine-for-cambridge-analytica-data-b/.

3 https://www.cnet.com/news/equifax-to-pay-at-least-575m-aspart-of-ftc-settlement/.

4 http:// techcrunch.com /2019/07/08/ ukd-ico-fines-british-airways-a-record-183m-over-gdpr-brach-that-leaked-datafrom-500000-users/.

5 https://techcrunch.com/2019/07/09/marriott-data-breach-uk-fine/.

Disclaimer:

This article was originally published in Indian Management (Issue 2 Vol 59) an AIMA & Spenta Multimedia Pvt Ltd

POWER OF MANY

Organizations that truly think long term invest heavily in building game-changing teams.

Muniinder K Anand, Center for Creative Leadership

Let us start by asking a few questions: Is there a need for teams in organizations? Why does it matter that they succeed? Why must they be game-changers?

A 'team', to a layman, is a group of players on either side in a competitive game or sport. In the corporate context, it refers to a group of individuals working in a competitive environment—motivated by the common goal to outlast competitors in the game of bagging client contracts, increasing market share, building the best products, harnessing innovation potential, and so on.

We need teams because our collective ability is greater than our individual capacities. Also, if we, as individuals, work on only our tasks and priorities without any common sense of direction, then the result will not necessarily be the one we expected when we set out.

Teams are necessary also because it is important to align individual efforts with common goals. Such alignment and coordination are critical to organizational success since teams invariably comprise all kinds of people who depend on each other for information, access to resources, and domain-, area-, and industry-specific knowledge and skills.

A 'game-changer', as defined by Oxford English Dictionary, is 'an event, idea, or procedure that effects a significant shift in the current way of doing or thinking about something'. In today's ever-changing economy, characterized by rapid shifts and dynamic trends, such as artificial intelligence, design thinking, Internet of Things, automation, and an evolving geopolitical environment, the key differentiator would be to maintain a competitive edge. What is needed to navigate successfully and stay ahead is a game changing team, the kind that brings about a significant change in the way of doing business and doing things differently to produce tangible business outcomes.

More and more organizations are directing their efforts towards supporting and driving business strategies with the help of talent strategies. The talent strategies being developed and sought are the kind that are detailed, speaking to business structures such as centralized/ decentralized, verticals based on business unit/centres of excellence that extend across geography and are not limited to or by country or region or areas. These strategies are crucial to building game changing teams, as they generate value and relevance and ensure competitive advantage.

Stakeholder buy-in is also critical while developing talent strategies. Leaders committed to this cause are good at making a business case for talent development, and they deeply invest in laying the building blocks to sustain and support the initiatives. They own the process and hold others accountable for identifying, developing, and retaining individuals with the potential to be a part of the game-changing team; these individuals are often referred to as high potentials in HR terms.

Creating an authentic game-changing talent strategy is not simple; it is mired in ambiguity and complexity. How to balance the imperative to be strategically oriented while maintaining operational excellence? How does the strategy support a strong, enabling culture for all and yet create space for high potentials to chart their route? How can the strategy be relevant and compliant with local norms even while resonating with the global ethos? How does one provide structure and process to ensure governance and yet be flexible and agile vis-à-vis the changing environment?

Game-changing teams are the ones that look at these conflicts as opportunities rather than trade-offs. These are, in fact, polarities that must be managed and prioritized as the situations evolve; there is no one-size-fits-all. All these are important and come with characteristic tension that ought to be reconciled. While adopting a strategic outlook, organizations must also look at optimizing operational efficiency; the drive of individuals to succeed must be tempered with collective ownership of goals; a global mindset should strive for local relevance; legacies and past success must not stand in the way of fresh ideas and new plans. Championing these four polarities is the way organizations can look at formulating the talent strategy, which forms the foundation of game-changing teams.

A game-changing team may have all the good-to-have features—shared commitment, ownership, energy, innovation, etc. I have found that the following five strategies work and can deliver business results when building game-changing teams:

- **Nurture relationships**

Nurturing and building relationships is crucial to team behavior and success. A recent Harvard Business School study found that teams that engage with each other outside of work are more likely to succeed and outperform others.

A successful team needs the support of key stakeholders who may take on the roles of advocates or sponsors. They may be customers, business partners downstream or upstream, or, in some cases, even competitors. The involvement and engagement level required to develop relationships with both external and internal stakeholders may vary or differ depending on the team's tasks.

- **Engage in trust building**

Developing trust is centric to deepen relationships and enhance engagement. It helps in breaking barriers to collaboration, enables adjustment to growth, and conditions people to adapt to as well as drive change.

Teams functioning in today's context face problems and shifts that are quite complex — gaining market share, boosting productivity, and developing products with short go-to-market timelines while working on operational efficiency.

Having a high degree of trust is essential to be able to work on these priorities. Building trust may seem easy but it has its own set of unique demands and challenges. Trust is a complex construct with its definition changing with different people. One may have a high or

EFFECTIVENESS INDICATORS

Results oriented indicators	Feeling oriented indicators	Learning oriented
Achievement of team-specific tasks by the team instead of an individual	Satisfaction level of the team with the team	The efficiencies which are created by the team
Suppoting the team through citizenship behaviour	Satisfaction level with members of the team	Improvement of efficiencies over a period of time
Supporting the organization through citizenship behaviour	Commitment to and identification with the team	Ability to adapt approach to changing conditions

low degree of trust, yet it elicits an emotional response. Research undertaken by Center for Creative Leadership (CCL) suggests that results in three core areas may be utilized to measure team efficacy and effectiveness. (See table above).

- **Imbibe agility and flexibility**

In order to survive and thrive, organizations ought to be flexible in the way they operate and deliver—agile in both thought and action. Emphasis must be on building judgment early and enabling decision-making in dynamic scenarios. The need is for an owner's mindset versus a tenant's mindset, to operate and execute strategies and plans effectively.

- **Demonstrate courage**

Great leaders have often demonstrated courage under adverse conditions—Martin Luther King, Nelson Mandela, Mother Theresa, and Amelia Earhart, to name a few. Simon Sinek once said that "the courage of leadership is giving others the chance to succeed even though you bear the responsibility for getting things done." Good leaders demonstrate courage by expressing confidence in their team members. It is about enabling the team members so that they can respond effectively even during a crisis because they know that the leadership team expects them to be decisive, based on their convictions and assessment of the situation.

- **Support risk-taking**

An organization that looks unfavorably at every risk, any mistake that is made in good faith, and attempts to help is not cut out to succeed in the long term, and neither are teams that follow the same route. Successful teams know that if they are fully empowered to make decisions based on the information available and their logical reasoning, then they will be not be reprimanded for a mistake.

As it is often said, "Training is costly, price of not training is even more". Thus, organizations need to shift from an earning mindset to a learning mindset and invest in the journey of building game-changing teams.

ABOUT THE AUTHOR

Muniinder K Anand is Managing Director India & South Asia, Center for Creative Leadership.

Disclaimer:

This article was originally published in Indian Management (Issue 5 Vol 59) an AIMA & Spenta Multimedia Pvt Ltd

ROADMAP FOR THE FUTURE

Preparing an emotionally resilient workforce can help shape the future of the industry, instead of simply adapting to it.

Asif Upadhye, Never Grow Up

Even though remote work structures and tech-driven set-ups have been in vogue for a while, 2020 has accelerated digital transformation by a few years, if not more. Workplaces across the globe are undergoing transformation at breakneck speeds; and while digital acceleration continues to take place,

leaders need to simultaneously prepare for imminent change in the context of employee productivity, employee engagement, rewards and recognition programmes, and overall organisational well-being.

The fact of the matter is that even though the pandemic has impacted all sectors in unpredictable ways, the widespread repercussions on the economy will be felt for years to come.

THE BIGGER QUESTION IS: WHAT NEXT?

The honest answer to this is that nobody might actually know what is coming. From a factual standpoint, we currently lack credible data to predict when the world will return to even a semblance of normalcy. Until then, leadership needs to undergo a monumental shift. Especially during a crisis, employee feedback and active listening are paramount. In fact, building trust, easing anxieties, and calming fears become part and parcel of a leader's portfolio, if not the most important bit. Leaders must therefore invest in building their empathy as well as their emotional resilience levels.

First things first. It is important to define resilience and understand what it takes to build leadership resilience when navigating through uncharted territory. Simply put, it is the capacity with which an employee is able to bounce back after going through a phase of adversity, respond to change, feel a sense of control over his or her own workflow, and establish a sense of community at work.

Having a solid concept of your leadership style is a focal point when reflecting and assessing leadership effectiveness. Since resilience is a skill that can be learned, crisis situations present opportunities for leaders to learn more about themselves and come out stronger on the other side. Leading with purpose results in enhanced employee productivity, a transparent work culture, and higher job satisfaction. Becoming a future-ready and emotionally responsive leader builds resilient muscle within an organisation to help teams navigate the flux and move forward.

RESILIENT LEADERSHIP WILL SET YOU APART FROM THE REST

Lead with your heart (then, your head)

In January 2020, a survey conducted by Deloitte China revealed that 90 per cent of the companies and NGOs considered it an urgent requirement to provide their employees with remote and flexible work options. Simultaneously, more than half of the government and public service entities were focusing on addressing employees' psychological stress. While this might be stating the obvious, the state of mental health in corporate India requires immediate and deeper-than-surfacelevel attention. There is no better time to take the lead and roll out communication that not only resonates with the purpose of your organization but also helps cultivate engaged employees.

Leading with your heart requires an understanding of an employee' basic psychological needs as well

as an empathetic approach towards putting in place remote work structures that prioritise their well-being.

Put the vision first. Aim for speed over style

A key trait of an emotionally resilient leader is the ability to find opportunities even in adversity. In my experience, the ability to take decisive action during a crisis—even without knowing the complete picture—is what helps stabilise organisations. From an emotional intelligence standpoint, building a culture of emotional resilience requires leaders to start by narrowing down on pressing issues, establishing a centralised communication system during a crisis, strengthening digital capabilities, and maintaining business continuity.

When it comes to agility over elegance, leaders need to be willing to accept that they will need to act with imperfect information and sometimes make impromptu decisions. Leaders can seize this chance to encourage teams across all levels to take more initiative, along with driving decision-making and coming up with creative approaches to addressing unanticipated needs. Doing this will amplify trust within teams, motivate employees to assume ownership of projects, and thereby ease the task of putting out multiple fires all at once.

Own the narrative. Embrace the Unknown

Communicating with empathy and authority is like balancing on a tightrope. Not many leaders can ace the art of balancing, but the ones that do know how integral it can be to responding to crisis situations. Owning the narrative requires being cognizant of the situation, telling your employees exactly what you know as well as communicating grey areas within the organisation.

While numbers can be powerful, recognizing that emotions always take precedence during uncertain times is a solid way to build a work culture that thrives on overcoming challenges. Take for example, the findings from a Harvard Business Review assessment of corporate performance during the past three recessions. Out of the 4,700 firms studied, those that cut costs fastest and deepest had the lowest probability of outperforming competitors after the economy recovered. While mass costcutting might be the first thing that leaders do while trying to stay afloat, it can also backfire if long-term strategies are not in place. Instead of jumping the gun, resilient leaders can emerge from the crisis by striking the right balance between short- and long-term strategies.

