

DISCOVER THE DIAMOND IN YOU

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WHO MAKES IT TO BE THE CEO?

How CEO's role and leadership
are changing over time, with
change of industries and
against new challenges



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DISCOVER THE DIAMOND IN YOU

WHO MAKES IT TO BE THE CEO?

WHEN YOU'RE CEO, YOU HAVE TO HAVE TWO CONDITIONS: FIRST, SHAREHOLDERS NEED TO TRUST YOU AND WANT YOU TO HEAD YOUR COMPANY. THE SECOND IS THAT YOU NEED TO FEEL THE MOTIVATION TO DO THE JOB. SO, AS LONG AS BOTH ARE REUNITED, YOU CONTINUE TO DO THE JOB



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CEO IS GIVEN THE HIGHEST RESPECT AND RESPONSIBILITY AFTER THE FOUNDER/ENTREPRENEUR IN THE WEST. IT IS NOW INCREASINGLY BECOMING RELEVANT IN THE CORPORATE CULTURE OF INDIAN SUB-CONTINENT. DTDIY IS ANALYSING HOW CEO'S ROLE AND LEADERSHIP ARE CHANGING OVER TIME, WITH CHANGE OF INDUSTRIES AND AGAINST NEW CHALLENGES

Who makes it to be the CEO?

For the success of any corporation, the most important aspect is to appoint the right person to the right place. However, when it is a matter of selecting the most powerful and crucial position in a company like CEO, a lot of aspects should be considered. History is testimony to the fact that only capable kings were able to sustain their dynasties for long time and were able to create their legacies. It might be the great Ashoka or the Great Akbar. Similarly, only competent is that CEOs have been able to establish their legacies. There are no alternatives like Narayana Murthy, Azim Premzi, Sunil Nittal to say a few. Now a question may arise that what does make a CEO competent enough? It has remained a highly debated topic over the time among scholars. There is no specific formula to become a legend CEO but only few CEOs having certain qualities and attributes become immortal.

To achieve sustained growth and profit in today's cut-throat competitive market, a CEO must have a deep commitment and knowledge to its all stakeholders — employees, vendors, customers, the community, and owners in for the long term. Although each CEO fetches a particular set of attributes to the table but there are some commonalities between those that are able to steer their companies to success.

Here are few essentials and most crucial attributes that a successful CEO must possess:

1. Ability to focus on the vision and communicate that vision to employees

A CEO being at the top of the pyramid must be efficient to communicate the vision of the company in order to motivate its stakeholders especially employees, investors and end customers. As the face of the company, all eyes tab to the CEO for direction and example. Dhirubhai Ambani is the finest example for this. He visioned to make Reliance to be the best company in India and later on in the world and he was able to communicate it to his shareholders. Thus, Reliance has become what it is today.

2. Awareness of operational details, however, not involved with them

A successful CEO needs not to be Jack of all trades but he/she must have over all awareness about major operations happening within or outside the company. Moreover, instead of dragging into the seductive lure of micro managing granular details, a best CEO should have very efficient team to handle that. Across the nation, all the successful companies have outstanding teams.

3. On top of industry trends – an avid reader

A CEO must be on the top of industry trends through reading, attending conferences and joining trade associations to make sure that the direction and vision for the company is in the right place. Finding out potential threats and capitalizing on future opportunities will be always key concern of the CEO. Especially, in the technology sector, a CEO must be aware about the current and evolving trends to customise the product as per the customer preference.

4. Hire effective management teams and very democratic in operational decision making

Neither a company nor a CEO is successful without an effective and efficient management team. A great CEO must consider their employees as a major asset and try to motivate them with right means. Quality managers in turn, know how to mentor and acknowledge the accomplishments of their own staffs in order to keep them motivated, involved and on track to meet the business goals of the company. Without any doubt, neither Bill Gates nor Steve Jobs would be able to set their legacies without support from their extra-ordinary Resesearch and Development (R&D) teams. The case is indifferent in Indian scenario also.

5. Meet customers and articulate customer needs, challenges and business goals.

Successful CEOs look beyond their raw technology and focus on finding ways to help customers solve their problems. They describe their products in terms of how they address the needs and challenges of their customer's instead of listing product capabilities.

