

Leadership for India Inc: Practical Concepts and Constructs
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Week – 04
Competency Leadership
Lecture – 17
Apex Leadership Attributes

Hi Friends, welcome to the NPTEL course on Leadership for India Inc, Practical Concepts and Constructs. We are in week 4, discussing Competency Leadership. In this lecture, we will focus on Apex Leadership Attributes.

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The Apex Leader

Among leaders, an apex leader or a leader is one who leads other leaders, typically as a Chief Executive Officer (CEO). A CEO is even more differentiated, and has greater accountability and responsibility than anyone else in the organization.

- The CEO is responsible for setting transformational vision, perceptive strategy, and flawless execution
- The CEO establishes the strategic direction and leads the company in that direction
- He or she is also responsible for ensuring leadership continuity

The CEO is a critical role, and a singular role, irrespective of the type of the organization and the nature of industry and business the firm is in. There exist a few common types of organization, in all of which the CEO role is unique.

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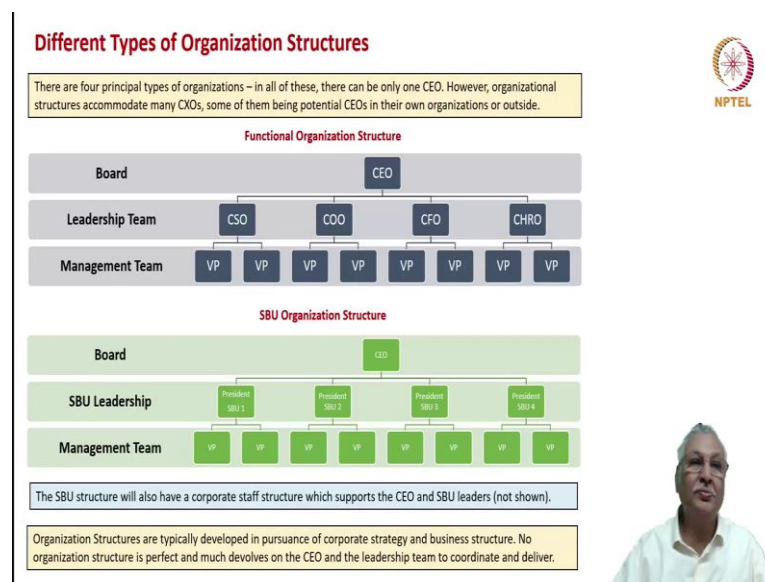
Who is an apex leader? Apex leader is someone who is at the very helm, at the very top of an organization; he is a leader who leads other leaders, typically as a chief executive officer. A CEO is an even more differentiated leader compared to various other leaders in an organization. He or she has greater accountability and greater responsibility compared to anyone else in the organization.

What are the three critical functions of a CEO? The CEO is responsible for setting transformational vision, perceptive strategy and flawless execution. The CEO establishes the strategic direction and leads the company in that direction through very rigorous execution.

He or she is also responsible for ensuring leadership continuity. The CEO's role is a critical role and is also a singular role, irrespective of the type of the organization, the nature of the industry and the scale of the business; the CEO's role is indeed a critical role.

There exist a few common types of organization and when you see these few types, you will understand that every organization needs a CEO. And whatever be the complexity and the scale of the organization, the CEO happens to be the singular title and role in such organization.

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So, there are different types of organization structures; for example, functional organization structure is the most common form of organization. We also have geographic organization structure, we also have regional organization structure, we also have a product organization structure.

At the other end, we also have the SBU organization structure; SBU means strategic business unit. When you look at a functional organization structure; you typically have the board, which is headed by or which comprises the CEO and managing director.

We have a leadership team comprising chief scientific officer, chief operating officer, chief financial officer, chief human resource officer and they like, typically called CXOs;

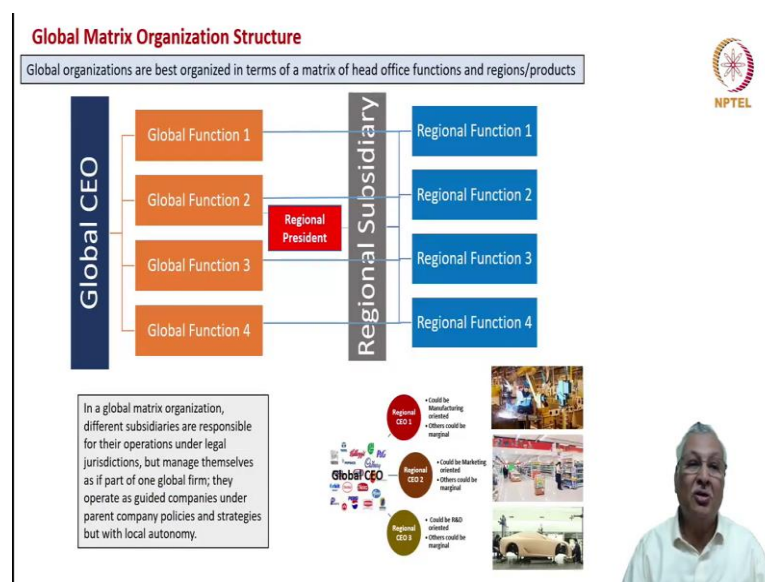
this layer reports to the CEO. And each of these functional CXOs would have management leaders vice presidents or presidents reporting to them.

In an SBU organization structure, you still have the CEO at the board level; but you will have a second tier the SBU leadership, that is the president or the chief of a SBU which looks after one type of a business.

Another president for another SBU and a president for third SBU and so on and each of these SBU heads would have the management team leaders reporting to them. And SBU organization structure would also have a corporate staff centre, which advises the CEO and also connects the CEO with the various SBUs. These organization structures are typically developed based on the context the firm has and the strategy the firm has.

Every organization structure tries to solve some problems, but also present some problems; it is to the requirement that the CEO engages with various types of organization structures as required by the strategies, coordinate with the various senior leaders and manage irrespective of the problems an organization structure poses.

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Large multinational organizations have got even a more complex structure. You have a matrix organization; typically, a matrix of head office functions and regions stroke products is governed through this matrix structure. Here is a representation. We have a

global CEO handling global functions and we have a regional president handling also the regional functions.

The regional president is responsible for the regional subsidiary; whereas the global CEO is responsible for several such subsidiaries bound together through these regional president relationships. And typically the regional president reports to a very high up, very senior global function head, that is how it operates. In a global matrix organization, different subsidiaries are typically responsible for their operations under legal jurisdictions; but manage themselves as if part of one global firm.

They operate as guided companies under parent company policies and strategies, but with local autonomy. I have demonstrated here the global CEO position in a typical multinational context. The emblems reflect the multinational corporations we are all familiar with; such MNCs have got several regional CEOs. Depending upon whether the regional entity is manufacturing oriented, development oriented or marketing oriented; you will have a particular organization structure.

However, all these organization structures report to the global functional heads. If the regional entity is highly manufacturing oriented; typically, the regional CEO reports to the global head of operations. If the regional entity is primarily a marketing outfit, the CEO of the regional operation reports to the global marketing head. And similarly, if the regional entity is an R&D oriented entity; the regional CEO would report to the chief scientific officer at their global level, that is how the relationships work.

For example, when I was the managing director and chief executive officer of Hospira Healthcare India Private Limited which is the Indian subsidiary, wholly owned subsidiary of Hospira Inc. global; I was responsible for all the functions, which were existing in India, but many of our functions were both R&D based and manufacturing based. From the time I joined to the time I retired from that position; we had grown the business from 1 site to 9 sites and from 400 employees to 4500 employees.

During this period, manufacturing and R&D took route as a strong blueprint for Hospira in India. Therefore, I had a dual reporting; one to operations global head, and also R&D global head that is how it works. And also because I was the member of the senior leadership team of Hospira Inc; I was part of the senior leadership team, which was

headed by global CEO that is how these complex global matrix organization structures operate.

Suffice it to say that, in such organizational structures; you would have CEO like subsidiary heads, that is managing director and chief executive officer of a national subsidiary and finally, the Global CEO. So, you can say that the CEO positions are very critical and singular positions having responsibility for a wide variety of functional specialties.

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Strategic Direction and Leadership Continuity

Setting strategic direction requires, among others, **an intuitive conceptual ability, a trained analytical competence, and a native entrepreneurial spirit.** In general, only strategically oriented leaders will be able to graduate into CEO roles.

Annals of knowledge
Wisdom of experience
Visions of future

Strategic Direction

Chief Executive Officer

Spot the potential leaders
Nurture leadership in the potential leaders
Challenges them with leadership opportunities
Ensure leadership continuity

Each potential leader should be able to replace the current leader at short notice or have the capability to take up leadership responsibility elsewhere. Developing yet managing equally capable leaders is a core competence that sets apart a leaders' leader from others.

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(Speaker: A man in a light blue shirt is visible in the bottom right corner of the slide.)

So, given that the role and responsibility of leadership at the CEO level is really strategic. The leader, that is the CEO would need to have an intuitive conceptual ability, a trained analytical competence, and a native entrepreneurial spirit to be able to manage this vast expanse. Annals of knowledge, wisdom of experience and visions of future are extremely important for the chief executive officer.

Many of the points I made earlier that, the CEO should be capable of capturing the mega trends and developing a strategic vision for the company and crafting a strategic approach thereafter, these all apply to the chief executive officer. The chief executive officer also is responsible for spotting the potential leaders, nurturing leadership in the potential leaders, challenge them with more leadership opportunities, and also ensure leadership continuity.

In an evolved organization, a leader should be capable of getting replaced at short notice, if it were to be required; because a large organization also has brought growth. It is possible for the chief executive officer to step into higher responsibilities only when there is always a leader or to waiting in the wings to take over such position.