The 'Evolving Leader'

Whether we like it or not, COVID-19 has put us all to the test. But if we take a step back, pause for a minute, and reassess how we deal with change, we will quickly realise that no matter

how hard we fight change, it is inevitable. Something as simple as acknowledging the fears and uncertainties that your employees might be facing is a great way to start asking the right questions.

Building an emotionally resilient workforce requires listening intently to what your team members are saying as well as what they 'aren't saying'. If you are transparent in your communication about the direction that the business needs to head in, are compassionate towards employees who are struggling while working from home, and are also taking into account the serious impact on their mental health, then your people will remember it. Acknowledging that the new normal is as alien to you as it is to your employees will help fill in any gaps in communication.

Talk of the corporate town

The biggest work culture shift that organisations are experiencing has less to do with adjusting to remote work and more to do with the impact on employees' emotional well-being. While organisations are scrambling to put in place digital workforces that cater to their clients and stakeholders, it is important to hit pause and take a long, hard look at employee well-being and engagement.

In order to effectively deal with the business ramifications caused by the pandemic and prepare for unprecedented change, leaders need to build a positive work culture that eventually transmits across teams and across all levels of the organisation. Under pressure, organisations are forced to think about what they can do and where their hidden strengths lie. Emotionally resilient workforces that embrace the unknown end up shaping the future of the industry, instead of simply adapting to it.

And finally, when it comes to gauging the impact of emotional resilience within your own organisation, start by asking yourself 'Who do I want to be right now? Am I living the values of my own organisation? Am I willing to lead with compassion and integrity, at all costs?' Empathy and emotional resilience are two sides of the same coin. Showing genuine concern is a sign not just of humility, but also of high emotional intelligence. I personally believe that in times like these, emotional resilience

encompasses not just weathering storms, but finding ways to build something new from the rubble that gets left behind.

ABOUT THE AUTHOR

Asif Upadhye is Director and Dark Knight, Never Grow Up.

Disclaimer:

This article was originally published in Indian Management (Issue 9 Vol 59) an AIMA & Spenta Multimedia Pvt Ltd

RURAL OUTREACH

When HDF C Bank made its foray into the hinterland, there was a compelling vision that powered its goals—one that embraced a holistic, customer-focussed approach as opposed to a product-oriented one. The rural populace had for long been an underserved lot with respect to financial services, and the environment was strewn with challenges. However, the Bank navigated with relative ease by clearly distinguishing between financial access and financial inclusion, and optimally leveraging its technological expertise. Its sustainable livelihood initiatives have now reached over 28,000 villages across 27 states and its flagship Parivartan programme has impacted 7.8 crore people—a clear pointer to the Bank's seminal role in redrawing India's financial landscape.

Dr Shashank Shah

On October 26, 2020, Aditya Puri, Founding Managing Director of HDFC Bank, stepped down from executive responsibilities at India's largest private sector bank (by assets). His exit marked the end of the longest tenure of anyone at the helm of a bank in India. Under his leadership, in the 26 years since its inception, HDFC Bank's market capitalisation increased to over R6 lakh crore, making it the largest bank in India by market cap. Interestingly, HDFC Bank's market cap is larger than the combined market value of 22 listed public sector banks put together[1]. In contrast, the State Bank of India, India's largest bank, whose total assets are two-and-a-half times that of HDFC Bank, had a market cap of Rs 1,90,000 crore in September 2020.

During this quarter century, the Bank handsomely rewarded its investors—over 23 times more than the Sensex. Between July 1996 and June 2020, an investment of Rs 1,00,000 in HDFC Bank grew to roughly Rs 3,26,00,000—indicating a 326x growth in 25 years. During the same period, the same investment in Sensex companies registered only a modest growth of 14x. Through its prudent bottom-line focus, the Bank compensated its shareholders with a return on capital employed (ROCE) that ranged between 15 and 21 per cent, perhaps the best in the Indian banking industry.

In its formative decade, HDFC Bank had benchmarked itself against several niche and mainstream banking institutions across the globe—State Street Corporation (US)[2] for its transactions expertise; Bank Mandiri (Indonesia)[3] for small ticket loans; and the Hang Seng Bank (Hong Kong)[4] for its good returns.

Wells Fargo was the benchmark for product penetration, cross-selling, and virtualised banking. Several analysts observed that HDFC Bank mirrors Wells Fargo in many respects. The San Francisco-based company was the third largest bank in the US with a market cap of $273 billion in March 2020. In 2015, it was rated the most valuable bank in the world in terms of market capitalisation, far ahead of the Industrial and Commercial Bank of China, and its American competitors J.P. Morgan Chase and Citigroup. The Bank's secret to success was its focus on core units like consumer lending, banking services, and mortgage origination rather than reliance on subprime loans[5], complex derivatives[6], or risky trades funded by borrowed money[7]. Just like its role model, HDFC Bank was stable during the global slowdown of 2008, was a consistent performer, and a hot favourite among investors. In 2015, HDFC Bank had a better return on assets (ROA)—at 1.72 per cent—than Hang Seng Bank, the bank it had set as a benchmark[8].

However, an aspect of the Bank's vision and its strategic implementation that was not inspired by an international bank but by its understanding of and sensitivity to India's specific requirements was its rural and priority sector lending strategy.

FINANCIAL INCLUSION, NOT JUST FINANCIAL ACCESS

Due to the social and legal mandate in India, 40 per cent of a domestic bank's loan book is focussed on priority sector lending (PSL). This goes back to the year 1978, when Reserve Bank of India (RBI) directed all banks to contribute 33.33 per cent of net bank credit to priority sector areas. Later, this was expanded to 40 per cent for domestic banks and 32 per cent for foreign banks. The philosophy of mandatory PSL in India aimed at ensuring that banks' profitability concerns would not deprive employment generating sectors, such as agriculture, smallscale enterprises, and even export-oriented units from getting sufficient funding when compared to medium and large enterprises. Almost all banks had a PSL Department to achieve annual targets that need to be reported to RBI and other regulatory authorities.

However, HDFC Bank followed a different strategy; from around 2008, it did not have a separate PSL Department. Instead, in every single business—corporate, retail, SME, or the emerging corporate's group—the Bank

identified businesses, segments, and customers that would fall within the priority sector categories. Paresh Sukthankar, former Deputy Managing Director, says, "We have figured our approach as the only sustainable way of doing PSL. Otherwise, you have a focussed department, where you go and find out one more opportunity to lend, do it, and that is the end of it. Then you are looking for next year's opportunities. The purpose behind the target is lost." Also, right from the beginning, HDFC Bank distinguished between financial access and financial inclusion. Puri often emphasised, "You give a poor woman a consumption loan. Before, she was a poor woman with no loan. Now (after the loan) she is a poor woman with loan[9]". While financial access meant opening bank accounts for the rural populace, financial inclusion for the Bank meant economic empowerment leading to a life of self-respect and dignity.

SUSTAINABLE LIVELIHOOD INITIATIVE

The Bank launched Sustainable Livelihood Initiative (SLI) in 2009 to provide livelihood finance to unbanked and underbanked segments of the population. Over the last decade, increasing levels of literacy, access to information and communication technology, and several government programmes at the state and central levels have marginally increased the levels of disposable income among the rural and semiurban masses, thereby improving the demand for basic facilities and products. With a little support, vocational training, and financial assistance, a lot could be done to make rural youth (constituting one-third of India's population) economically self-sufficient.

SLI attempted to do just that. Like many other banks, it also lent to microfinance institutions (MFIs). But it also lent to self-help groups (SHGs) and joint liability groups (JLGs). Apart from the actual lending activity, SLI contributed to financing the formation of these groups and training. An integrated approach of offering training, enhancing occupation skills, providing credit counselling, financial literacy, and facilitating sales efforts and market linkages was implemented. HDFC Bank believed that

a combination of these could make the rural population economically independent and bring them into the banking fold. The programme focussed on disadvantaged sections in semiurban and rural India, especially women and youth—helping them find jobs locally, enhance their income, and prevent migration. Various tailormade skill and competency-building programmes that promoted entrepreneurial activities and upskilling for agricultural and allied practices were taken up based on the specific needs of the community.

According to the 2011 Census, only 58.7 per cent households utilised formal banking services. According to CRISIL[10], 37.8 per cent in the southern region and 71.4 percent in the eastern region had no access to formal banking facilities. For many decades, financial inclusion initiatives were aimed at opening bank accounts, especially in rural areas. In fact, public sector banks received a mandate to open accounts in the unbanked and underbanked regions; and thousands of such accounts were opened.

But there were hardly any transactions. The high-powered Nachiket Mor Committee on Comprehensive Financial Services for Small Businesses and Low-Income Households, set up by RBI, found that 60 per cent of the rural and urban population in India did not have a functional bank account[11]. The reason was that along with the account opening, it was essential that the rural customers had a sustainable banking need. Most often, loans were not taken for income-generating activities, but for spending on requirements such as children's marriage. Eventually, due to lack of sustained sources

of income, these were written off, thereby making banking in rural areas a loss-making endeavour. The Government's flagship financial inclusion programme announced by Prime Minister Narendra Modi in 2014—Pradhan Mantri Jan Dhan Yojana (PMJDY)—attempted to address this challenge. Within five years of its announcement, over Rs 36.1 crore bank accounts were opened and over Rs 1.05 lakh crore were deposited under the scheme, with 53 per cent of the beneficiaries being women.

Initiated five years before the PMJDY, SLI encouraged the habit of savings through financial literacy. This took the form of cultivating the habit of saving money—received either as pension, or even other sources of income—through a recurring deposit. Such a corpus created by the customer could then be available for any sudden consumption need, such as an illness in the family, education, or marriage. On the other hand, borrowing from the Bank would be for income-generating activities. This balanced approach would be sustainable for rural customers and the Bank. By March 31, 2020, 1.29 crore people had participated in HDFC Bank's Financial Literacy Programme through the 16.9 lakh financial literacy camps conducted in over 22,000 villages across the country.

The SLI approach aimed at creating a virtuous cycle and breaking the vicious cycle of poverty. Under the guidance of the Bank's employees, women from the community formed Self Help Groups (SHGs) or Joint Liability Groups (JLGs). They were given training on occupational skills, financial literacy, credit counselling, livelihood finance, and market linkages. By 2019, over 3,05,364 SHGs and 9,66,546 JLGs currently existed under SLI.

SLI was thus an integrated approach that helped the individual who was borrowing, because the

Bank was helping to improve his or her ability to repay by supporting his or her earning capacity. This, in turn, also had a positive impact on his or her ability to service the loan, and therefore on the Bank's asset quality. As on March 31, 2020, the Bank had Gross NPAs at 1.26 per cent. In contrast, the Gross NPAs of the 53 scheduled commercial banks stood at 8.5 per cent in March 2020. Thus the Bank aimed at implementing a win-win approach of contributing to rural society through a well-integrated strategy within the regular course of banking.