Carlos Ghosn, the Chairman and CEO of Renault, once aptly said "When you're CEO, you have to have two conditions: first, shareholders need to trust you and want you to head your company. The second is that you need to feel the motivation to do the job. So, as long as both are reunited, you continue to do the job." If we analyse the journey of the most successful CEOs, we will find one thing in common that all of them are outstanding achiever in the most complex and hyper-competitive global markets and successfully multifold shareholders wealth. If he can increase shareholders' wealth, the job is done. But it has remained a major challenge for CEOs especially in amidst recession. But finding opportunities in threats is the what successful people do. Bill Gates, Steve Jobs, Dhirubhai, Mohammed Yunus are the examples. And the journey is not over yet. In the world of 7 billion people, we've miles to go. [DTDIY](#)

“YOU LEARN TILL YOUR LAST BREATH”

UTTAM BOSE, MANAGING DIRECTOR & CEO, HINDUSTAN MOTORS LTD., IS ONE OF THE EMINENT PROFESSIONALS IN THE FIELD OF MANUFACTURING EXCELLENCE IN INDIAN CORPORATE SECTOR. WITH OVER 27 YEARS OF EXPERIENCE IN DIFFERENT CAPACITIES IN MANUFACTURING ORGANIZATIONS BASED IN INDIA AND ABROAD, HAS MANY THINGS TO SHARE. DTDIY HAS GOT THE OPPORTUNITY TO CATCH HIM TO DISCOVER SOME OF THE SUCCESS MANTRAS FOR BUSINESS, ROLE OF A CEO IN MANUFACTURING SECTOR AND WHAT HINDUSTAN MOTORS IS DOING IN INDIA.



Uttam Bose,
MD & CEO,
Hindustan
Motors Ltd.

Q: In the Indian context, CEO has greater recognition and respect in the corporate culture. How do you describe the work profile of a CEO in the Indian sub-continent?

I would answer the query in what one may consider a rather roundabout manner. Let me dwell first and foremost on the mindset of the Indian CEO as it has been shaped by his/her ancient and current socio-cultural milieu. Let us also consider the general expectations from a CEO. The CEO is a creature of his times. He is a legatee of a certain social value system. His work profile can, therefore, not be viewed in isolation. To me, the CEO in the Indian context is akin to the lead charioteer heading his forces through the battle field of business. Though there may be an Arjun, as well, aboard the chariot and a vast army following behind, the CEO has to play Krishna's role, that of friend, philosopher and guide. Those with even cursory knowledge of Mahabharata and Bhagwad Gita would be aware how Krishna played these different roles with unmatched adroitness and elan in this epochal development. He was strategist, tactician and even hands-on helper on different occasions. He could be a counselor par

excellence but only because he was also a listener of the highest order. That is why what Krishna communicated to Arjun eons ago makes eminent sense to leaders in diverse fields, domains and geographies even today. Top managers, the world over, swear by him. His theory of nishhkaam karma and his accent on equanimity in times of sorrow and joy are the best antidote to the vagaries of business for current CEOs. One can, therefore, confidently assert that a CEO's overall leadership style has to be a sound amalgamation of delegation, participation and authority. Of course, these different traits assume different levels of prominence in keeping with the situation. Having imbibed our ancient culture, at least, in some measure, most Indian CEOs reflect the above mindset.

Q: Not everyone in a corporation has the luck and opportunity to climb up to the ladder to become the CEO. Does someone need special attributes to reach to the post when thousands die on the race?

Well, the foremost need is to earn the respect of employees and all stakeholders as soon as possible. To this end, actions speak louder than

words. All nouns and adjectives uttered in employee meets, board rooms and conference halls go in vain if not followed by right and fruitful verbs. My mantra is 'execution with speed'. One needs to be a strategist with a hawk's eye for business opportunities in the current business scenario where paradigms are changing faster than ever. Growth requires both organic and inorganic routes. So one needs to possess in-depth techno-commercial acumen especially in the manufacturing industry where I have spent 27 years, including over a dozen years as MD. Knowledge of mere technology or commercials will render you into a boxer who is fighting in the ring with one hand tied behind. Therefore, the willingness and ability to remain atop the learning curve all the time is imperative. You learn till your last breath. However, many a time the MD or CEO needs to be the day-to-day tactician and hands-on trainer. But it is far better to teach a man how to catch fish rather than giving one to him every day. That creates a sustainable system. So learn yourself even if you are the CEO and spread the culture of learning all around. No general ever won a battle by himself. Team-building is the key to success. Hence, inculcate among your employees the need to

I ENJOY WORKING IN ADVERSE SITUATIONS. THERE IS SO MUCH TO CONTRIBUTE. CHALLENGES EGG ME ON TO GIVE MY BEST.

come out of their silos, abandon egos and bond together to achieve organizational objectives and personal aspirations.

Q: You have been working since a quite few years now, how have you been taking care of Hindustan Motors as CEO of the company?

Hindustan Motors is India's oldest fully integrated auto company. Its iconic car Ambassador continues to be an integral player of the country's passenger car segment. We have also forayed into the LCV segment and are making steady progress. Our technical collaboration with Japan's Mitsubishi Motors has resulted in world renowned sedans and SUVs like Lancer, Cedia, Montero, Pajero, Outlander, Evo X and Pajero Sport being introduced in India, starting 1998. But, the past few years have witnessed HM lose some of its sheen. However, I enjoy working in adverse situations. There is so much more to contribute. Challenges egg me on to give my best. After all, how much can you contribute in a systematic and smooth-sailing organization? Only stormy waters really test your steering skills. You not only need to work hard and smart but also need to create and sustain a productive work culture. I relish doing that.