So, developing leadership is a critical responsibility of the chief executive officer and it is a core competence, which distinguishes a leader's leader from other leaders. A leader's leader is a leader at the apex level or an apex leader; that is the difference between a leader and a leader's leader.

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Strategic Leadership

Strategic leadership involves making decisive but appropriate changes to the company's direction, and aligning and leading the organization on the articulated path. It is often a hierarchical and iterative process.

Three Contexts

- Growth**
 - Organic
 - Inorganic (M&A)
- Consolidation**
 - Competitiveness
 - Sustainability
- Turnaround**
 - Recovery
 - Growth

Strategic Leadership

- More than business strategies of growth, consolidation or turnaround
- More than a combination of the best of functional strategies
- It is all about leading the organization onto something transformative that is out of the ordinary
- Requires several competent leaders who would co-strategize and co-execute with him
- Ability to challenge and get challenged for growth with sustainability; for value with values; for direction with purpose

Strategic leadership in that sense belongs only to the CEO, who must be the leaders' leader to ensure that the sum of all the good parts of the organization results in an overall greatness.

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What is strategic leadership? Strategic leadership is the ability to take the company forward any business context. These business contexts typically for a firm are of three types; one – growth, which would again be through organic route or inorganic route, and inorganic route includes mergers and acquisitions as well as joint ventures.

The second context is one of consolidation; that is, you should make the business much more competitive and make it much more sustainable. And the third is the turnaround; the business is not doing so well or the product range itself is facing a decline, then you need to take the company on a path of recovery and then subsequent growth.

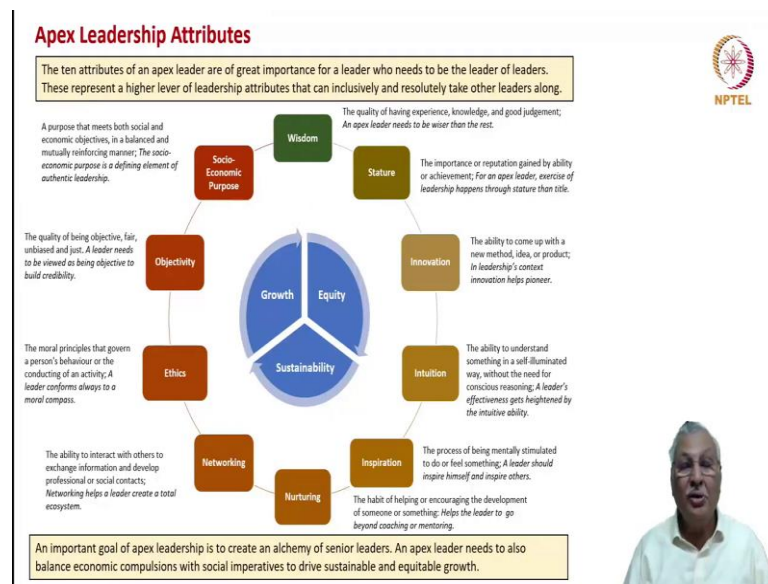
So, strategic leadership at the CEO level involves more than business strategies of growth, consolidation and turnaround. It is also more than the best of functional

strategies bunched together. It is all about leading the organization to something which is transformative and which is out of ordinary; that is the CEO responsibility. It therefore, requires several competent leaders, who could co-strategize and co-execute along with the CEO, the kind of transformative vision and strategy.

It also requires an ability to challenge and get challenged to ensure growth and sustainability could be achieved by the company. We should also have value for values; that is the leadership should value the principle of values, it should have direction, but with purpose.

In that sense, the strategic leadership responsibility does not belong only to the CEO; it also belongs to the CXOs who work with the CEO. It is the leader's leader responsibility to ensure that the entire senior leadership team is aligned and it is functioning as one in meeting the strategic leadership challenges.

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Given the scenario, what are the apex leadership attributes? We have considered that a typical leader should have 10 developmental attributes and 10 performance attributes. I have selected those 20 attributes from the long list of over 100 leadership qualities, which are found in popular literature. Now, let us look at the apex leader; apex leader must have not only those 20 leadership attributes, but also have something extra and that extraordinary leadership capability set is discussed here. It starts with wisdom.

An apex leader should be a wise leader; the quality of having experience, knowledge and good judgment is called wisdom. An apex leader needs to be wiser than the rest; then only his voice would be respected and his voice would be heard and followed. An apex leader should be one who is having good stature; stature is the importance or reputation gained by ability or achievement.

For an apex leader, exercise of leadership happens through stature than title; is not because he is the CEO that people follow the CEO, it is because the incumbent has got such stature that it behoves everybody else to follow him, listen to him. Innovation is the ability to come up with a new method, idea or product; it is the kind of pioneering skill. In leadership context, innovation helps a leader pioneer.

An apex leader must also have intuition. Intuition is the ability to understand something in a self-illuminated way, without the need for conscious reasoning. A leader's effectiveness gets heightened by the intuitive ability. When you look at leaders, you can find out how they are intuitive; when V Krishnamurthy started the Maruti car project on behalf of the government, he had several car models to choose from, and each car model was as good as the other car model.

However, and he focused on the 800 cc model; there was not merely an analytical approach to the whole decision making, but an intuitive approach, that intuitively he felt that, regardless of the big cars that were available at that time Ambassador or Fiat. A small car powered by an 800 cc engine and providing the highest possible level of fuel economy would be the best seller and best suited for Indian market, that is an intuitive judgment I would say.

So, intuition is part of an apex leaders' personality; because many other leaders in this SLT would be quite analytical and conceptual, but not as intuitive as the wisest leader in the back. Inspiration is another good quality of apex leader. Inspiration is the process of being mentally stimulated to do or feel something. A leader should inspire himself and also inspire others; because an apex leader always keeps stretch targets for himself or herself.

Nurturing; nurturing is the next higher level for mentoring or coaching. In the nurturing framework, a leader develops roots for the various leaders who are working with him; that is creating an ecosystem, which nurtures the entire leadership capability of his team

that is the nurturing quality. Networking, an apex leader goes beyond the traditional firm boundaries and industry boundaries and creates a network of companies, a network of relationships.

It is the ability to interact with others to exchange information and develop professional or social contacts; that comes from a confidence that he is on the right path and he has got the right stature and right conviction to make relationships with various companies, whether they are competitors or collaborators, whether they are in the same industry or in other industry. Networking helps a leader create a total ecosystem.

Then ethics, ethics is a term which is larger and wider in import than integrity. Ethics are the moral principles that govern a person's behaviour or the conducting of an activity. A leader conforms always to a moral compass that guides the apex leader in the performance of his or her job. Objectivity, objectivity is the quality of being objective, fair, unbiased, and just. A leader needs to be viewed as being objective to build credibility.

And finally, socio economic purpose; every CXO member or a member of an SLT has his functional agenda or business agenda. Even in an SBU organization, the SBU leader has the SBU agenda; but only the CEO has got the responsibility, accountability and if I may say so the independence to chart out a socio economic purpose for the organization. Socio economic purpose is nothing but a purpose that meets both social and economic objectives in a balanced and mutually reinforcing manner.

It is the defining element of authentic leadership. These are the 10 characteristics of an apex leader. And an apex leader will be a genuine leader; will be an authentic leader who displays passion for growth, equity and sustainability.

An important goal of apex leadership as I mentioned earlier is to create an alchemy of senior leaders. He also needs to balance the various performance considerations which we touched upon earlier like revenue maximization, profit maximization, market share maximization, market capital maximization all that must be achieved.

But those things have to be balanced with social imperatives to drive sustainable and equitable growth for the company; that is the higher level challenge which an apex leader has.



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Wisdom

The framework of the ten apex leadership attributes adds the touch of greatness to the twenty essential qualities and skills, and transforms a leader into a leaders' leader. Each of these apex qualities may seem similar to one of the twenty developmental and performance leadership attributes but each goes significantly beyond.

- For example, not all knowledgeable and experienced individuals are necessarily wise people
- Wisdom goes way beyond knowledge and experience—it is an accumulated competence that adds sagacity to a leader
- Wisdom enables a leader to see things that others cannot easily see, and make judgements that others find difficult to make
- Wise leaders are definitive but reflective; they are deliberate but are also purpose-driven
- Wisdom helps wise leaders to be taller than leaders who have only knowledge, because wisdom with knowledge is relatively more infallible than just knowledge without wisdom

The difference between knowledge of a leader and wisdom with knowledge of an apex leader is thus very patent. A leader needs to be perceived as truly wise and knowledgeable to command the respect of other leaders.



Let us look at some of these factors in little more detail. Wisdom implies that, it is a characteristic that goes beyond knowledge; not all knowledgeable and experienced individuals are necessarily wise people.

Wisdom goes way beyond knowledge and experience; it is an accumulated competence that adds sagacity to a leader. You can clearly distinguish between a wise leader and a knowledgeable leader. Wisdom enables a leader to see things that others cannot easily see and make judgments that others find difficult to make.

Wise leaders are very purposive, very definitive; but they are also reflective, they are deliberate, but they are also purpose driven. Wisdom helps wise leaders to be taller than leaders who have only knowledge; because wisdom with knowledge is relatively more infallible, that is knowledge without wisdom. The difference between knowledge of a leader and wisdom with knowledge of an apex leader is that very patent.

A leader needs to be perceived as a truly wise and knowledgeable leader to command the respect of other leaders; that is the challenge which a leader's leader has and that comes with the experience and that also comes with having the experience of managing a team of equally competent leaders.

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Stature

Interestingly, wisdom is a major component of leadership stature. That said, all wise leaders might not turn out to be leaders with stature. Wise leaders who are taciturn or reluctant to participate in leadership dynamics may be regarded and respected for their wisdom but not be seen as possessing the necessary stature to lead other leaders.