Through SLI, rural women availed themselves of credit and utilised it for occupations like tailoring, designing jewellery, starting grocery shops, and grazing goats. They also sought to take advantage of services such as credit counselling, occupation skills enhancement, and connecting with markets. More than 7,00,000 women were reached through the capacity building programmes, which aimed at upskilling beneficiaries in various trades. SLI used the collective power of women's groups to even make an impact in village communities by implementing health and sanitation programmes; nearly 100 per cent of SLI customers were women.

The SLI also linked rural people with mainstream banking facilities and substantively eliminated the

role of middlemen and money lenders who charged usurious rates of interest on small-ticket loans to ill-informed rural folk. About 10 per cent of the Bank's employee strength[12] was consistently involved in this project. Each location had a dedicated manager who had 8 to 10 field officers providing services within a radius of 25 km. Potential customers were selected through a well-structured engagement programme. The Bank also planned a conscious spread of its presence in semi-urban and rural areas. By 2020, 52 per cent of its 5,416 outlets (5.6+ crore customers) were in semi-urban and rural areas, up from 34 per cent in 2010. In 2012 alone, 88 per cent of the branches were opened in unbanked markets. An interesting example of the rural spread was that it set up rural branches from Kargil, bordering Pakistan, to the Andaman & Nicobar Islands, near Indonesia's Aceh province. By March 31, 2020, the Bank's credit to agriculture and allied activities stood at R146,516.75 crore, and that to the semi-urban MSME segment stood at R159,107.93 crore.

CHALLENGES GALORE

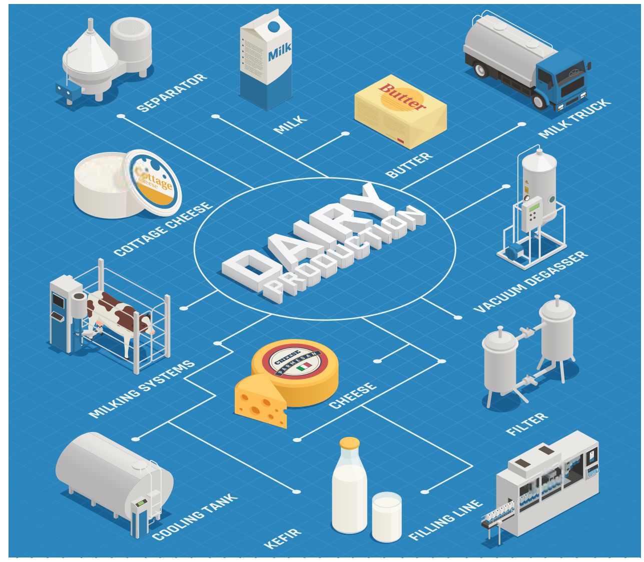
Despite the Bank's excitement to contribute to this space in meaningful ways, the journey to the hinterland was not an easy one. Compared to urban areas and metros, rural markets posed unique challenges. For decades, there was a well-networked presence of PSBs (public sector banks), RRBs (regional rural banks), and Cooperative Banks that had an existential mandate to assist the rural public. Added to these were Non-Banking Financial Corporations (NBFCs) that provided niche services. Unlike their city counterparts, rural folk needed smallticket loans and most often had no collaterals to offer. The average ticket size of loans was between R 10,000 and R 25,000. Besides these, loans were primarily for agricultural purposes with sole dependence on uncertain monsoons. A large chunk of transactions in these areas was outside formal banking channels, with the predominant presence of cash-based exchange. Most importantly, the Bank needed to develop a cadre of local employees that balanced the two— building relationships with the native population and adhering to its high professional, ethical, and process-oriented standards.

To overcome some of these challenges, the Bank worked hard to perfect its rural model. For these markets, it transitioned from a product-centric to a customer-centric approach using its IT expertise. Through two, three, or five-member branches, the Bank lent directly to farmers. Attempting the same level of efficiency and turnaround time as in urban areas, and backed with a data warehouse, even the two men branches provided all banking products to a cluster of villages through Business Correspondents. By March 2020, it had a network of 4,800 Business Correspondents primarily catering to the rural and semi-urban markets.

The Bank introduced several products focused on niche rural requirements, such as loans for buying two-wheelers, light commercial vehicle, and tractors, all of which were connected to the rural agro-based focus. The 'loans against securities' portfolio—that focussed on shares, debts, and mutual funds in urban areas—included National Savings Certificates[13] and Kisan Vikas Patras[14] in rural areas. It also gave loans against jewellery and property, besides personal loans; and was the first to give a debit card linked to a crop loan account. In addition to dairy and cattle loans, customers gained access to all products, including digital offerings like 10-second personal loans, Kisan Credit Card, Bill Pay, and Missed Call Mobile Recharge. It offered last-mile access through mobile applications such as BHIM, UPI, USSD, Scan and Pay, and RuPayenabled micro-ATMs. In June 2020, the Bank further reworked its business strategy for the farm sector by adding 1,00,000 village level entrepreneurs (VLEs) to push products such as gold loan, personal loan, and loan against property[15]. More importantly, it connected all these efforts and developed a sense of identity for a private bank in rural India, through investments in brand building. It even followed the telecom industry approach of 'painting walls and holding meals[16]'.

INNOVATIVE INITIATIVES FOR DAIRY AND AGRI SECTORS

An innovative programme named 'Milk-To-Money', with a unique dairy industry-specific model, was implemented by the Bank in Gujarat and Rajasthan in 2013. At select milk societies in Gujarat, an imported machine from Australia measured the weight and fat content of the milk deposited by the farmer. This information automatically flowed to the milk society office, which authorised the Bank for payment. The amount credited to the farmer's account could be withdrawn from the micro-ATM attached to the society. The programme started with 37 machines, with a target to scale up to 250 within a year. In Rajasthan, over 42,000 dairy farmers affiliated to the Rajasthan Cooperative Dairy Federation and the National Dairy Development



Board were covered under this programme. By 2020, the Bank digitised payments at over 1,200 milk co-operatives across 21 states, benefitting more than 4.5 lakh dairy farmers. The dairy societies routed the payments to the farmers through bank accounts. Zero balance accounts were opened for dairy farmers along with access to Rupay debit cards, cheques, and pass books[17]. This not only gave them access to most of the Bank's products but also brought them into the banking mainstream. The programme also procedurally eliminated the involvement of middlemen, who could play a role in the dilution of milk quality, and thereby helped dairy farmers increase productivity and get the real worth of their output.

A similar programme in North India, launched in collaboration with PunjGrain, reduced the payment time to farmers from two weeks to two days. Through its banker visits in far-flung rural areas, lakhs of farmers benefitted from crop financing. Puri had observed, "Most banks in these geographies are present only on the liabilities (deposits) side. We are one of the few players in organised finance who, besides priority sector advances, are also there on the assets (loan) side[18]".

With over 50 per cent of its branches in semi-urban and rural areas, and despite higher operating costs of covering a dispersed rural population and lower revenue per branch, the

rural and semi-urban sector, which accounted for at least half of India's output, got 48 per cent of the Bank's total loans as of September-end, 2019.[19] To bring more underbanked sections into formal financial channels, it opened nearly 25 lakh accounts under PMJDY and enrolled 33.4 lakh customers in social security schemes since its inception. A conducive entrepreneurial environment created by the government of the day, and the increasing disposable income and demand for personal and commercial financial assistance, played a key role in achieving some of these numbers[20].

KEY LEARNINGS

Though not an easy terrain, the Bank's rural foray has been a win-win strategy on four counts:

- It helped to achieve PSL targets, even without having a discrete department.
- Given the commitment and rural value systems, delinquencies were lower than those faced by the Bank in metro cities.
- It was able to empower, both financially and socially, a few crore people—not through charity, but through a nuanced social entrepreneurship approach. This was complemented by its CSR investments, which stood at R 535 crore in 2019-2020. The company's flagship Parivartan programme impacted 7.8 crore people by 2020. Its holistic rural development programmes reached nearly 1,300 villages across 17 states.
- As the fixed costs came down with an increase in scale over a decade, the Bank worked towards making its rural foray profitable instead of a tick-box item. Puri had always maintained that for PSL to be effective, it was not necessary to compromise banking sector efficiency and profitability. In targeting the right sectors and activities that mitigate credit risk and enhance productivity, PSL could be an avenue for sustainable financial intermediation while furthering the cause of inclusive growth and equality[21]. With Puri at the helm of affairs for 26 long years, the Bank attempted to maintain this balance.

In 2008, when I first interacted with Puri to understand his vision for the Bank, he had said, "'We have decided that we will make 1 crore families self-sufficient. If every major company would aim at making 1 crore families selfsufficient, there would be no poverty. I think that is a major goal of this organisation. It may be by 2020, but through this initiative (SLI), we would have really altered lives."

With such a powerful vision, backed by a robust strategy and committed leadership, the Bank did achieve its target. By 2020, SLI reached over 1 crore households in 28,000+ villages across 400+ districts in 27 states. Directly or indirectly, SLI impacted nearly 5 crore individuals pan-India to rise above the poverty line[22], making it one of the largest such programmes in the world. This, I believe, is HDFC Bank's singularly important contribution under the leadership of Aditya Puri, to the nation, and its people.

ABOUT THE AUTHOR

Dr Shashank Shah, SAI Fellow'17, Harvard University, is Consulting Editor, Business India Group, and author of Soulful Corporations, Win-Win Corporations, and The Tata Group.

References

1 *Oberoi, Rahul, "22 PSBs together now smaller than HDFC Bank in m-cap: Time for bottom fishing?" The Economic Times, March 5, 2018.*

2 *Founded in 1792 and headquartered in Boston, State Street Corporation is a US-based worldwide financial services holding company, and the second oldest financial institution in USA.*

3 *Headquartered at Jakarta, Bank Mandiri is the largest bank in Indonesia in terms of assets, loans, and deposits.*

4 *Founded in 1933 and headquartered in Central Hong Kong, it is a part of the HSBC Group.*

5 *These are loans that are granted to borrowers who do not have a good credit rating and have higher chances of defaulting. These loans have a higher interest rate due to increased risk associated with such borrowers.*

6 *In finance, a derivative is a contract that derives its value from the performance of an underlying entity. This underlying entity can be a share, currency, physical asset, etc. A complex derivative is one whose pay-offs (returns) are more complicated to calculate when compared to simple derivative products.*

7 *Lorenzetti, Laura, "This is the most valuable bank in the world", Fortune, July 23, 2015.*

8 *Adhikari, Anand, "Digital banker", Business Today, January 18, 2015.*

9 *Rodrigues, Ryan "Harvest Time", Business India, October 14-27, 2013.*

10 *Founded in 1987 and headquartered in Mumbai, CRISIL is a global analytical company providing ratings, research, and risk and policy advisory services.*

11 *"Financial Inclusion in India: Moving Beyond Bank Accounts", Knowledge@Wharton, September 18, 2014.*

12 *The Bank's employee strength on March 31, 2020 stood at 1,16,971.*

13 *A Government of India Savings Bond primarily for small-scale savings, the NSC are available through the Indian Postal Service pan-India.*

14 *As the name suggests, the KVPs were introduced for the benefit of farmers in 1988 by India Post. With a minimum investment of R1,000 and no cap on the upper limit of investment, KVPs double the invested amount in nine years and 10 months.*

15 *Lele, Abhijit, "As farm sector gains importance, HDFC Bank reworks strategy for rural areas", Business Standard, June 13, 2020.*

16 *Mohan, Raghu, "Steady hand on the wheel", BusinessWorld, December 2, 2013.*

17 *"HDFC Bank reaches out to unbanked dairy farmers", The Times of India, January 9, 2015.*

18 *Adhikari, Anand, "Best in Class", Business Today, February 14, 2016.*

19 *"HDFC Bank, the most valuable Indian lender, sees signs of revival in rural areas", The Economic Times, December 3, 2019.*

20 *In 2019-20 alone, loans to the tune of R8,150 crore were extended under the Pradhan Mantri Mudra Yojana (PMMY) and over R500 crore under the 'Stand up India' scheme to Scheduled Caste, Scheduled Tribe, and women borrowers.*

21 *Puri, Aditya, "The Cart before the Horse: Priority Sector Lending", Contemporary Banking in India (Edited by Naina Lal Kidwai), BusinessWorld Book, 2012.*

22 *The Rangarajan Committee of 2014 proposed a per capita expense of R32 per day in the rural areas as being above the poverty line. This meant a monthly per capital expenditure of R1,000 in rural areas. According to Government of India estimates in 2012, about 22 per cent of the Indian population (approximately 26 crore individuals) was below the poverty line.*

Disclaimer:

This article was originally published in Indian Management (Issue 10 Vol 59) an AIMA & Spenta Multimedia Pvt Ltd

STRONG CONNECT

Organisational culture may rest in an intangible realm, but it has an undeniable impact on employee engagement and productivity, and thereby business growth.

