



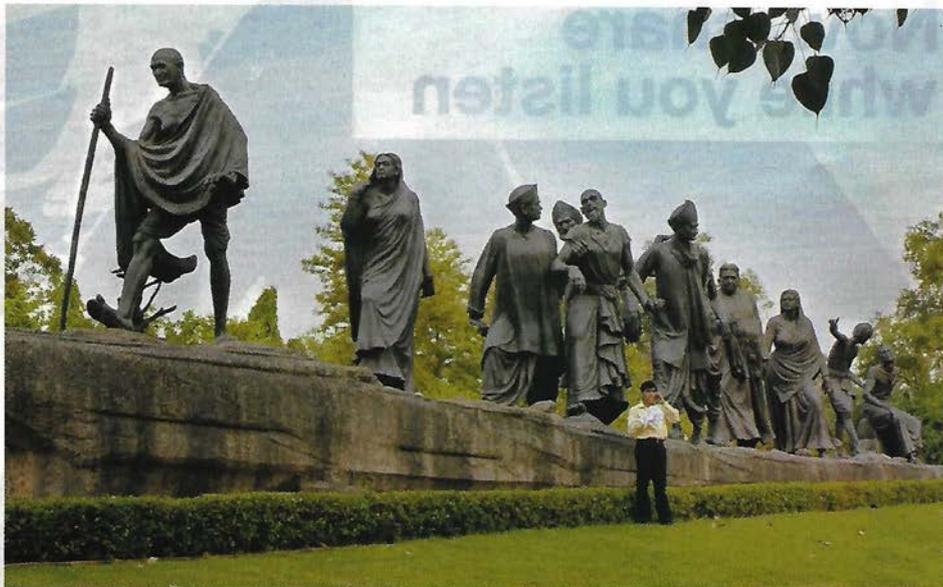
VIEW **LEADERSHIP**



AJAY SRINIVASAN
CHIEF EXECUTIVE (FINANCIAL SERVICES)
ADITYA BIRLA GROUP

It's All About Vision

Look far ahead, go beyond the obvious and shape the destiny of your organisation. That's what being a great leader is all about.



TRIBHUVAN TIWARI

LEADERSHIP DIFFERENTIATES THE ORDINARY from the extraordinary. Leaders have the ability to shape their units' direction, strategy, culture and performance. They are expected to take the big decisions and the buck stops with them. It can be a lonely job entailing huge responsibility, but true leaders revel in it. And they would not trade it for anything else.

Over the last 12 years, I have had the good fortune to head businesses in different parts of the world. For me, the transition from functional manager to CEO to CEO of CEOs has been a fascinating journey, full of rich learning. The functional manager grows by knowing more and more about less and less, whereas the general manager has to operate by knowing less about more. This can be a huge transition and my biggest challenge was learning to let go

of things and letting the functional manager do his job.

Selling Realistic Optimism

"A leader is a dealer in hope", said Tom Peters. Optimism is a force multiplier and something every leader must have in plenty. That is not to say that the leader should be unrealistic. But the position requires you to set the long-term vision, look past the immediate and motivate the team to keep going even when the chips are down. When the Pokhran blasts shook the capital markets I had just become the CEO of a business. When the SARS outbreak was spreading and, more recently, when the global financial markets collapsed, I was heading businesses across several geographies. During all three instances, the near future looked dark. It was important to create a mindset that accepts reality. At the same



VIEW LEADERSHIP

time, it was also important to look for opportunities in a crisis. In all three cases, the markets and the economy bounced back strongly. Staying well-positioned during the crisis meant coming out of it winning. During the financial crisis, for instance, we did not lay off any people. We looked to expand distribution as both labour and real estate costs were more reasonable and consequently we emerged stronger.