A leaders' leader must consolidate his wisdom into stature, as it is the hallmark of a successful leader.

This is applicable, in particular, to a second-tier leadership team with high levels of talent, where the ability to exert stature internally and externally becomes important for leadership sustainability.



Leadership is not about winning intellectual debates or enforcing business cases, something that may be helped by knowledge and other leadership attributes such as communication.

Internally, leadership is about amalgamating a heterogeneous organizational team with an inspirational vision and strategy.

It is about securing consensus, alignment and endorsement for a collective organizational movement in uncertain environments that are marked by plurality of options.

Externally, leadership is about optimizing in the face of competitive dynamics in the industry, comparative dynamics in the economy and distributive dynamics for the society.

Stature enables the leaders' leader to achieve a positively influential role in all matters within the organization and outside, which require leadership guidance and intervention.

Stature; stature is different from title. Stature is the perception that the leader has something which is beyond the competence and capability of other leaders. When wisdom is consolidated into stature, it becomes the hallmark of a successful leader.

This is particularly applicable to second tier leadership team with high levels of talent, where everyone is equally knowledgeable, equally talented; unless the apex leader has the necessary stature, he or she would not be able to command the respect of the leadership group.

Leadership is not about winning intellectual debates or enforcing business cases; it may be helped by knowledge and other leadership attributes such as communication. But internally, the leader must be able to bring together various factions, various departments, various functions of an organization on to one single thread of vision, mission, goals, strategy, and execution; that is, you need to amalgamate a heterogeneous organizational team with a shared inspirational vision and strategy.

To be able to do that, you should have not only wisdom and also stature. It is about securing consensus, alignment and endorsement and only leaders with stature can achieve that. Externally, leadership is about optimization of a firm's performance, ability to stand on firms own foundations in the face of competitive dynamics in the industry, comparative dynamics in the national economy and also the distribution dynamics that drive social expectations.

To be able to do that, a leader has to have stature. It enables the leader's leader to achieve a positively influential role in all matters within the organization and outside which require leadership guidance and intervention.

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Innovation

Being a pioneer is yet another hallmark of a leaders' leader. Most leaders tend to be visionaries, in any case. Differentiated leaders, however, come up with pioneering visions. Pioneering rests on innovation.

- Being a pioneer is not merely about doing something for the first time – It is something decidedly more.
- Pioneering is the manner of doing something in such a way that it provides first-time unique functionalities and user experience.
- Typically, pioneering products and services help leaders to not only drive growth but also build industries around such products and services.
- The ability to be a pioneer in thought, expression and execution is important for a leaders' leader - enables a pioneering spirit and culture to pervade the organization.
- It is also about securing consensus, alignment and endorsement for a collective organizational movement in uncertain environments that are marked by plurality of options.
- Leadership is about deploying innovation to redefine competitive dynamics in the industry, competitive dynamics in the economy and distributive dynamics for the society in a positive manner.

Apple's iPhone and iPad, pioneered by Steve Jobs, were not the first smart devices of their class but they were pioneering devices in that they revolutionized how people, irrespective of their social background or professional stature, would use such smart devices.

Interestingly again, pioneering accomplishments add to leadership stature. An innovative and pioneering leader stands out and will be seen as unique in serving the consumers, markets and society.

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Innovation: it is also another hallmark of a leader's leader. When you want to think of innovation as the apex leader's capability; you have to only think of Steve Jobs or Bill Gates.

Being a pioneer is that another hallmark of being a leader's leader. Most leaders tend to be visionaries in any case; however, differentiated leaders come up with pioneering visions. It is not enough to have a vision, but it is necessary to have a pioneering vision.

You can have a vision that I will be the top manufacturer in automobiles; but it would be a pioneering vision to believe that you could be the electric automobile leader, that is a pioneering vision. It is not just being high on scale or scope; but also high on transformation.

Pioneering requires innovation. Being a pioneer is not merely about doing something for the first time; it is something decidedly more impactful. It is the manner of doing something in such a way that, it provides first time unique experience to the customers and provides a first time unique pathway for the industry to develop itself.

Typically pioneering products, innovative products not only create a huge business for the firm; they even create a total industry around the products and services, a line of thought which we discussed earlier as well. When you look at Steve Jobs of Apple, how he redefined the entire Smartphone industry and now, how the entire smart wearable industry is getting redefined by Apple iwatch is reflective of the pioneering, innovative, capabilities of an apex leader.

It is also about securing consensus, alignment and endorsement for an inspirational innovative idea that the leader has. It is also about deploying innovation, so that the entire stakeholder network in the ecosystem is aligned brought together irrespective of the competitive dynamics, comparative dynamics, and social dynamics to perform the task of bringing the innovative products into the marketplace.

Pioneering accomplishments definitely add to the leadership stature; not only wisdom and also the innovative capability, together they add to the stature of a leader. An innovative and pioneering leader stands out and will be seen as unique in serving the customers, markets and society.

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Intuition

Intuition is a big driver of pioneering visions that are successful. While some leaders are naturally more intuitive than others, many leaders become intuitive with years of reflective observation and perceptive experience.

Intuition is both the trigger and filter for pioneering visions. Intuition has a strong impact on how leaders conceptualize, visualize, and strategize.

A leader's intuition helps him anticipate the need for new products and services as well as risks and opportunities of business and economic environment.

Intuition cannot be explained with instinct, logic or data. An intuitive leader must possess the strength and conviction to move as per his intuitive guidance, and build other leaders' trust in his approach.

Intuition is a distinguishing and uniquely personal attribute that propels a leader to move further up as a leaders' leader.

Intuition is not instinct—the former tends to be spontaneously different and unbiasedly definitive in each case while instinct tends to be more of an intrinsic and recurrent way of how leaders look at things, and respond to events.

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Another very important aspect of a leader's leader is intuition; intuition is coming to a decision based on an internal feeling that, this is the right pathway. Typically, we will have many paths to pursue when you are making decisions and those paths are also

supported by different levels of data analysis and forecasting. To be unbiased, we use data; to be unbiased, we use logic.

However, there is always something which overrides these concepts. A favourite example for me is that, many automobile leaders used to visit Japan; even from Tata Motors several executives would have visited Japan for several years. But only Ravikant visualized that, the small commercial vehicle, which Japan uses given the narrow road conditions in Japan, would be a best seller in India.

It is not necessarily based on analysts; it is the kind of conceptualization, visualization, and strategization he could do intuitively. That intuitive capability is something which separates or distinguishes an innovative leader, a leader's leader from other leaders. Oftentimes innovation cannot be explained by only investments.

Similarly, intuition cannot be explained only with instinct or logic or data. Intuition is beyond any quantitative, intuition is beyond any quantitative measures that a leader can have access to. It is a distinguishing and uniquely personal attribute that propels the leader to move further up as a leader's leader.

So we should not confuse intuition with instinct, the former tends to be spontaneously different and unbiasedly definitive in each case; while instinct tends to be related to the personality type of the leader. It is an inherent way the person responds.

When faced with competition, one leader could be very aggressive; one leader could be very conciliatory, that is the instinctive behaviour of the leader. However, intuitively the leader could judge that, this is the right path to be followed when facing competition that is intuitive capability, these two are very different.

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Inspiration

The ability to inspire is a characteristic of effective leaders. Leaders' leaders are inspirational to the extreme - mainly because they weave in continuous engagement and facilitative direction into their inspiration.



Inspiration is based on the foundational tenet that every individual would like to actualize himself or herself. The leader's ability to inspire his team with his pioneering vision sets him apart.

In this process, facilitative engagement—which requires patience, empathy, and mass contact—is a major component.

The more engaged a leader is with his team, the more likely that he would be successful in inspiring the team.

At the same time, continuous engagement could suffer from the perils of multiple influences and biased advocacy.

The leader would need to ensure that the team is also directed to perform certain tasks, even if the team feels differently, to ensure the desired outcomes. The leader inspires the team with the strategic vision that reflects his wisdom, stature, pioneering and intuition.

Then inspiration: The ability to inspire others and also getting inspired by one's own stretch goals, that is another characteristic of apex leader. Apex leader always looks at stretching the company's performance, opening up the boundaries, removing the restrictions on the growth agenda. And inspiration is based on the fundamental principle that, every individual would like to actualize himself or herself to the best possible level.

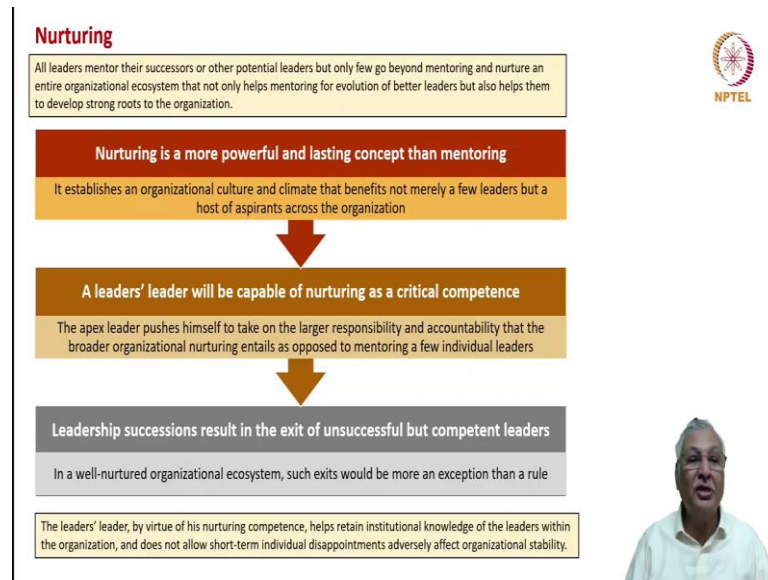
And the leader's ability to inspire his team with his pioneering vision sets him apart. In this process, facilitative engagement which requires patience, empathy and mass contact is a major component. The more engaged a leader is with his team, the more likely that he or she would be successfully in inspiring the team. At the same time, continuous engagement could also suffer from perils of multiple influences and biased advocacy.