Dr Guruvayurappan P V, Omega Healthcare Management Services

Soaring business, innovative solutions, and healthy balance sheets all measure the success of an organisation. And for any organisation to have a thriving, profitable business, it takes a bunch of highly dedicated and zealous employees, committed to seeing their organisation flourish while they grow along with it. The underlying elements crucial for this are employee engagement and [a robust] culture;

one can certainly not exist without the other. Engaged employees abide by and demonstrate the organisation's culture in their day-to-day work, and a strong positive work culture leads to happy, engaged employees.

Organisational culture can be defined as an amalgamation of the vision, mission, operational goals, daily communication and interaction, and a defined set of behaviours and norms. All of these create the intangible workspace environment that pervades the way people work. Studies have revealed that corporate culture is key to driving innovation and organic growth. It is also found to drive performance,

engagement, employee development, and to a great extent, help lower attrition levels.

BALANCING CULTURE WITH INCREASING DIVERSITY

The advent of technology has truly flattened the business world, and this in turn is multiplying the cultural diversity of organisations, thereby making the workplace more global. Virtual offices, co-working spaces, and the gig economy are slowly trickling into every possible industry, changing the way we work as an individual and as a business. Contract workers and freelancers are now part and parcel of almost every organisation. All these factors increase cultural diversity at the workplace vis-à-vis generation, gender, race, ethnicity and religion—each cohort with its own set of beliefs and values. Each individual then has his or her own skills, strengths and weaknesses, learning style, and so on. It is these diverse sets of people who are at the core of any business, and whose collective capacity adds more value to an organisation. Just like the dynamically evolving business paradigms, the culture of an organization has to evolve and be an amalgamation of the broader professional society. As a company grows and expands in terms of people strength and scope of business, its culture too needs to adapt and accommodate this growth. Only then would it truly reverberate the ideology of putting employees first.

HOW CULTURE DRIVES EMPLOYEE ENGAGEMENT

Culture enhances productivity

A positive company culture that has a positive influence on the mindsets of people goes a long way in making them feel passionate about their jobs. It inculcates in them a sense of responsibility with respect to achieving the broader company goals, no matter their level. A happy culture wherein people enjoy what they do is bound to increase productivity and lead to higher engagement levels.

Culture and sense of unity

Culture is often perceived as an invisible glue that helps forge a healthy, strong bond in the workplace. In an ever-diversifying business paradigm, this holds true. With the diversity that exists in today's world, each person has his or her own opinion on how things should be done. A strong workplace culture unites people from diverse backgrounds, gives them a sense of belonging and of being part of a bigger team, while also building emotional attachment to the organisation. This sense of unity is what helps create stability and keeps employees more engaged.

Culture and brand recognition

Brand recognition can determine how well a company's culture is perceived by its employees and customers. Culture helps lend an identity to an organisation and portrays its values and belief systems. It defines how well employees interact with customers and how they execute their day-to-day business. A good culture with highly engaged employees creates good brand ambassadors who then further promote the brand to the outside world. A well-recognised brand attracts the best of talent and in turn helps create a highly engaged workforce.

Culture and competitive advantage

The dynamic nature of the marketplace poses the constant threat of any product or service being easily replicated or replaced. Organisations, the world over, need to constantly fine-tune their strategies to stay up-to-date and ahead of competition. This is where a strong workplace culture can make all the difference. When consciously nurtured and shaped, it can offer firms a competitive advantage to remain market leaders.Those who practise this are more adaptable to the dynamic nature of business, with well-thought strategies driven by highly engaged employees.

Culture and retention

When nurtured to align with the emerging realities of the modern world, culture can tremendously help in employee retention. Investing regularly in creating and sustaining the right culture helps in aligning with employee expectations. And when investments are being made in them—in terms of career opportunities, training, support from management, or technological advancements—people become more loyal and will be prompted to build a long-term career in the organisation.

Culture, collaboration, and innovation

Organisational culture is an amalgamation of a multitude of cultures—diverse perspectives, opinions, backgrounds, and values. A sign of its strength lies in how people come together, setting aside their differences, and cooperate, collaborate, and create in unison.

Conclusion

Workplaces are turning more multicultural by the day, where employees are expected to work seamlessly and efficiently, cutting across diverse cultural factors. Cultural amalgamation is no doubt essential for employee engagement and thus for the overall success of a business. It can help create a culture of high performance that provides clearly defined roles and responsibilities for every employee. Right at the heart of it is the importance of continuous growth and progress of every employee. When the culture supports the individual needs, values, and motivations, it can create the right momentum essential for the success of every business strategy. Quoting Peter F Drucker: "Culture eats strategy for breakfast." This is a saying I feel has now expanded to become 'culture eats strategy for breakfast, innovation for lunch, and transformation for dinner'.

ABOUT THE AUTHOR

Dr Guruvayurappan P V is Senior Vice President – HR, Omega Healthcare Management Services Private Limited.

Disclaimer:

This article was originally published in Indian Management (Issue 8 Vol 59) an AIMA & Spenta Multimedia Pvt Ltd

THE 'DISPUTED' CHILD

Millennials are a significant cohort in the workforce, but can HR policies be tweaked to accommodate their unique needs and demands?

Dr Debashish Sengupta, Author, The Life of Y

Amy Joseph (name changed) works in an MNC in a senior position and is known to be a top performer. A millennial and single by choice, she lives with her two dogs. She is very much attached to her pets and considers them as her children—she would not even go to work if they are sick. One day, the HR department received a letter from her, requesting reimbursement for her dog's treatment cost. They immediately rejected it, stating that medical reimbursement is only for the children of employees and not for animals. Amy held that her dogs were as important to her as children were to anyone else. There were many arguments over this and jokes too started circulating in the office. When the HR quoted policy time and again, she asked, "Where in the policy is it written that it has to be a human child?"

However, Amy did not give up; she took up the matter with the CEO who, as an exception, accepted the request for reimbursement (it was not too high an amount) and the matter was put to rest. Subsequently, HR made amendments in their policy so as to avoid such circumstances in future. No guesses for what these would have been.

What is your opinion on this? Would you side with Amy, or do you think she was exploiting the policy?

I spoke to a few HR leaders on this issue and the first reaction of many was: "Thank God. She is not in my company!" Well, that is not surprising considering how most organizations are yet to crack the millennial employee code. Millennials, who will soon make almost three-fourth of the employee population globally, are a different generational cohort with a unique set of attitudes, mindsets, behaviors, and leading a different kind of life.

Most HR professionals I spoke to chose to go by the rule book and suggested using it to turn the tables on Amy, and suspected she had mala fide intentions. Rakesh, who works as a regional manager, HR & IR at a premier aviation company says, "Well, HR can ask for proof of the birth certificate of the 'child', or an adoption certificate. If she is still not convinced about her delusion, it is better to make her exit the organization.'

A few like Siddharth, CHRO and Head Teacher Engagement at an Indian, interactive online, tutoring company, has suggestions similar to those of Amy's CEO—a middle path towards resolving the immediate crisis and then securing the policy further to prevent recurrence of the problem. He says, "This had come as a real concern a month ago on one of the groups. From a principle standpoint, it's a great trigger to change the policy. However, going by the letter of the policy, my question would then be: had she declared them as dependent children in the annual insurance declaration? If so, let's look at it; else, let's not. That would settle it if it's a difficult employee. The final outcome would be a policy deviation and payout in this case followed by a policy relook." He sympathizes with Amy, and adds, "To be fair to the individual, I suggest a deviation payout. Policies should help folks, else you deviate with approvals".

While some others too sympathise with Amy, they express their inability to change policies or systems in their organisations. Virendra Joshi, senior member of the HR team of a governmental JV, opines that "I think that being a transparent and employee-friendly company, the policy has to be changed.

As part of the amended policy, the employee must give declaration for his or her dependents, including animals/ human beings. Everyone has the right to adopt a human being or an animal. It's a personal choice. However, I may not be able to amend such medical insurance policy in my present organisation."Benjin Samuel, sourcing and recruitment lead in a premier Indian IT MNC, says, From the company's point of view, I cannot approve of the medical insurance claim, as the nominees in insurance need to be validated. I would explain to her the policy framework and try to understand her interest in canines, as it is the first of its kind. I would also tell her that we can propose an insurance plan for employees' pets."

Interestingly, the response and perceived helplessness are no different between an IT major in the private sector and a government undertaking. This makes it clear how rigid systems, processes, and policies can be at times, making it difficult to push the millennial agenda, irrespective of the sector.

Organisations do not change until individuals change their mindsets. And this does nothappen until they appreciate that millennials are different, why they are different, and how different they are in terms of their mindsets, attitudes, beliefs, value systems, and the lives they lead. It is pointless to blame individuals; it is the general empathy deficit in understanding millennials that is the real problem.

Take Jael Varma, for instance. She is a young, successful, and confident millennial. She lives with her pets—a dog, an African love bird, and a cat. Having been brought up by a single parent, she was not privileged to spend enough time with her mother during her formative years. She had grown up with around 20 cats in her house, and her love for pets has been the only constant in her life. Losing her mother to a terminal disease and having had to go through an abusive relationship had made Jael all the more attached to her pets. According to Jael, their unconditional and selfless love has been a 'life saver' for her. This, along with counseling, helped her emerge from the post-traumatic stress disorder and depression that had once clouded her life. However, she has lost faith in the institution of marriage and she fears a regimented life, rules that create a water-tight compartment—one that blocks free spirit and questions every behavior, especially if you are a woman. Her pets are her family and her decisions revolve around them. Whether it is living in a four-bedroom house, so that pets can have a spacious living, or whether it is refusing to travel at times because she cannot find a pet-sitter, Jael has no regrets. She believes that Amy's case calls for greater empathy and compassion.