"The best executive is the one who has enough sense to pick good men to do what he wants done, and self-restraint enough to keep from meddling with them while they do it," said Theodore Roosevelt. The key functions of a leader are to pick the right people, to build the right organisational structures, and, most importantly, to groom more leaders. A business that regularly generates top leaders from within is infinitely better placed than one that doesn't. It is often believed that a leader is not necessarily the one with the highest IQ but certainly the one with ample doses of EQ. I personally spend a lot of time on people: looking at the skill gaps in the organisation, drawing up plans to fill them by training existing staff or recruiting new employees and meeting all new joiners. I liken an organisation to a bus. The destination of the bus is known to all and there will be times when people will get on and off the bus. But it has to go on. One of the toughest jobs for a leader is to accept the fact that a particular person is not right for a role and to deal with that. Having done this myself, I know how difficult and important it is, both for the organisation and the individual.

"Every company's greatest assets are its customers, because without customers there is no company," said Michael Leboeuf. As a leader, I believe it's very important to have a pulse on customer sentiment. Sitting in ivory towers and making decisions that impact your most important asset is not a recommended approach. I like to visit branches and meet customers to understand their thinking, their issues and their needs. Customer service is not a department, it's an attitude. And ultimately, a good customer experience is the biggest competitive advantage any company can create. Our customers' needs change and we need to make sure we are always in sync. The leader has to understand his customers and their needs well in order to ensure that the company is heading in the right direction.

A leader has several constituents to deal with and I believe one of the important jobs of the leader is to engage in adequate and timely communication with the relevant stakeholders. Aligning employees to the company's vision and direction is very important. This requires great thought in terms of both communication as

well as in terms of the way goals are set even for people from the lowest rung of the organisation. Communication needs to flow up and down and it is, therefore, imperative that the leader regularly lets people know how things are going and what is expected of them. Similarly, like the pilot of a plane, the leader needs to have an instrument panel that gives him/her the vital statistics of the organisation so that corrective action can be taken on time.

I believe in a concept called the management agenda, wherein the company's goals are broken into individual pieces and into metrics for every employee, thus ensuring alignment with the goals. One of the greatest qualities of successful leaders is the ability to sift through the 'noise' of data and identify critical issues. Simplifying complex things is an art and a successful leader must possess this skill. Shareholders and their representatives, the Board of Directors, are a second important constituent. The leader's role is to ensure that there is a flow of appropriate and timely information to the board so that there is never any surprise.

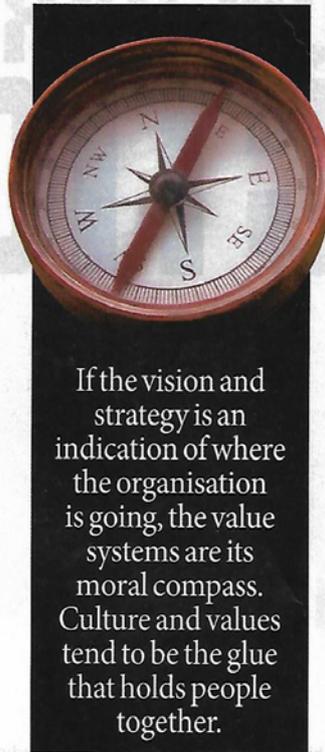
A Moral Compass

If the vision and strategy is an indication of where the organisation is going, the value systems are its moral compass. Culture and values are what distinguish one organisation from another and tend to be the glue that holds people together, weakly or strongly as the case may be. Culture and values are not what are put out on notice boards and other communication; it is the result of the organisation's policies and processes, its rituals, and what it recognises and rewards.

As a leader, I believe you need to walk the talk and set the example to make the culture come alive. For instance, if an organisation believes openness of communication is important as a culture, it will be necessary to ensure that employees across levels have the ability to communicate, and that their voices are heard.

There need to be forums and mechanisms for them to voice their views and ways in which the organisation accepts and reacts to this. I run an open-door policy and anyone can get access to me any time they want to discuss any issue.

"Management is doing things right; leadership is doing the right things," said management guru Peter Drucker. Although so much in organisation life is transitory, with change the only constant, one can recognise the difference a good leader makes to any team. That is because good leaders see things differently, quickly figure out what it will take to get to a goal and draw the best out of their people. They can inspire teams and organisations to greatness by uniting their team behind a common purpose. That's the leadership model I hope I will leave behind as a legacy. ■



If the vision and strategy is an indication of where the organisation is going, the value systems are its moral compass. Culture and values tend to be the glue that holds people together.