So, an inspiring leader, an inspirational leader must know how to engage, how to bring his stature, his wisdom, his thought process into play in such a manner that the team whether it is the senior leadership or the larger organization is inspired to take on the goals, particularly the transformative goals which he is setting for the organization. So, the leader has to ensure that the organization is aligned to the inspirational goals, but also is motivated to perform those tasks.

Even if the firm, organization feel differently before the inspirational message; the firm should get aligned once the inspirational message is heard, articulated and spread across the organization. The inspirational leader typically inspires the team with the strategic vision that reflects his wisdom, stature, pioneering and intuition.

As you can see, several of the apex leadership attributes are cumulative in their impact. Wisdom leads to stature; wisdom and stature leads to pioneering capability and these three together along with intuition could inspire other leaders.

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Then nurturing, nurturing is a very powerful and lasting concept. Under mentoring or coaching, a leader tends to develop a leader on an individual basis; it is a kind of leader member exchange we discussed in the past. There is a powerful dyadic relationship between the leader and the follower, which the leader uses to enhance the capability of the follower.

And also the follower responds appropriately to push the boundaries further and become a more engaging leader; that is a dyadic relationship that exists in mentoring the system. However, nurturing is more than that; nurturing creates an ecosystem for the leaders, so that these leaders are part and parcel of the organization and the organizational DNA very much becomes the individual's DNA. So, nurturing therefore, is a more powerful and lasting impactful concept than mentoring.

It establishes an organizational culture and climate that benefits not merely a few leaders or a few vertical relationships; but a host of aspirants across the organization. A critical competence of a leaders' leader is therefore nurturing. He pushes himself to take on larger responsibility and accountability; because broader organization nurturing

correspondingly entails higher level of commitment to developing an organizational ecosystem.

Typically, whenever you have succession issues in an organization, people tend to leave; because they see the role, they see the title and their failure to make it to the title. The successful one stays on, whereas the not so successful was move on.

But in an organization which is nurtured into a positive ecosystem; leaders even if they are not successful at that point of time, will tend to stay on and retain the institutional strength by being with the organization that is the power of nurturing. And institutional knowledge of senior leaders is best preserved with a leader, who can nurture his senior leadership team members.

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Networking

A successful leader networks with the outside world as much as he or she does within the organization. He has the ability to represent the firm in the industry, an industry in the economy, an economy in the nation, and a nation in the world. A leader's leader demonstrates an ability to understand, strategize and execute multifarious growth needs.


The ability to connect with internal team members, formally and authoritatively as well as informally and unobtrusively, is an essential component of leadership.


It establishes an organizational culture and climate that benefits not merely a few leaders but a host of aspirants across the organization.

Three underlying dimensions to successful networking

- The willingness to think beyond the firm enables a leader to connect with competing firms and economic stakeholders with equanimity
- The ability to seek, appreciate and, where appropriate, improve each other's points of view helps leaders to forge a broad spectrum of relationships with leaders who have similar qualities and skills.
- The ability to connect with simple and logical thought leadership helps leaders to gain spontaneous acceptability with both internal and external stakeholders.

Networking is neither diplomacy nor collaboration. It is a concept that goes beyond industry boundaries and creates a national network or even global network of leaders, sharing some - if not all - the causes.





Another important aspect of apex leaders is the networking capability. A successful leader networks with the outside world as much as he or she does within the organization. He has the ability to represent the firm in the industry, an industry in the economy, an economy in the nation and the nation in the world committee. A leader's leader demonstrates an ability to understand, strategize, and execute multifarious growth needs.

So, there is an ability to connect with internal team members, both formally and authoritatively as well as informally and unobtrusively; that is the essential component of

leadership. It also establishes an organizational culture and climate that benefits not merely a few leaders, but a host of aspirants across the organization.

So, what are the three important drivers of networking, an ability to think beyond the firm, you should be able to think of an industry, think of the economy, think of the society, so that you can take several stakeholders along.

The ability to seek, appreciate and where necessary improve each other's point of view; that ability to communicate and also listen is an extremely important aspect of networking. Similarly, the ability to connect with simple and logical thought leadership that helps leaders to gain spontaneous acceptability with both internal and external stakeholders.

Networking should not be confused with either diplomacy or collaboration; it is a concept that goes beyond boundaries of a firm, boundaries of an industry. It creates a national network and where necessary it also creates an international network of leaders. Sharing at least some causes if not all the causes amongst the stakeholders to that ecosystem.

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Ethics

Ethics has a broader connotation and import than integrity. Integrity, as considered earlier, is the hallmark of every leader. Integrity, however, works within the rules, processes, and written as well as unwritten expectations of a social organization. Ethics has an even higher leadership responsibility and accountability attached to it.

Sets the tone at the top
Ethics is best espoused as the tone at the top and cascaded down from the apex leader's level



Establishes corporate differentiation
Ethically compliant corporations are well-differentiated in the global milieu

Goes beyond rules; sets moral standards
Establishing ethical standards that encompass integrity framework is the challenge for the apex leader.

Serves as the leadership differentiator
Ethically compliant leaders are well-differentiated in the corporate milieu

Acts as the filter for opportunistic thoughts and acts
Ethical compass of the firm, and the leaders, guides all leadership thoughts and actions in the right manner

Many times, result-orientation is considered to be the dominant characteristic of leadership. The ethical compass ensures that the leaders' leader ensures the right goals and right processes, and succeeds in achieving the right results for the corporation.



Ethics is an extremely important aspect of apex leadership. We talked about integrity earlier; but ethics is a concept which has got much higher import, much deeper import than integrity. I would define integrity as following a code of conduct; you may have a

code of conduct which says that, whenever you get a gift from a vendor or anybody else as is traditional in a Diwali season, you should report that gift to the leadership, that probably could be the code of business conduct and it could be a rule which stipulates that you should conform to that rule.

On the other hand, ethics means that, even if you take a gift of 10 rupees or 100 rupees; whether it is reported or not reported, it tantamount to some kind of influence that the other stakeholder has had on you.

Therefore, true and proper ethics would say that, we should have no relationship other than a professional relationship with any other stakeholder. The transactional relationship should be confined only to that transaction that is required for operating the value chain of the industry or the firm.

So, ethics has got a broader connotation, deeper connotation than integrity. What are the constituents of ethics and the ethical compass? First of all, it sets the tone at the top; it is best espoused at the very senior level, most importantly by the chief executive officer and cascaded down from the apex leader's level. Second it goes beyond rules; as I said it goes beyond code of conduct, it sets moral standards.

An industry which believes in not only returning the loan amounts; but sees itself as trustee of funds, whether it is equity capital or debt capital that is ethical performance far beyond the rules and integrity of returning the borrowed amounts in time or providing dividends. So, the ethical standards encompass integrative framework; but also represent a higher level of challenge and opportunity for the apex leader.

It also acts as the filter for opportunistic thoughts and acts; given the competitive dynamics, given the fast pace at which organizational growth takes place, it is always possible that there would be ideas and paths, which could be looking like following the code of conduct, but not necessarily be following that in spirit.

Ethical compass of the firm and the leaders, guides all leadership thoughts and actions in the most appropriate and morally right manner. It also serves as the leadership differentiator; you can make the difference between a highly ethical leader and a leader of high integrity and the leader of high performance, you can make those differentiations.

Ethically compliant leaders are well differentiated in the corporate milieu. Ethically compliant corporations are also well differentiated in the global milieu. Given that ethics play these important vital roles in differentiating a leader or the corporation, ethics is one of the very important aspects of apex leadership.

When result orientation is the dominant theme of growth for most organizations, having the ethical compass, guide the leader's behaviour is extremely essential and leader's leader becomes what he or she is by following an ethical compass; ensuring that right goals, right strategies, and right processes act together as per the ethical compass.

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Objectivity

What ethics is to the overall corporate and leadership conduct in a moral sense, objectivity is to such conduct in a professional sense. The nexus between ethics at a directional level and objectivity at an operating level is easily set.

Ethics has a strong functional and financial impact on how businesses are conceptualized and conducted by leaders

Leaders reinforce their position on ethical compliance by simply being objective in their day-to-day thoughts, expressions, and actions

Objectivity is the essential characteristic that ensures that leaders have fewer dilemmas of integrity and ethics impinging on organizational actions and responses

Objectivity requires the leader to be equidistant from all functions and persons, regardless of prior associations, and to deal with each issue on the basis of merits and without biases.

A 3-step process

- Clarity
- Focus
- Objectivity

Much emphasis is placed on conceptualization and visualization as striking differentiators of leadership from management. It is, however, the combination of conceptual and analytical abilities as well as visualization and execution abilities that distinguishes a top-class leader from others in terms of clarity, focus and objectivity.

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(Speaker's video feed is visible in the bottom right corner of the slide.)