Everyone may not live a life akin to that of Amy or Jael, but there is no doubting the fact that the 'life of Y' –Generation Y or millennials–is different from that of the previous generations. Their concept of relationships and family is different, and it is high time societies and businesses took note, understood them, and transformed their approach. For starters, how about giving every employee a preloaded medical insurance card that he or she can use for the treatment of family members, which may include human or animal dependents?

Well, at least some already believe so. James Murphy, founder of The Lotus Awards and CEO

of Plant Happy & B Sustainable U.K., says, "I have heard of very well-respected companies with high levels of engagement giving time off for employees that have just got a puppy or kitten, and bereavement time when their pets have passed away. If the company wants to do the right thing, they would change policy so employees can get time and reasonable expenses paid for medical bills for animals. Make it policy so everyone knows where they stand. Most animals like dogs and cats are micro chipped so you can track the activity, so the policy is not abused".

ABOUT THE AUTHOR

Dr. Debashish Sengupta is a professor, consultant, millennial expert, and author of The Life of Y – Engaging Millennials as Employees and Consumers. Presently, he works as Professor at College of Business and Financial Sciences, Royal University for Women, Bahrain.

Disclaimer:

This article was originally published in Indian Management (Issue 1 Vol 59) an AIMA & Spenta Multimedia Pvt Ltd

THE INTANGIBLES

Workforce rationalisation can lead to immense gains—many of them seemingly unrelated to the aspect of sheer 'numbers'—but only if carried out with strategic diligence.

Joydip Dey, Management Consultant

The ongoing COVID-19 crisis has left economies across the world faltering and has also led to a scenario of unprecedented uncertainty on the human resources front. Indian IT services companies may have to resort to job cuts to rationalise costs in the short term if the global economy does not improve in the next three quarters, industry body NASSCOM has said. IBM has undertaken a major layoff exercise globally. This includes a few hundred jobs in India, where IBM has about a third of its global

strength of 350,000. Many of those impacted are said to be mid-level executives, including project managers and above, some of whom have spent over a decade in the company. Similarly, as per media reports, around 400 executives would be asked to leave Cognizant Technologies very soon.

Amazon India is looking to hire 50,000 people for seasonal or temporary roles. Cab aggregator Ola has decided to lay off 1,400 employees, Uber 600 employees, Swiggy 1,100 employees, Zomato 520 employees—the list goes on. A major workforce rationalization initiative is under way in India Inc owing to the uncertainty triggered by the pandemic.

However, every crisis presents both imminent threats and potential benefits. The same holds true of COVID-19 too, a reality every company embarking upon workforce rationalization should keep in mind. When managed effectively, this exercise can yield significant economic and organisational benefits—reducing manpower costs has an immediate, positive impact on the bottom line. Additionally, as its proponents point out, there are the longer-term benefits of delayering and reducing administrative overhead, such as leaner organizational structure, faster decision-making, better entrepreneurial behaviour, smoother communication, and improved operations. But unfortunately, workforce rationalisation is most of the time not managed effectively. Studies worldwide indicate that only less than half have met their cost-reduction goals through the exercise. When poorly managed, it may result in severe decrement in employee engagement and morale, an environment characterized by lack of trust in management, and reduced loyalty, all of which would ultimately lead to decreased company performance.

A well-implemented rationalisation initiative demands that top management addresses the needs of those who are asked to leave as well as those who stay with the organisation. Survivors' concerns would include worries about job security, uncertainty regarding how to succeed in the new environment, and concern for colleagues who are asked to leave. So, it is critical that top management communicates with clarity, treats individuals with dignity and respect, and ensures management accessibility. Even as they search for ways to make their numbers during a downturn, leaders should keep in mind the fact that rationalization done badly would expose organisations to enormous risks and leave them without any of the anticipated benefits. Organisational tension arising out of indiscriminate, across-the-board job reduction—and inflicted by a blunt-edged management decision—can be massive and long-lasting. Even when executed well, it could disrupt the normal flow of business, divert attention from the marketplace, and undermine employee loyalty. It also consumes huge amounts of time and attention, and makes even the most talented nervous about the future and vulnerable to headhunting by competitors. During the 2001-2002 recession, one study found that only 47 per cent of the large companies who engaged in major workforce rationalisation actually met their cost reduction goals.[1] Another showed that 54 per cent of the companies surveyed hired back many of those who were laid off.[2] According to a study quoted in Harvard Business Review (Vol. 80, 2002), shareholders punished rather than rewarded companies involved in workforce reduction during that period.[3] During the Great Recession of 2008, companies around the world reduced their workforce strength.[4] American companies alone laid off more than 8 million employees from the end of 2008 to the middle of 2010. Even in healthier financial times, companies have often rationalised their workforce because it is seen as a way to reduce costs, adjust structures, and create leaner, more efficient workplaces. However, researchers and businesspeople continue to disagree on its viability. There are two related, but distinctly different, aspects of workforce rationalisation: the strategic and the tactical. The initiative can be used strategically to enhance performance and improve the overall level of competency. But if we are not careful in our approach, the whole exercise becomes very tactical, activity-driven, and cost- and savings-focused. That is not necessarily a bad thing, but then we may miss the opportunity to achieve so much more. Here is why. Over the years, it has become something of a cliché to talk about 'the burning platform'—the disaster scenario leaders have to create as a pre-condition to readying the organisation for major change. Workforce rationalisation dispenses with the need to paint any theoretical picture; people can smell the smoke and see the flames, and the change imperative becomes real, imminent, and intensely personal. The result is one of those rare moments when leaders have the full attention of everyone in the company, at both an intellectual and a visceral level. This is not an opportunity to be wasted—it is an opportunity for top management to convert 'nervous energy' into 'constructive energy'. This combination of energy and attention can be channelised, to the company's great benefit, into a heightened sense of urgency, clear focus, and shared purpose. The ultimate goal of rationalisation is not to shrink the company, but rather to improve it. And to maximise the benefits involved, managers must be explicit about the rationale behind the initiative and then implement cost rationalisation in ways consistent with the rationale. It is important to maintain clarity, at the top, about why such a step is being taken.

Rationalisation in the context of strategic expense management rather than immediate cost reduction can improve performance in a number of important ways. It provides an opportunity to streamline the company's structures and processes in order to promote speed, simplicity, and customer focus. Rather than focusing on the number of employees, smart companies use it to re-evaluate how work gets done, and search for ways to eliminate cost centres, processes, and entire layers of management that do not create sufficient value. More often than not, rationalization requires restructuring too in order to simplify the process; it gives us the licence to think creatively. Removal of management layers and simplified reporting structures create functional excellence because of a clearer line of sight and better degree of accountability.

A strategic approach can help bring about manpower reduction—consistent with the applicable legal and contractual limitations of course—to remove underperforming cost centres, teams, or individuals. It must be ensured that the focus of those who are left with the organisation is not on concerns regarding

job security—whether they are next in the line of fire—but on how to take their game to a higher level to help the organisation perform better and preclude future rationalisation. In terms of motivating high performance, this is an unbeatable scenario: with unusual clarity, people perceive the close alignment of their personal interest in remaining employed with the company's interest of staying in business. Further, a strategic approach—rather than an exclusive focus on eliminating jobs and reducing expenses—also provides an opportunity to bring in higher performers and people with fresh perspectives and capabilities more suited to the future direction of the company. This leads to a rare opportunity to dramatically accelerate the development of a new, high-performance culture.

Finally, rationalisation makes top as well as senior management more disciplined about documenting information and processes so that there is not too much reliance on just a few individuals. It will also serve as a catalyst for organisations to become better at succession planning and ensure they have solid back-up plans to rely on in the event of a crisis.

ABOUT THE AUTHOR

Joydip Dey is a management consultant and former Vice President-Human Resources, Bharti Tele-Ventures Limited, New Delhi. He also runs Swavimann, an NGO working in the area of poverty alleviation, livelihood, and capacity building.

References

1 Ng, M. 'Cutting costs failed, says survey', The Standard, March 23, 2002.

2 'Rehiring of laid off employees increasing', Philadelphia Business Journal, February 1, 2005.

3 Rigby, D. 'Look before you lay off', Harvard Business Review, Vol. 80, 2002.

4 Candy, M. 'Workforce downsizing during tough time', The New York Times, March 3, 2011

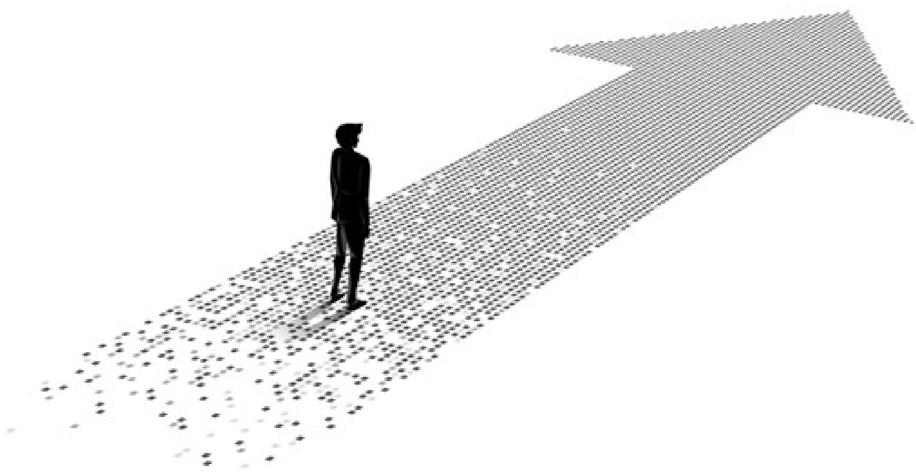
Disclaimer:

This article was originally published in Indian Management (Issue 8 Vol 59) an AIMA & Spenta Multimedia Pvt Ltd

THE WAY FORWARD

Embracing the digital has only benetted businesses across the spectrum. It is prudent to keep the momentum going.

Hemant Gaule, School of Communications & Reputation



The last decade witnessed a technology explosion that is still in motion. It is difficult to put a number to the rate at which it is currently growing, as it is rapidly changing the dynamics of all industries. This explosion has led to digitization of a country's economics, an industry's processes, and an individual's entire life.

With this explosion came big data, AI, digitization, and machine learning, key contributors to the exponential growth of the entire world's workspace and markets. It has influenced the way a company functions, right from its processes to its people policies. On a smaller scale, it has heavily impacted the way a person interacts with their loved ones (use of mobile phones), consumes information (via digital advertising, internet, 24/7 news apps), and what he or she does with it (educational, recreational, or professional purposes).

If anything, this explosion has boosted the performance of employees and systems at the workplace, proving to be an integral factor that impacts a company's profits. It has made working remotely as easy as working together in a cabin. Traditional industries like marketing, advertising, and designing have evolved with the help of technology that studies human behavior. With every study an organization conducts, it introduces in the markets enhanced services and products to the customer. But it is the marketing, advertising, and public relations industry that particularly heavily rely on digitization while simultaneously following traditional methods of work. So, why then digitization? Simply because one wants to drive disruption and innovation.