Reverting to the original issue, HM had to go on the back foot because of its inability to keep up with rapidly progressing automobile technology, sudden influx of a large number of cars of foreign origin, introduction of new business practices and change in customers' taste. However, I feel this is a temporary phase. Soon after joining HM in April 2012, I tried to identify the challenges confronting the company and drew up an action plan, prioritizing the different steps for execution. The foremost task was to enthuse employees at all levels. I tried to infuse into them the confidence and belief that change is possible and that with sustained effort and commitment a turnaround could be brought about, sooner than later. We did this through a rigorous, structured and ongoing internal communication system. We took care to keep external stakeholders viz. dealers, suppliers, bankers, customers, news media etc. also in the loop.

Having steered turnarounds and revivals in some of my previous organizations too, I was brimming with hope and conviction in my new assignment. I and my senior team members reminded HM personnel that the brand recognition

and loyalty that Ambassador commands is unmatched. However, we were handicapped by the lack of a BSIV-compliant engine for our diesel-powered models. This denied us the opportunity to sell in the major metro markets in view of the anti-emission laws. The BSIV issue had been long pending for different reasons, mainly our inability to find a suitable technology partner. One of my first major moves was to tie up with a renowned automotive technology organization based in Europe at a highly cost-efficient fee. No wonder then that HM is poised to introduce a BS IV-level diesel model of Ambassador by June 2013. This will reopen the major markets for us. However, many other measures too were being put into action simultaneously. Based on extensive customer feedback, we dedicated ourselves to eradicating some of the quality irritants in Ambassador, and could address most of the major issues in a matter of months. However, the quality journey is a work in progress. There is always room for improvement. Product improvement started making its impact when we decided to carve out a new path, literally so. I dispatched my sales people to remote areas and deep pockets of the country. The move paid quick dividends and orders started flowing in from hitherto unknown areas. Positive developments started becoming visible from the third quarter of financial year 2012-13. January and February 2013 turned out to be miraculous for HM sales which showed a year-on-year jump of 104 per cent and 166 per cent respectively. We are nearing the end of March 2013, and I am more than confident that we will repeat the feat. But is it a flash in the pan? Our order bank for the next three months is in the pink of health.

Q: You have been with Hindustan Motors for a quite few years now. Where and how you want to take the company from here?

This is just the beginning and we have a long way to go. However, let me share some product-related goals for the financial year 2013-14. HM is all set to launch BS IV-compliant diesel Ambassador by June 2013. We intend to introduce a sub-4-meter variant of Ambassador by the end of quarter 3 of FY 2013-14 though without compromising on the cabin space. And the close of the financial year 2013-14 should witness the launch of a new model of Ambassador with new features aimed at attracting the younger generation. Hand in hand with this, HM is sharpening its focus on

the commercial vehicle segment, the only auto domain to have registered double digit growth during the unprecedented auto slowdown in 2012-13. Our recent introduction of 2.0-liter diesel LCV Winner has evinced hearty response from the market. We would like to enlarge the commercial vehicle bouquet over time. Our Mitsubishi line of business running out of Chennai car plant is reporting enthusiastic numbers. There is a waiting list for our recently launched SUV Pajero Sport. Some other Mitsubishi vehicles will be offering modifications and new features in FY 2013-14.

Q: Any success story you would like to share with us during your tenure of a CEO?

I would not like to hark back to the past. What is currently happening in Hindustan Motors is an ongoing saga of incipient success. The green shoots are visible. We are nurturing them. With time and focused perseverance, they should bloom and be visible to all. It will take some time for their sweet scent to spread.

Q: Your sales have gone up by 166%, would you like to share with us your sales strategy?

I have already discussed the basics of the sales strategy we have adopted wherein we forayed into relatively virgin and inaccessible territories and produced results by leveraging the tremendous brand loyalty commanded by Ambassador. Our value-for-money proposition, easy and cost-efficient maintenance compared to peer automobiles, expansion of dealership network and improved financing options through tie-ups with more banks and NBFCs are boosting sales. Better after-sales service is also being welcomed by customers.

Q: How do you see the future of 'once India's most popular car Ambassador' in India or across the world?

Ambassador will continue to denote elegance and power wrapped in timeless simplicity. The iconic car has crossed the Indian borders. Exports have begun and we expect the numbers to pick up with time. At the same time, we plan to make Ambassador's presence more conspicuous in the deeper pockets of the country. We have already made a beginning in that direction and have tasted success.

Q: What's next after being in the most powerful position for a desired period of time?

Having been the MD in different reputed organizations for over a dozen years, power does not enamour me. In fact, it never motivated me. What drives me is challenge. All through my career, challenges in different roles prompted me to give my best. [DTDI](#)

WELL THOUGHT OUT STRATEGY
AND EXECUTION BACKED BY
PROVEN EXPERIENCE PRODUCE
LONG LASTING RESULTS