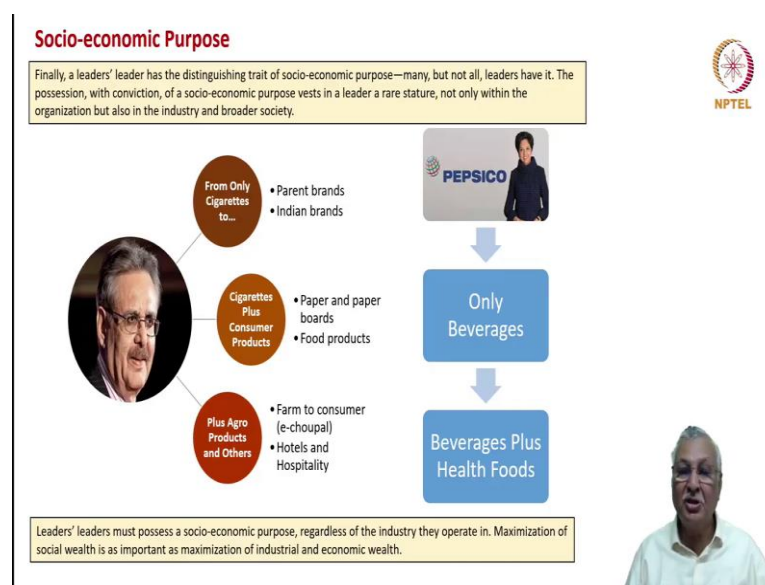
Objectivity, it is also another very important aspect of apex leadership. There is a clear nexus between ethics at the directional level and objectivity at the operating level. Ethics has the overall compass setting characteristic; but that ethical compass is reinforced when every operational decision and every operational action is carried out with the highest level of objectivity. Ethics has a strong functional and financial impact on how businesses are conceptualized and conducted by leaders.

Leaders reinforce their position on ethical compliance by simply being objective in their day to day thoughts, expressions, and actions. Objectivity is the essential characteristic that ensure that leaders have fewer dilemmas of integrity and ethics impinging on organizational actions and responses.

It requires a leader to be equidistant from all the functions and persons, regardless of prior associations, and to deal with each issue on its merits and without biases. It is a 3 step process comprising; clarity, focus, and objectivity at the end.

Much emphasis is placed on conceptualization and visualization as striking differentiators of leadership from management. However, the combination of conceptual and analytical abilities as well as visualization and execution abilities, distinguishes a top class leader from a normal leader in terms of clarity, focus and objectivity.

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Another important aspect which we discussed as being in this set of apex leader traits is the socio economic purpose. We have in the past discussed how the socio economic purpose of the CEO can alter the growth path of the company.

ITC moved from only cigarettes having parent brands as well as Indian brands to cigarettes plus consumer products under the chairmanship of Y C Deveshwar. It moved into paper and paper boards, food products. Then it moved into agro products and others as well from farm to consumer (e-choupal), hotels, and hospitality, and also information technology.

Leaders' leaders must possess a socio economic purpose, regardless of the industry they operate in. PepsiCo could have been content with only beverages and more carbonated drinks. However, Indra Nooyi as the chairperson of PepsiCo brought in health foods as

one of the goals of diversification into more nutritious areas of business, and that was PepsiCo getting into new lines based on socio economic purpose.

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Socio-economic Alignment

Many times, social objective is seen only in terms of basic products and affordability to the consumer at wafer-thin margins to the producers. Social objectives are seen to be in contradiction to economic factors. This need not be so.

Relevant for all sections of the society

Basic but with good quality

Affordable and long-lasting

Low on material and energy use

Food, healthcare and agro products

Connectivity and education products

Socially Relevant Products

NPTEL Online Free Courses

Jaipur Foot



IIT Madras Low Cost Housing Design

Nirma Detergent Powder

Cipla Antiretroviral Generic Drugs

Top 2000 Brand Chik Gavinkare Sachet Shampoo

Many Indian firms and organizations have innovated in multiple fields to develop and offer high quality – low cost products and services for serving all sections of the society; the potential for socio-economic development arising from leadership that is driven by socio-economic purpose is enormous.



Socio economic alignment is an extremely important aspect of leadership and it could happen at the governmental level; it could happen at the institution level, and it could happen at the corporate firm level.

The socially relevant products are relevant for all the sections of the society typically; they are basic products, but have good quality. They are affordable and long lasting; they tend to be low on material and energy usage; food, healthcare and agro products qualify as socially relevant products to a greater degree; and they also provide connectivity and educational opportunities. So, when you look at these illustrations, the many examples here illustrate the socio economic alignment concept of apex leadership.

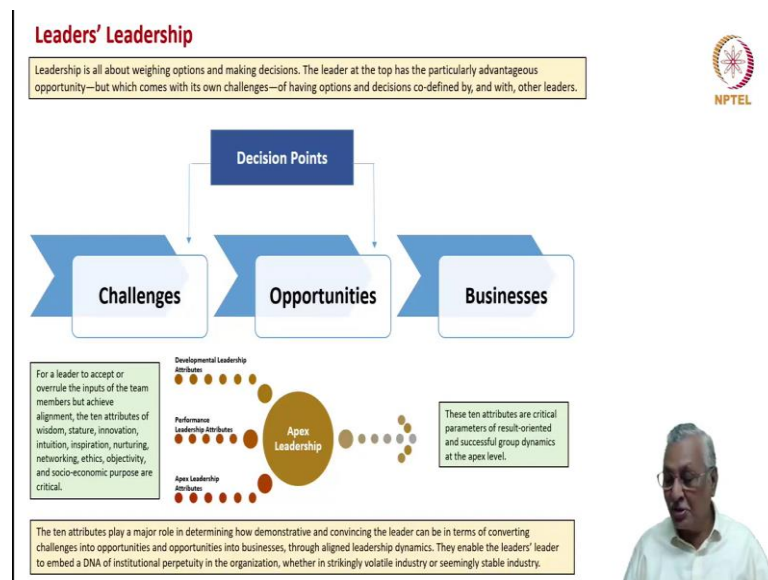
The NPTEL online free courses, representing the world's largest repository of free online courses is a striking example of a product range which is aligned socio economically and supported by the government of India. IIT Madras Low Cost Housing Design is another socio economically aligned engineering achievement. When Cipla developed antiretroviral drugs in the generic area and provided to the world at very affordable prices, it is socio economic alignment at it is affordable best.

We have Jaipur food developed by innovative Indian medical practitioners and healthcare specialists; it is a very affordable medical aid. When Nirma developed it is detergent powder to be available at a cheap price for the vast lower income and middle income groups in India; again vis-a-vis the high cost MNC product; it was socio economically aligned product development.

Similarly, when shampoo was made available in sachets and spread all across India, both urban and rural; it was another affordable socio economic product development, which helped the vast masses of India.

Many Indian firms and organizations have innovated in multiple fields to develop and offer high quality low cost products and services for serving all these sections of the Indian society. The potential for economic development along with social objectives is enormous for apex leaders. And those leaders who use socio economic alignment as one of the pollsters for their organizational growth, would be seen as apex leaders in greater emphasis.

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So, what are the decision points for a leaders' leader? It is all about weighing options and making decisions; the decisions will be logical, rational, data backed, but they also will be intuitive and governed by various factors we discussed earlier, including the socio economic purpose. So, challenges and opportunities are converted through specific decisions into businesses.

For a leader to accept or overrule the inputs of the team members, but achieve alignment regardless, the 10 attributes which we have discussed so far as apex leader attributes; that is wisdom, stature, innovation, intuition, inspiration, nurturing, networking, ethics, objectivity, and socio economic purpose; these are extremely important. So, we can now see apex leadership as comprising the 10 development leadership attributes, the 10 performance leadership attributes, and the 10 apex leadership attributes which we have just discussed.

These 10 apex leadership attributes sitting on the top of the developmental leadership and performance leadership attributes, make for very result oriented and very successful group dynamics at the apex levels. They demonstrate the leader's capability to manage a group of a leaders who are equally talented and equally knowledgeable. It helps in the setting up of a leadership dynamic in the organization; that is not merely visible, but also is pioneering and inspirational.

And by leading this group with stature and wisdom and also with a socio economic purpose and full of ethical strength; the leader would be outweighing all other forces which could kind of act at times contra to the laudable goals to the organization.

So, it ensures a DNA of institutional perpetuating in an organization; because these attributes are those that must be followed at all times for growing the business of the company regardless of the business context, whether the industry is volatile or it is stable or whether it is in the turnaround mode.

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Volatile Industry

Today, more industries are volatile than ever. The volatility index in each case is more 'volatile' than ever. While it may be an easy temptation to exit a volatile industry and seek newer pastures, the apex leader works to reduce volatility and build strengths.



Domestic Indian Pharma

- Hundreds of manufacturers
- Thousands of brands



Banking and Financial Services in India

- Loan delinquency and increasing NPAs
- Risk averse in extension of credit, despite liquidity



Global Airlines

- Subject to crude fluctuations even in normal times
- Post Covid-19, airlines are grounded and recovery doubtful

Apex leaders in volatile industries are required to possess tenacity to last through volatility and in the process also convert volatility into opportunity; it could be constructive destruction or innovative reconstruction. The developmental, performance and apex leadership attributes will be required in tandem. An example follows.



So, let us look at these 3 industrial situations; a volatile industry, a stable industry, and a turnaround industry. Today more industries are more volatile than ever. Volatility, in volatility itself has been high. I am looking at three four types of industries, which are subject to severe volatility; domestic Indian Pharma, it has hundreds of manufacturers and thousands of brands; competition is intense, the industrial structure is fragmented. Volatility is a natural by-product of such industry structure.

Then we have banking and financial services in India. We have high loan delinquency and increasing non-performing assets; there is a risk aversion in extension of credit, despite liquidity being available. Then we have global airlines industry, which is subject to crude fluctuations even in normal times. Post COVID19, with travel grinds into a halt; airlines are also grounded and recovery is doubtful.

Apex leaders in volatile industries are required to possess the tenacity to last through volatility and in the process also convert the volatility to an opportunity. It could be either through constructive destruction or innovative reconstruction. The developmental, performance and apex leadership attributes will be required all together, an example follows.