In the past, it took an average of 20 years for a Fortune 500 company to hit the billion-dollar valuation. But thanks to digitization, a startup can achieve the same in just four years. Surprising, is it not?

IT ALL BEGAN WITH TWITTER

In 2006, Twitter was launched. And without even knowing it, the PR industry changed forever. This new social media platform turned out to be the latest face of the PR game, with their character limitations that made writing headlines a rising trend. It altered the way PR professionals crafted their press releases and other communication, and also the medium of communication.

Thus began the integration of social media and public relations, a combination that upped the way companies communicate and interact with the public and their consumers. And it was during this phase that the PR industry began employing the benefits of AI and digitization.

From ruffling through yellow books and big directories to find journalists to cover a story, to now following them on social media and sending them a 'DM', finding PR opportunities now seems like a walk in the park. PR agencies are beginning to shift a majority of their focus to digital communication, as the benefits and RoI are higher.

FILLING THE VOID

Some experts would say that it was the incorporation of technology that built and saved the PR industry from dying out. It has also made it one of the most-sought-after professions because of the unique challenges it has to offer to the employee, the brand as well as to the consumer.

Shifting focus to going digital has made it easier for companies to get good publicity, reach a wider audience, brand monitor, and disseminate information. Social media platforms are performing the role of instant customer service portals, laying emphasis on bonding with the customer as a top priority. Responding to queries and comments, and resolving issues has become convenient for the brand as well as for the customer. It is mainly this feature of digitization that put startups in the spotlight for building a strong and loyal customer base in no time, and giving their audience a name they cannot forget.

THE NEED FOR A MIX

While social media campaigns, digital conversations, reputation building, and crisis management are great contributors to good publicity for a brand, print communication is an equally important contributor to building a brand's name. Why? Because a mix of both mediums addresses all generations. Millennials and Gen Zer's incline more towards digital dissemination of information while boomers prefer the traditional print medium. With boomers being selective in their use of technology, they easily connect with offline mediums like newspapers, magazines, brochures, pamphlets, and books. They would prefer seeing an eye-catching advertisement in the newspaper than experience an interactive advertisement on Facebook.

On the other hand, the Gen Zer's appetite for information consumption is based on their constant need for motivation, entertainment, and inspiration; they use technology for this purpose, as it is an extension of their own personality. However, some of them are open to the idea of using traditional mediums as well.

But besides the generation factor, it is also the accessibility and availability of technology to all that highlights the fact that digital cannot do without print and vice-versa. The use of internet services and electronics like televisions computers, mobile phones, etc, are still limited in a country like India. It is newspapers and radio that are a preferred medium among such people in rural areas.

Therefore, in order to reach a wider geographic area and larger demographic audience, communicating the same message in print as well as digitally is equally important.

THE TECH - 'NO', THE TECH SAVVY, AND THE TECH NATIVE

One of the most admirable facts of digitization is the rise of the tech savvy and the tech native, the millennials and the Gen Zers respectively. Having been raised in the era that was experiencing the start of the technology explosion, millennials grew up accepting the use of technology in their lives from early on. And Gen Z is a generation born in an era when technology was used everywhere—at work, at home, and even by the government. This makes the two generations more receptive and open to the use of technology.

On the other hand, the boomers first encountered the use of technology on a daily basis at their workplace. As companies began incorporating technology to enhance productivity, they made it mandatory for employees to know its operations. This sudden shift to technology is one of the reasons why boomers are not very receptive about digitization and using technology unless it is assistive technology.

TE(A)CH AT THE WORKPLACE

Since the digital revolution in the 1970s, companies have been, in one way or the other, digitizing their processes, products, and services to keep pace with the times. With continuous efforts by the HR, employees have been up skilled and trained to know the specifications and how to operate the newly implemented tools, systems, and products. This keeping in mind that they are training three different generations to use the same technology.

Sectors like BFSI, insurance, business development, food, sales, PR, retail, and HR are greatly benefitting from digital transformation. Not only are these industries able to provide a variety of online products and services, but also maintain a strong customer relationship across the world. However, this momentum can be kept up only when each wave of new employees is specially trained, and existing employees are regularly up skilled in order to increase their knowledge about the subject and to stay relevant in the industry—a crucial requirement for any business to stay successful and profitable.

Hence, with the ongoing evolution and incorporation of technology in one's daily life, it is safe to say that digital transformation is the way forward for business success in all industries.

ABOUT THE AUTHOR

Hemant Gaule is co-founder, School of Communications & Reputation

Disclaimer:

This article was originally published in Indian Management (Issue 3 Vol 59) an AIMA & Spenta Multimedia Pvt Ltd

THROUGH A NEW LENS

When caught in the flux of change, the best bet for those at the helm is to liberate their thinking from well-entrenched patterns and prejudices and view things from a different perspective.

Kartik R Shah, WorkAsana

It may take a while for us to reach the post-COVID-19 phase, but lively debates have already started on what mindsets, skillsets, and toolsets will become the determinants of effective leadership in a post-pandemic world that is likely to be characterized by rapidity, unpredictability, paradoxes, and unprecedented complexity. In vertical leadership circles, where the focus is on shifting leaders' thinking and transforming their views of reality, there is emphasis on helping those at the helm cultivate a self-transforming mindset so that they may thrive in the future of work.

But what exactly is a 'self-transforming' mindset? It is the ability:

- To acknowledge that our principles and beliefs may not be absolute.
- To see multiple possibilities and perspectives
- To co-hold two opposing ideas in the mind at the same time and still retain the ability to function.

According to Dr Robert Kegan and Dr Lisa Laskow Lahey of Harvard Graduate School of Education, such a mindset is the most evolved of the three types of adult meaning-making systems viz., socialised (i.e., shaped by one's environment), self-authoring (i.e., aligned with one's own belief system), and self-transforming (i.e., integrated and expansive). A self-authoring mind is considered a mark of a leader's wisdom as well as ability to navigate complexity and overcome immunity to change. Interestingly, this rather recent western idea of a self-transforming mindset is discernably reflected in ancient Jain doctrines of 'anekaanta vaad' meaning acknowledging many-sidedness and 'samatva' or cultivating even-mindedness. The skill of not getting consumed by contradictions and instead co-holding them finds a special place in Pali Buddhist canon too. In Metta Sutta (Benevolence Scripture), equanimity has been recognised as one of the four brahmaviharas (abode of brahma) and in Buddhavamsa (The Lineage of Buddhas), it has been given the name 'upekkha paarami' or the virtue of equanimity. Although a self-transforming mind is the need of the hour, it is exceedingly rare. In his book, Over Our Heads (1994), based on an examination of thirteen different studies, Dr Kegan states that less than 1 per cent of people possess this rare mindset. Thankfully, modern research on brain plasticity has reiterated what Patanjali wrote in the yoga sutras (aphorisms) nearly two millennia ago: The human brain does not reach a plateau; it can expand. This means anyone can acquire this rare mindset.

To cultivate a self-transforming mind, we first need to step back enough from our social environment as well as our own belief system/ideologies to be able to reflect on their limitations and incompleteness.

- What if our beliefs were false or incomplete?
- How could the opposite of what we think be equally true?
- Where from have we inherited our ideas, beliefs, and values?
- What other angles and dimensions exist to a problem or situation?

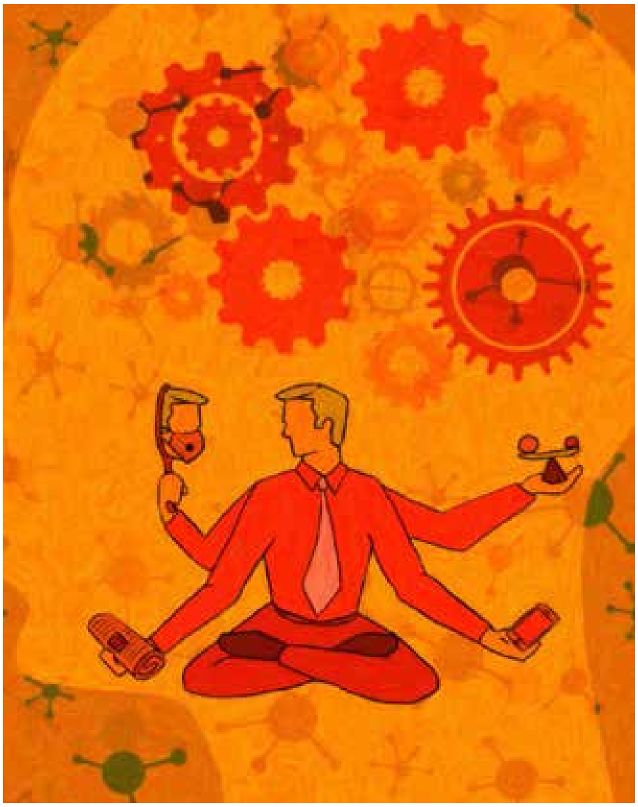
These are just some questions that can help us shift the mind from being a subject or karta (doer) to an object or sakshi (witness). We then need to be friendlier towards opposites and contradictions rather than aligning with either pole.

Let us decode the techno-speak surrounding a self-transforming mind through a couple of examples.

CASELET 1

Laxman is a Senior Manager working in the Quality, Health, Safety and Environment (QHSE) function of a large, renewable energy company. He is in-charge of a large territory and manages four people. He is accountable to the Country Head for impeccable implementation of QHSE protocols at all power generation sites in his territory. In a recent conversation with an internal coach, he spoke about being upset with his boss because he was never included in any strategic conversations and was pushed to execute projects without proper discussion, planning, or guidance. This was vastly different from his former professional experiences. He also stated how stressed he felt and had to work 12-14 hours each day to ensure tasks were completed on time. Laxman is fearful of directly expressing his dislike for, or disagreement with, his boss, but does not mind speaking poorly about him behind his back with his own team members and other colleagues. He is resigned to the fact that even if he voices his concerns, he will be dismissed and nothing will change.

In this example, we see that Laxman is operating largely from a socialised mindset: He cannot see or take others' perspectives. Consequently, he feels like a victim with no power over the 'oppressor' (his boss). It is likely that his social environment has engineered his thinking about the role and responsibilities of authority figures and his conduct in an hierarchical system. If Laxman must cultivate a self-transforming mind, then he will need to be open to new negotiations in making meaning and perceiving reality.



Could a history of rejections by primary caregivers (parents/guardians), or other authority figures in childhood be responsible for Laxman's fear of being dismissed or not heard by his boss? What if the reason for feeling upset is being excluded from decision-making? Or, what if the real reason he is not included in strategic discussions is his lack of critical thinking skills? What if his need for planning is an excuse for his inability to be spontaneous and dynamic in the face of change? What if Laxman underestimates his boss' capacity to empathise with him? What if all organisations and all bosses are not the same? Does Laxman think beyond himself? If yes, could it be that his boss is already overloaded? What business or competitive pressures could his boss be experiencing at his level?

In other words, to breed a self-transforming mind, Laxman needs to dialogue with himself as well as with his boss. He needs to ask himself wherefrom he has inherited his ideas about hierarchy, boss-subordinate relationship, conflict, and harmony. Each time he feels pessimistic or resigned, he needs to have faith in his innate resourcefulness (be an actor of his life, not victim); ask himself how the opposite of what he thinks is equally true, and look at problems and situations not just parochially from an ego-centric perspective but also wholly from socio-centric and system-centric perspectives.

CASELET 2

Shabnam is a psychotherapist by education and works for a not-for-profit organisation based in Mysuru. To help others, especially the weak, the poor, and the marginalised, is second nature to her. Recently, on an office chat, a colleague posted an e-petition asking for support to pressure the provincial government to end the poor plight of migrant labourers. Shabnam not only signed the petition immediately but also complained about how "apathetic, heartless, privileged, and whiny" the middle class was. She said it disgusted her to see food pictures and dance videos on social media during a humanitarian crisis. She was indirectly attacking a colleague who had recently posted a TikTok video on social media. In her mind, there could be no tolerance for indifference at a time when

thousands of people were falling prey to the virus; several migrant workers were dying of exhaustion on their long march back home; and hundreds of thousands of employees were being furloughed. Very few had the courage to contradict Shabnam and chose to remain silent on the office group chat.

In this example, we see that Shabnam is operating from a self-authoring mind. In other words, she is able to take a stand and direct herself to action based on her beliefs. Although her expressions like signing the petition, criticising the middle class, and insidiously charging a fellow colleague are independent of the expectations of her social context, they are deeply anchored in her own ideologies and values. It is quite probable that she sees herself as the hero (the saviour), the poor as the victims, and the middle class and the government as the villains. Her assertions implicitly contain dos and don'ts, shoulds and should nots, must and must nots, based on her loyalty to that with which she identifies. If she were to cultivate a self-transforming mind, she would need to step back enough from her own belief system to be able to reflect on their limitations and/or incompleteness.

Shabnam needs to ask herself what life experiences have shaped her views and ideas about the poor. What if all middle class people were not apathetic? What if the middle class too had portentous challenges of their own that she was not aware of? What if posting photos of cooked dishes or making entertaining videos were simply attempts of ordinary human beings to mitigate their sense of isolation and their discomfort with uncertainty at a time when their neural heritage was under attack?

In sympathising with one group of sufferers, Shabnam ignores the suffering of another group of people. Who can judge which suffering is greater? That of a hungry stomach, or that of a lonely heart?

Having the humility to challenge her own assumptions and limiting beliefs could prevent Shabnam from becoming self-righteous at work, or in her personal life. By cultivating a selftransforming mind, Shabnam would be able to channelise her compassion even-mindedly. Since helping is second nature to her, she could use her gifts to help more and more people across class boundaries. She can be an activist and help the poor by signing petitions or protesting on their behalf. At the same time, she can leverage her talent as a therapist and help other people like her colleague shift into their hearts. A selftransforming mind will allow her to experience universal friendship across all human-created artificial divisions.

Letting go of our long-held beliefs, personal truths, and socialised ideas is not easy. Having said that, the mind is the mother of all behaviours, and it can shift from its socialised, or self-authoring state to a self-transforming state by being humble; by seeing many sides to a problem or situation, and by holding contradictions with equanimity.

A self-transforming mind is an imperative to lead self, others, and also systems in the 'new normal' era. Operose it may seem, but it is possible for leaders everywhere to acquire a self-transforming mindset

ABOUT THE AUTHOR

Kartik R Shah is Founder and Principal Consultant, Workāsanā

Disclaimer:

This article was originally published in Indian Management (Issue 8 Vol 59) an AIMA & Spenta Multimedia Pvt Ltd

EVENTS CALENDAR


Great Mid-size Workplaces
Great Place To Work.
INDIA 2020
US Agriseeds®
Seed that Works
Seed that Works
Providing superior seed solution by harnessing technology and innovation to create value for all stakeholders in a sustainable manner
Digitally enabled seed production
Significant improvement in farm incomes and enhanced livelihoods of seed producing farmers
Making every seed count
Unique seed solutions, combined with improved input technologies strengthening agriculture
Modernizing agriculture
Innovative digital technologies to modernize farming operations.
Click here to explore more about SEEDWORKS
SEEDWORKS

AIMA Events Calendar

Event	Programme Chairman /Director	Venue	Date
Thirty ninth Leaderspeak	**D Shivakumar** Group Executive President – Corporate Strategy and Business, Aditya Birla Group	Online	25 February 2021
2nd BusinessUnusual Series Programme on Disruptive Technologies and Industry 4.0		Online	27 February 2021
Corporate Management Olympiad		Online	09-11 March 2021
HRM Conclave		Online	12-13 March 2021
24th Student Management Games		South & West East & North Grand Finale	18-19 March 2021 22-23 March 2021 25 March 2021
AIMA – ICRC Case Writing Workshop		Online	30-31 March 2021
National Leadership Conclave	**Sanjiv Goenka** Chairman, RP Sanjiv Goenka Group & **Sunil Kant Munjal** Chairman, Hero Enterprise	Online	19-20 April 2021
10th Pragati - Celebrating Achievements of Women		Online	May 2021

Event	Programme Chairman /Director	Venue	Date
30th National Management Games		West Round East Round South Round North Round Grand Finale	02–05 June 2021 14–17 June 2021 21–24 June 2021 29 June–08 July 2021 10 July 2021
47th National Competition For Young Managers (NCYM)		Online	July – August 2021

ADVERTISEMENTS

ALL INDIA MANAGEMENT ASSOCIATION

ALL INDIA MANAGEMENT ASSOCIATION

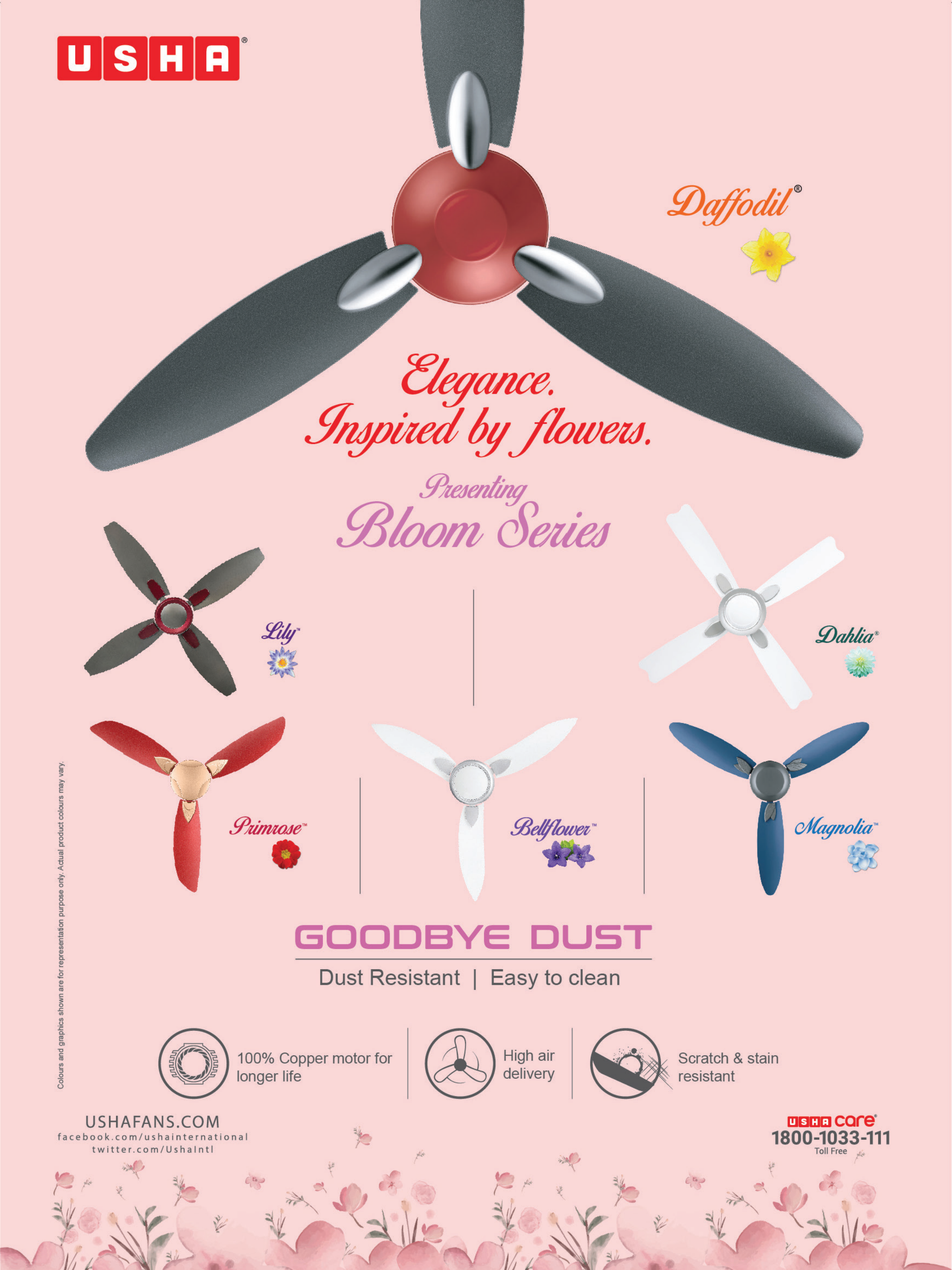
ACKNOWLEDGES AND

APPRECIATES THE SUPPORT

GIVEN IN THE FORM OF ADVERTISEMENTS

IN THE SOUVENIR

BY CORPORATE ORGANISATIONS / INSTITUTIONS.


USHA
Daffodil
Elegance.
Inspired by flowers.
Presenting
Bloom Series
Lily
Dahlia
Primrose
Bellflower
Magnolia
Colours and graphics shown are for representation purpose only. Actual product colours may vary.
GOODBYE DUST
Dust Resistant | Easy to clean
100% Copper motor for longer life
High air delivery
Scratch & stain resistant
USHAFANS.COM
facebook.com/ushainternational
twitter.com/UshaIntl
USHA care
1800-1033-111
Toll Free

BSE
INVESTORS' PROTECTION FUND

MR. INVEST RIGHT'S
GOOD INVESTING PRACTICES

IT IS IN YOUR BEST INTEREST TO NOT GET SWAYED BY PROMISES OF HIGH RETURNS.

Claims of guaranteed high returns on your investments are often fake. Stock markets are subject to many highs and lows, and the returns can never be predicted. It is best to invest regularly, through a SEBI-registered market intermediary, for sound returns.

INVEST RIGHT TOH FUTURE BRIGHT

https://www.bseipf.com/doandonts.html

BSE

INVESTORS' PROTECTION FUND

BSE'S INVESTORS' PROTECTION FUND

BSE - Asia's oldest, yet the world's fastest Universal Exchange has set up an Investor Protection Fund (IPF) on July 10, 1986, - a trust registered under the Bombay Public Trusts Act, 1950. The Trust is managed by an eminent Board of Trustees.