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Airline Industry Crisis - 1

Crises are not new to the global airlines industry. However, nothing has hit the global airlines industry as hard as Covid-19 with halting of all air travel for months, and hazy picture on the future course of air travel. Apex leadership skills are called for.

- Aircraft Makers:**
 - Redesign for high capacity – low occupancy
 - Antiviral HVAC systems
- Airlines:**
 - Viability with social distancing
 - New cleanliness PPE and cabin procedures
- Airports:**
 - New baggage carrying and screening procedures
 - New scheduling and check-in procedures
- Governments:**
 - Financial bailouts
 - Industrial restructuring

When in existential crisis, apart from developmental and performance leadership attributes, the ten apex leadership attributes of wisdom, stature, innovation, intuition, inspiration, nurturing, networking, ethics, objectivity, and socio-economic purpose are critical.

Let us take the example of airline industry. Crisis are not new to the global airlines industry. Usually the crises are driven by the high fluctuations in crude oil prices, also by the fluctuating demand patterns and the excess capacity in the airlines industry.

But nothing has hit the global airlines industry as hard as COVID 19; because it caused the halting of all air travel for months and there is only a very hazy picture on how the air travel would resume in future to the previous levels.

We also have the second wave of COVID hitting several European countries and the United States and that poses further shadow on the airlines business. So, what should apex leaders in the airlines industry do? They have got four tasks cut out for them, which require really an apex leadership including networking capability.

One as aircraft makers, we should redesign for high capacity and low occupancy; the aeroplane must have a low breakeven point. Second the HVAC systems must be completely redesigned for antiviral properties. The internal fitments including the washrooms should be able to protect the travellers from the virus impact or the bacterial impact; that is the fundamental technological redesign that would be required of the aircraft, for which aircraft makers need to play a major role.

Then the airlines, that is companies which use the aircraft to transport people; they should still have viability with social distancing; they should have new cleanliness PPE and cabin procedures, which will add to the cost. So, the route planning, the travel planning, the scheduling takes an upper hand in the new redesigned system.

Then the airports, they should have new baggage carrying and screening procedures; they should have new scheduling and check in procedures, but at the same time ensure optimality in passenger moment. And governments, they have some responsibility in terms of financial bailouts industrial restructuring.

Whenever an existential crisis strikes a leader, apart from developmental and performance leadership attributes, the 10 apex leadership attributes I have outlined become extremely important.

Unless you show wisdom, you show stature, you are innovative, you are intuitive, you are inspired and act as an inspirational leader, you nurture the ecosystem again, you are able to network with various other stakeholders, you are ethical objective and socio economically driven; you would not be able to turn around a volatile and hard hit industry.

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Airline Industry Crisis - 2

In the case of an airliner facing deep operational and financial turbulence, we may simulate how the airliner's leadership could role-play the ten attributes to achieve positive outcomes, taking leaders and stakeholders along.

- 1 • Be wise on the investment-intensity and cyclicity of the airlines business
• Demonstrate stature in addressing the airlines issues
- 2 • Be emotionally committed to the revival of the airliner
• Allow a mix of intuition and analytics to prevail over emotion in planning and executing for recovery
- 3 • See beyond the current turbulence and establish a case for industry and business revival
• Plan for prolonged crisis and extended recovery, and even revisiting of crisis
- 4 • Inspire the distraught employees, passengers, and external agencies, bankers and regulators
• Interact with other leaders of the extended ecosystem for networked solutions
- 5 • Demonstrate visible results of immediate solutions
• Nurture a transformational but sustainable ecosystem

The process of inspiration is helped by the level of ethics, objectivity and socio-economic fervour, with the right touch of emotion, displayed by the leaders' leader in the process of dealing with all the stakeholders.

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So, how does a wise leader perform as a leader of leader under these circumstances? One, the leader would be wise on the investment intensity and cyclicity of the airline business. Stature will be demonstrated in addressing the airlines issues. The leader will be emotionally committed to the revival of the airliner. Demonstrate the commitment to the business and inspire through intuition as well as analytics, through good planning as well as solid execution path for recovery the entire organizational system.

The leader would plan for prolonged crisis and extended recovery and even revisiting of crisis; but he would have a definite plan which the organization is able to relate to. Similarly, he would inspire the distraught employees, passengers and external agencies as well as bankers and regulators; that the leader has within the leadership, the capability to chart through the turbulent weather and take the airlines industry out of the deep air pockets that have hit the travel.

Then there should also be demonstration of visible results of immediate solutions. Airlines by switching to cargo transportation; they have demonstrated that, they can still find a pathway for some viability. Similarly, hotels and hospitality centres have found additional avenues for utilizing their facilities, like providing delivery food services; they have been able to demonstrate their connectivity with the consumers and also earn some returns through the assets that have been already established.

So, you should be able to demonstrate visible results of immediate solutions and in that process also nurture a transformational; but sustainable ecosystem which will stand against those kinds of vicissitudes, which are likely to come now and then. This process of inspiration is helped by a level of ethics and objectivity as well as socio economic fervour. It also should have a right touch of emotion, which is displayed similarly by the leaders' leader inspiring the other leaders as well as the stakeholders in general.



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Airline Industry Crisis - 3

These processes cannot be interminably long—nor can they be viewed as transactional processes of negotiation with the stakeholders as to who would blink first—whether it would be disheartened employees on voluntary attrition or panicky bankers and regulators with bailout packages and policy frameworks.

- The wisdom of a turnaround plan, rather than the theatrics of an emotional platform, builds credibility and secures broad-based support to bail the airliner out of turbulence.
- When a leader inspires by articulating the recovery pathway and metrics, he helps to reinforce credibility and enable ownership.
- Result-orientation, no doubt, helps the leadership measure its own success, and articulate it so as to build credibility amongst stakeholders.
- A leaders' leader would endeavour to turn around the airliner not merely by corporate metrics but also through a broader socio-economic value proposition.

It is easy to imagine why many airlines would fail and only a few may succeed for perpetuity as this industry is a case for leaders' leadership. The difference such positive leadership can make has been visible in the dramatic turnaround stories of certain airlines which had outstanding apex leadership.



In such a case, the airline industry captain must demonstrate not only innovation, but also agility. These process cannot be internally long; an airline cannot say that I will wait till all the lockdowns are lifted and the travel is restored to the original situation.

It requires an agile move to transform itself even under the adverse circumstances; therefore, the wisdom of the turnaround plan, rather than the theatrics of emotional platform look we are into serious difficulty, we should cut costs, we should do this, we should do that.

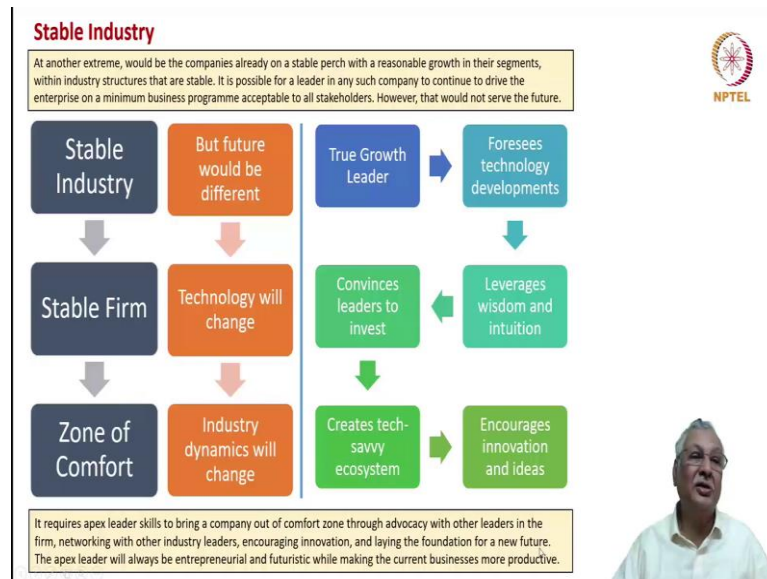
These are the normal leadership responses; but demonstrating a turnaround plan and also connecting it emotionally empathetically with the rest of the organization and also with the other stakeholders is the best bet to inspire the troubled industry.

And when the leader inspires by articulating the recovery pathway and metrics; he helps to reinforce credibility and enable ownership. Result orientation of course is important; but the articulation with credibility is equally important to nudge these stakeholders towards achievement of results.

A leaders' leader would endeavour to turn around the airliner not merely by corporate metrics, but also through a broader socio economic value proposition. Be it retention of employment, be it continuing to be the backbone of travel, be it the bridge between the country and various other countries; there are several ways the airline industry captain would demonstrate that he has got vision, which goes beyond the current crisis.

It is therefore, easy to imagine why only certain airlines will succeed and stay on and why many airlines would fail under trying circumstances as for now. The difference would be the apex leadership; the difference between positive apex leadership and not so positive and ordinary leadership would be brought to test when such severe crises are faced by the industries, this is the example of the airline industry.

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But let us look at the stable industry. Stable industry is one where the demand production equation is well set; the cost and price structures are well understood, and there is no destabilization that is imminent in the industry.

So, a stable industry has a stable firm as a constituent and there is a zone of comfort. But people in the stable industry often fail to recognize that the future could be different; whether through some start-up actions or through another entrepreneurial company, there will be changes in technology, and industry dynamics will change and the industry could be at risk.

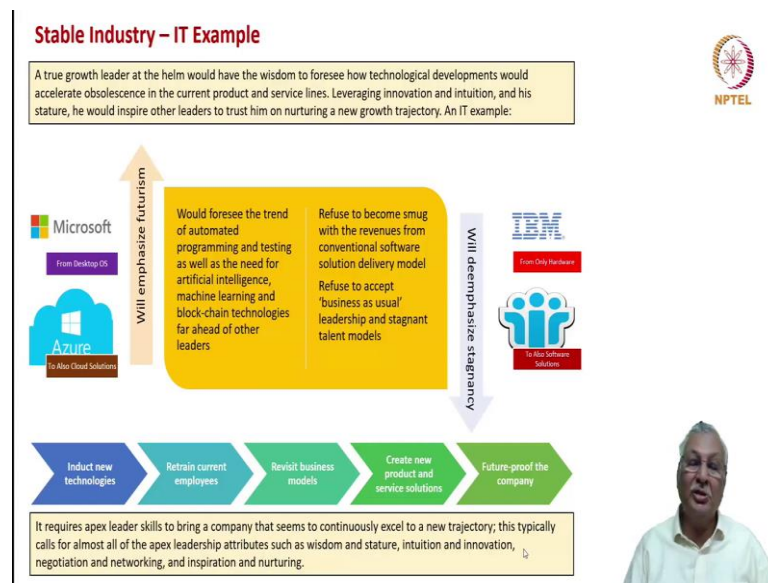
So, if every automobile industry never thought about electrification, which companies such as Tesla started or the technology companies such as Google and Apple tried to experiment with the autonomy; then there would not be leadership that is equivalent to apex leadership.

So, apex leaders in even in a stable industry would be different; there would be true growth leaders, they foresee technology developments, they leverage their wisdom and intuition, they convince other leaders to invest, they create a tech savvy ecosystem and encourage innovation and ideas. Instead of getting disrupted by someone else; whether it is a start-up venture or another entrepreneurial venture, they themselves disrupt the stable industry and take it to the next higher level.

So, it requires apex leadership skills to bring a company out of the comfort zone of stability through advocacy with the other leader's ability to demonstrate the new plan of

action, networking with other industry leaders and stakeholders and transform the industry structure from a stable structure to a creatively disrupted structure. And finally, a reconsolidated and growth oriented industry's structure, that requests the apex leadership skills which we have talked about earlier.

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Let us look at the IT example; it is also another stable, but also growth industry. A true growth leader at the helm of an IT industry would have the wisdom to foresee how technological developments would accelerate obsolescence in the existing product to service lines. Leveraging innovation and intuition, the leader would inspire other leaders to trust him on nurturing a new growth trajectory.

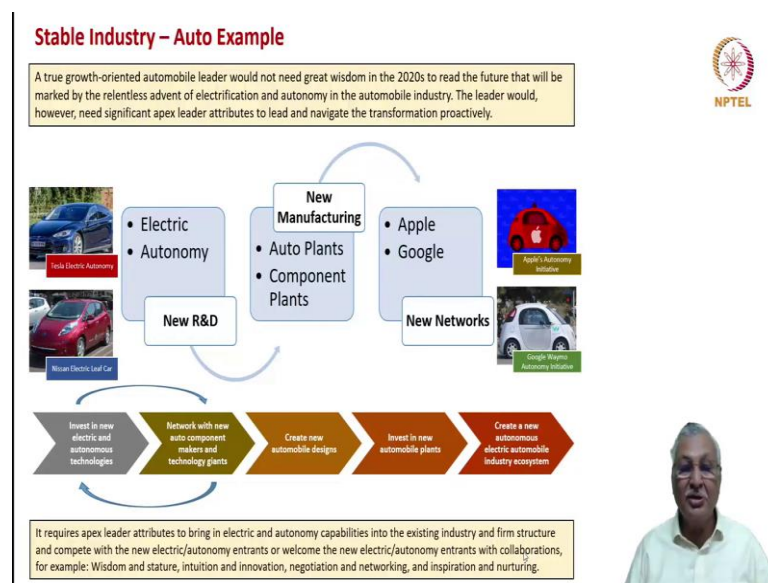
Example, foreseeing the trend of automated programming and testing, need for artificial intelligence and machine learning and block-chain technologies for ahead of others. Refusing to become smug with revenues from conventional software solution delivery model; refusing to accept business as usual leadership and stagnant talent models.

So, companies such as Microsoft which moved from desktop OS to Azure Cloud Solutions; they reflect this level of apex leadership capabilities. Similarly, companies such as IBM which were only with the hardware and moved into software solutions, de-emphasizing the stagnancy of strategy; this kind of apex, they also demonstrate this kind of de-emphasization of stagnant strategy.

So, the apex leader at the helm will induct new technologies, retrain current employees, revisit business models, create new product in business solutions and future proof the company.

Again it requests apex leader skills to bring a company that seems to continuously excel in it is zone of comfort to a new trajectory through the challenge of creative destruction or creativity constructions, and that calls for all of the apex leadership attributes to demonstrate to the investors as also to the board, that such a pathway is essential.

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Let us look at the automobile industry. We have a very stable industry, where the demand and production aspects are very well set up; the cost and price parameters are very well understood. And we can relate the automobile demand to the economic factors and forecast what could be the level of demand from year to year.

So, such apex leader will require new R&D to bring an electric and autonomy facets into the ecosystem. The leader will need to set up new manufacturing plants for manufacturing automobiles as also components to meet the new generation requirements. And also new networks should be developed with technology companies be it Apple and Google or Microsoft and Amazon, you need new relationships.

And also you should be willing to tie up with the chip manufacturers; then gaming companies, LIDAR RADAR companies, sensor companies, imaging companies to be

able to accessorize the automobile in a completely different way. So, it requires investment in new electric and automotive technologies, networking with a new auto component makers and technology giants.

Creating new native automobile designs, investing simultaneously new auto plants even while meeting the existing demand requirements for the conventional products and finally, create a new autonomous electric automobile industry ecosystem.

So, we have Tesla Electric Autonomy, Nissan Electric Leaf Car, Apple's Autonomy Initiative, Google's Waymo Autonomy Initiatives. These are happening outside of the mainstream automobile industry contours and they are the flagships of the new waves of electrification and autonomy in automobile industry.

And leaders who are heading these functions, these divisions are displaying apex leadership attributes. To be able to bring those developments, particularly the path breaking developments which could be disruptive to the existing industry structure is a great leadership challenge, and only apex leaders can do this level of disruption and transformation.


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Stable Industry – Pharma Example

A true growth-oriented Pharma leader is reminded once again, in the 2020s, that fundamental R&D is the real growth engine for the pharmaceutical industry to be able to serve the humanity while growing the business. The interesting thing about pharma is that there could be generational obsolescence but not therapeutic obsolescence.

<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;"> <p>Vaccines</p> <ul style="list-style-type: none"> • From 1780, many vaccines got developed • The need for novel vaccines remains urgent </div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;"> <p>Small Molecule Medicines</p> <ul style="list-style-type: none"> • From 1850 (penicillin), synthetic drugs began to be developed • 1950s, biologic were introduced from the 1980s, still remain relevant </div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;"> <p>Large Molecule Medicines (Biologics)</p> <ul style="list-style-type: none"> • From 1920, insulin was a biologic • From 1960, modern biologics came on, growing even now </div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;"> <p>Regenerative Medicine (Stem Cells)</p> <ul style="list-style-type: none"> • From 1960, stem cells began to be developed • Newer frontiers are remaining to be conquered </div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;"> <p>Precision Medicine (Personalized Medicine)</p> <ul style="list-style-type: none"> • From 2000, precision medicine began to come to the fore • Offers great opportunity in the making </div> <div style="border: 1px solid black; padding: 5px;"> <p>Natural Medicine (Ayurveda)</p> <ul style="list-style-type: none"> • Ayurveda was known as a medical practice in India as far back as 3000 years ago • Ayurveda continues to be a much relied upon form of natural therapy </div>	<div style="background-color: #4CAF50; color: white; padding: 10px; margin-bottom: 10px;"> <p>Despite the emergence of different categories of preventive and curative medicine over the last two plus centuries, the world needs more vaccines than ever!</p> </div> <div style="background-color: #4CAF50; color: white; padding: 10px; margin-bottom: 10px;"> <p>Despite the rapid growth of modern biologics over the last four decades, small molecules continue to have therapeutic relevance on multiple grounds, from targeted use to mass affordability</p> </div> <div style="background-color: #4CAF50; color: white; padding: 10px; margin-bottom: 10px;"> <p>Despite the awesome strides made in genetics, areas such as regenerative medicine and precision medicine need major breakthroughs to get into common day medical use.</p> </div> <div style="background-color: #4CAF50; color: white; padding: 10px;"> <p>And many more, Homoeopathy, Siddha, Unani, and several traditional medicine systems of individual medicines (for example, Chinese, Japanese) are relevant.</p> </div>
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Healthcare is one of the most daunting challenges for leadership. The need to build immunity and enhance wellness is more striking than ever even as newer medicines, synthetic and biologic, continue to be discovered and put to use. The apex leader in these domains requires innovation and socio-economic purpose, as key drivers.





Let us look at the pharmaceutical industry. It is also a stable industry, but a true growth oriented Pharma leader has to be conscious of the need for fundamental drug discovery. This has been brought to light once again in the 2020s; that is post COVID situation, that

fundamental R&D is the real growth engine for the pharmaceutical industry if it has to serve the humanity while also growing the business.

The interesting thing about Pharma is that there could be generational obsolescence, but not therapeutic obsolescence. Some examples, vaccines were discovered in 1796, they got developed first. However, the need for novel vaccines remains urgent. So, the therapeutic or preventive line of pharmaceutical product is still valid.

Similarly, small molecule medicines; the first small molecule medicine aspirin was discovered in 1897, after which several synthetic drugs began to be developed. Although biologics overshadowed from the 1980s, this small molecule medicines still remain relevant. Hydroxychloroquine and several other conventional small molecule medicines; be it steroids, be it veterinary medicines, they are being repurposed to handle the COVID 19 disease.