The main objective of the trust is to compensate the investors who suffer financial loss on account of their trading member defaulting on its obligations. The claims are settled in accordance with the Guidelines issued by the Ministry of Finance and SEBI from time to time. In case of any settlement default by a Member of the BSE, the BSE IPF compensates the valid claims of the clients of such Defaulter Trading Member upto a maximum of Rs. 15 lakhs per client. BSE IPF also provides monetary relief to the investors, during pendency of proceedings against trading members at IGRC/Arbitration level, as per the guidelines issued by SEBI.

Another important objective of the fund is to impart knowledge and create awareness amongst the investor community in India about various aspects of the securities market.

BSE IPF works with a broad range of schools, colleges, universities, research centres, policy advisory entities, trade associations, and others. The collaboration typically is in the form of support to events, conferences, seminars, publications, etc.

Even during the pandemic period in 2020-21 when physical seminars were not allowed, BSE-IPF successfully conducted over 6000 webinars across India, in several regional languages and English.

Using DIGITAL TECHNOLOGY to poWer SUSTAINABLE GROWTH

- Digital Payments
- Analytics & Business Intelligence
- Customer Relationship Management
- Enterprise Mobility Solutions
- Pipeline Intrusion Detection System
- e-Fuel Stations
- Smart Terminals
- Smart LPG Plants

We stand united in the commitment to fight against Climate Change. Digital Technology is forming the core of our businesses and changing the way we run our processes. It is simplifying every aspect of our business. Today using the boon of Technology such as Automation, Digital Connectivity, Real Time Data Monitoring and Artificial Intelligence, we are able to design simple solutions that positively impact not just our lives but our Planet as well.

All this, while delivering the best products and services for our customers. As we move to these newer Technologies, which reduce the Carbon footprint and help us minimize the impact on the Environment, we are proving that running successful businesses can go hand in hand with caring for our Planet.

ADVERTORIAL

DRIVE BUSINESS WITH MANAGEMENT
DRIVE PROGRESS WITH GITAM

COURSES OFFERED

- Master of Business Administration
- MBA (Business Analytics)
- MBA (International Business)
- MBA (Health Care Management)
- Executive MBA
- Bachelor of Business Administration
- BBA (Business Process Services/Management) with TCS
- BBA (Business Analytics)
- BBA (Financial Markets) with NSE
- BBA (Logistics) with LSC
- BBA (Management Accounting) with CIMA, UK
- BMS (Aviation and Air Cargo)
- B.Com. (Accounting, Auditing and Taxation)
- B.Com. (H) with ACCA, UK

Every management program is designed to put business growth before people. Here's a curriculum that enables you to grow a business through the people. Join a course that puts your values at the forefront and empowers you to make real impact.

APPLY FOR GAT NOW!

8880884000
www.gitam.edu

#1 CATEGORY GRADED AUTONOMY BY UGC

NAAC A+ Grade

VISAKHAPATNAM
HYDERABAD
BENGALURU

AACSB Business Education Alliance Member

GITAM (DEEMED TO BE UNIVERSITY)

Engineering | Management | Paramedical | Sciences | Pharmacy | Architecture | Law | Humanities | Medical Sciences | Nursing | Physiotherapy

Click here to explore more about GITAM

VJIM
Estd: 1993
AN INNOVATION DRIVEN B-SCHOOL

PGDM Post Graduate Diploma in Management

PGDM (Executive) in Business Analytics

Ph.d Program (Management)

- Faculty with a perfect blend of industry and academic experience
- POGIL (Process Oriented Guided Inquiry Learning) an Innovative Pedagogy
- Global Connect with top professionals - Academicians
- Reverse orientation of fundamental Concepts
- Blended learning & Immersion Programmes

International Collaborations:

LINCOLN UNIVERSITY COLLEGE | UNT UNIVERSITY OF NORTH TEXAS | irm The Institute of Risk Management (UK) | AACSB Business Education Alliance Member

Equivalent to MBA (AIU)

CRISIL Rated Grade 'A'

AICTE Approved

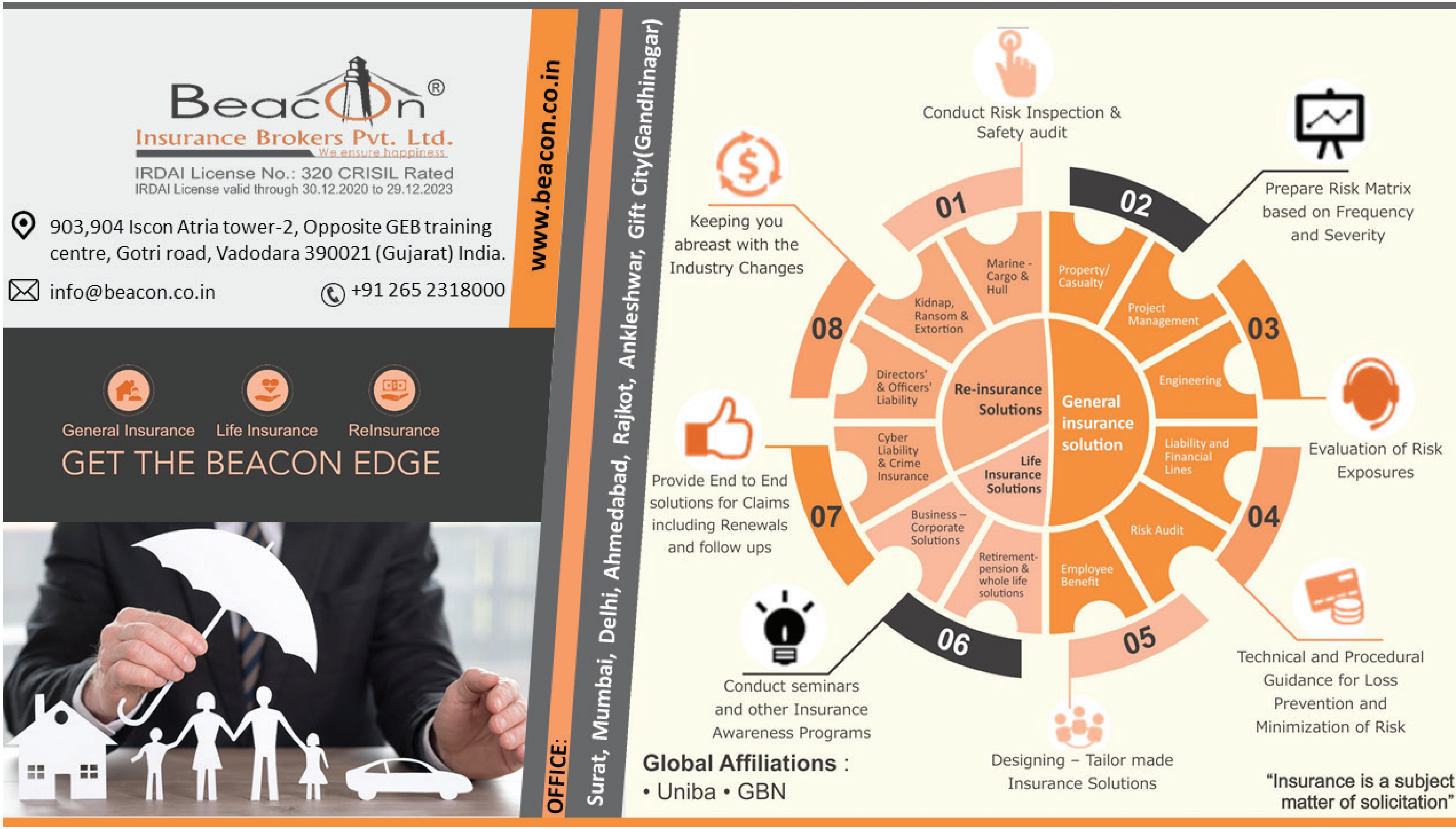
NBA Accredited

CELEBRATING 29 YEARS of Academic Excellence

TAMASŌMA JYOTIRGAMAYA
Estd: 1993

VIGNANA JYOTHI INSTITUTE OF MANAGEMENT

Pragathi Nagar (via) Kukatpally, Hyderabad - 500 090.
E:mail: admissions@vjim.edu.in
Website: www.vjim.edu.in



Beacon®
Insurance Brokers Pvt. Ltd.
We ensure happiness
IRDAI License No.: 320 CRISIL Rated
IRDAI License valid through 30.12.2020 to 29.12.2023
903,904 Iscon Atria tower-2, Opposite GEB training centre, Gotri road, Vadodara 390021 (Gujarat) India.
info@beacon.co.in
+91 265 2318000
www.beacon.co.in
General Insurance
Life Insurance
ReInsurance
GET THE BEACON EDGE
OFFICE:
Surat, Mumbai, Delhi, Ahmedabad, Rajkot, Ankleshwar, Gift City(Gandhinagar)
01
Conduct Risk Inspection & Safety audit
02
Prepare Risk Matrix based on Frequency and Severity
03
Evaluation of Risk Exposures
04
Technical and Procedural Guidance for Loss Prevention and Minimization of Risk
05
Designing – Tailor made Insurance Solutions
06
Conduct seminars and other Insurance Awareness Programs
07
Provide End to End solutions for Claims including Renewals and follow ups
08
Keeping you abreast with the Industry Changes
General insurance solution
Property/ Casualty
Project Management
Engineering
Liability and Financial Lines
Risk Audit
Employee Benefit
Re-insurance Solutions
Marine - Cargo & Hull
Kidnap, Ransom & Extortion
Directors' & Officers' Liability
Cyber Liability & Crime Insurance
Life Insurance Solutions
Business – Corporate Solutions
Retirement-pension & whole life solutions
Global Affiliations :
• Uniba • GBN
"Insurance is a subject matter of solicitation"

JOIN THE MANAGEMENT MOVEMENT

Networking opportunities with Indian and global corporate majors
Platform to interact with other members / thought leaders
Concessional rate for AIMA programmes
Complimentary membership of AIMA library
Affiliation to any one LMA
Free copies of 'Indian Management' and AIMA E-news
Representation on the AIMA Council of Management through election
My AIMA online portal services

So when are you connecting with us?

Be an AIMA Member Today !

www.aima.in

Prabir Kumar Dash, Assistant Director-Membership
All India Management Association, Management House, 14 Institutional Area, Lodhi Road, New Delhi - 110003
Tel: 011-24621323 (Direct), 24645100 Extn-535, Fax: 011-24626689 Email: member@aima.in

AIMA
ALL INDIA MANAGEMENT ASSOCIATION

YOUNG
LEADERS COUNCIL

Champions
of change

Inspiring, Creating and Innovating

With a vision to be a leader in Management Development AIMA facilitates individuals and organisations to realise their potential. And in its endeavour to shape the management destiny of the new age India, AIMA has constituted **YOUNG LEADERS COUNCIL** for young leaders. A non-lobbying platform to mentor and nurture young leaders for the next wave transformation.

Thought Leadership | **Peer to Peer Networking** | **Professional development** | **Best Practice Sharing**

Be a Young Leaders Council Member today!

For other information and membership please contact: **Rajni Yadav – Assistant Director**
Young Leaders Council, All India Management Association Management House, 14 Institutional Area, Lodhi Road, New Delhi – 110003
Tel : 011-24645100, 43128100 Ext : 157 | E-mail : ryadav@aima.in | **Website : https://ylc.aima.in**