So, they are generationally obsolete, but therapeutically they are still relevant. Then of course, we have large molecule medicines biologics. From 1922, insulins were invoked. From 1982, modern biologics came on and they are growing even now. The biologists developed in the past for handling immunity related issues are now helping the doctors fight the cytokine storms, which come from the COVID 19 pandemic.

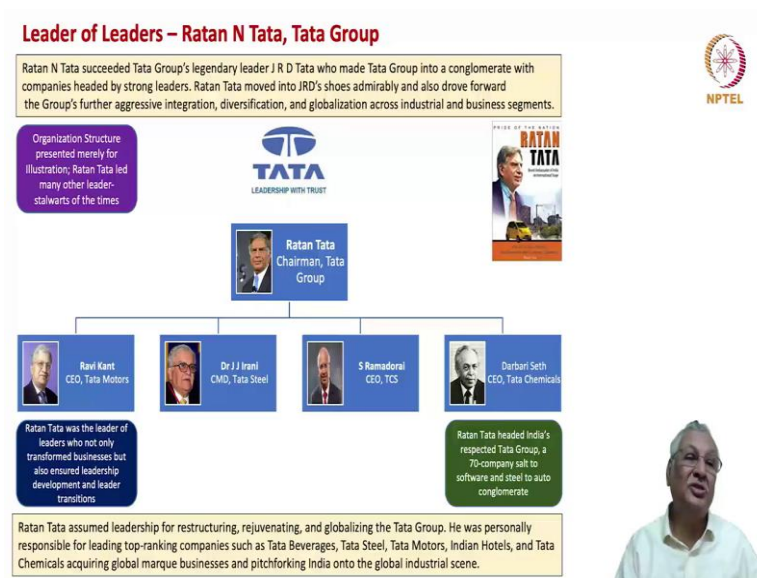
Then we have regenerative medicine, stem cells; in 1981, stem cells began to be deployed. But newer frontiers are remaining to be conquered. The regenerations antibody developments are one type of creating new antibody systems in the human body ahead of getting infected with the virus; that is a new line of activity which is happening. We can grow organs; we can grow capabilities to fight infections and other terminal illnesses through regenerative medicine.

Precision medicine is opening up new frontiers, because of the developments in epigenetics and genetics; we can match the drug with the individual constitution and have very targeted impact on vexatious diseases such as cancer. We also have centuries old traditional natural medicine Ayurveda from India, which is a medical practice that got known as far back as 3000 years ago and it continues to be a much relied upon form of natural therapy.

So, despite the emergence of various therapeutic options over the last several centuries, they first discovered options still remain relevant and valid. So, an apex leader has the foresight to retrospectively view the previous achievements and retain what is good for the future. So the, one of the most daunting challenges for leadership comes from the healthcare sector. They need to build immunity and enhance wellness is more striking than ever; because newer medicines synthetic and biologic can certainly help.

But the real health comes when the human body is tuned to have greater immunity, either through vaccines or better nutritious and regenerative mechanisms that are used to help the body further. The apex leader in these domains requires to be very innovative and have strong socio economic purpose, as his or her key drivers.

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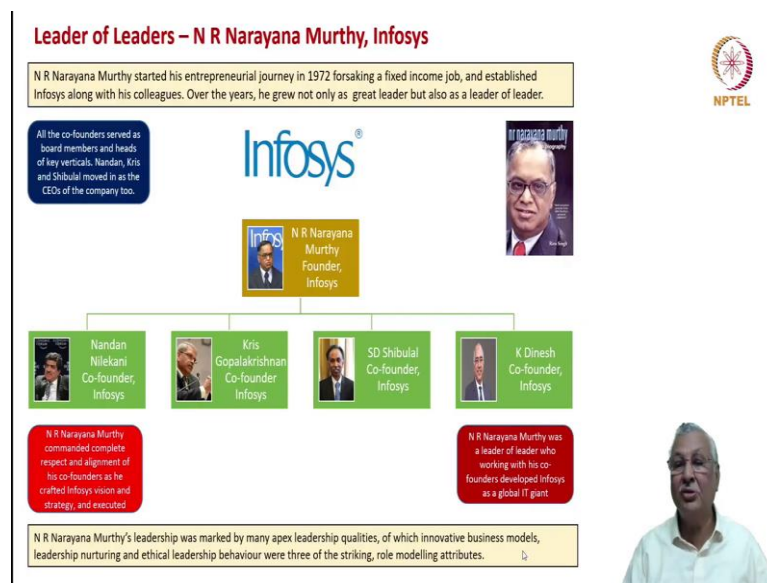
So, having discussed this leader of leader's concept, let us look at 3 leaders who exemplify. We have Ratan Tata, who helped the Tata Group after moving into JRD's shoes; he fitted the bill admirably, he drove forward the group's further aggressive integration, diversification and globalization across industrial and business segments.

I have illustrated here Ratan Tata being on the chair with the 4 other significantly talented leaders Ravi Kant CEO of Tata Motors, Doctor J J Irani of Tata Steel, S Ramadorai CEO, TCS again.

Now, he was responsible not only for these leaders; he was responsible for managing several other leaders across the group's wide spectrum of 70 companies. He was in that sense truly a leader of leaders who was able to not only transform businesses, but also transform leadership across these individual entities and also at the group level. He has assumed leadership for restructuring, rejuvenating, and globalizing the Tata Group, that is he showed a new part for the Tata Group.

He was personally responsible for the top ranking companies such as Tata Beverages, Tata Steel, Tata Motors, Indian Hotels and Tata Chemicals in terms of global acquisitions, acquisition of marquee businesses and pitch forking India onto the global industrial scene that was his singular achievement. And he continued the trusteeship concept of iconic JRD Tata and made sure that Tata only strengthened its image of leadership with trust all the more.

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We also have another striking leader N R Narayan Murthy, who co-founded Infosys with a few other enterprising individuals. And he had Nandan Nilekani co-founder, Kris Gopalakrishnan co-founder, SD Shibulai co-founder, K Dinesh co-founder and a few other co-founders.

And many of the co-founders also moved into leadership roles after N R Narayan Murthy vacated the full time CEO role. He commanded complete respect and alignment of his co-founders, not merely for the global delivery model which strategized and

executed; but also for the integrity and values he espoused and for which Infosys stood for as a bellwether.

And that is what endeared Narayan Murthy to his organization, to his IT industry and also brought him as a path breaking leader in the field of corporate governance. He was the leader of leaders who worked with several of his co-founders and also developed Infosys as a IT giant.

He also established a new private equity firm of his own to guide several start-ups and other companies on the path of growth. Many apex leadership qualities can be seen from his leadership and there is a book which talks about his leadership capabilities. And his contributions would be seen in terms of process efficiency, organizational efficiency, and ethical behaviour as three of the most striking role modelling attributes of his.

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Another striking leader in the field of apex leadership is A M Naik, L&T. He joined L&T as a graduate trainee and over the years he impressed everyone, every supervisor who come into contact with him and the growth as a chairman was logical and well backed by his stupendous achievements all through his career.

He led many other companies and leaders in the group, from being a construction company; it became an infrastructure company. Now, a very widely diversified

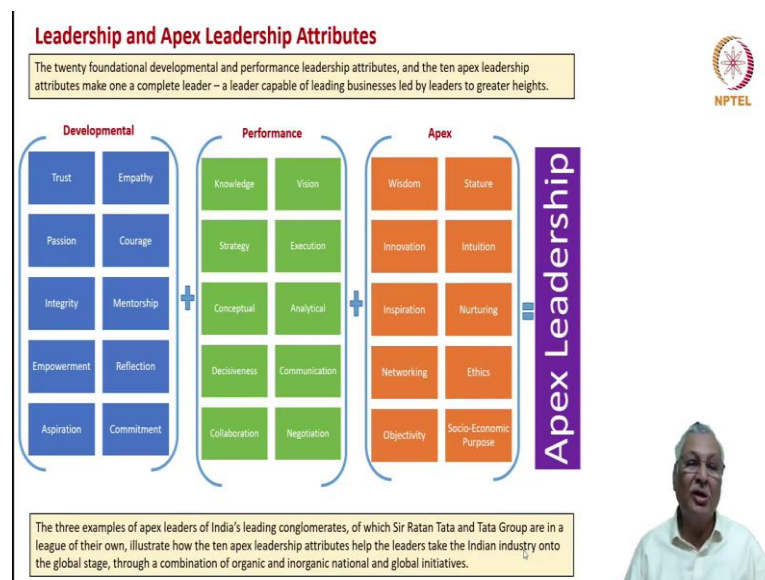
technology, construction and infrastructure, defence and financial conglomerate with leadership in each field.

Again here for illustration purpose only 4 leaders are illustrated; but his tenure is notable for bringing forward to leadership level several capable leaders who constituted presidents and SBU heads of various business verticals.

He brought them together, he led the diversification into financial services industry; he led the diversification into IT industry, he masterminded the IT acquisition. And if L&T is the foremost infrastructure company, infrastructure building company in India; every credit must go to A M Naik, who served the company with great illustrious capabilities as a leader of leaders.

He also had the ability and tenacity to fight hostile takeover attempts by big groups of India such as Reliance and Ultratech. And whenever it was required, he rose to the occasion and fought adverse circumstances and adverse initiatives by other business groups. And ensured that L&T had an independent pathway of growth and that was achieved not by cocooning the company, but by diversifying and scaling up the company across various verticals, that is his capability as a leader's leader.

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So, towards the end of this course, we should recapture what we have discussed so far. We have discussed over the last 2 lectures, including this of course; that there are 20

foundational development and performance leadership attributes, which should characterize any good leader. These 10 developmental characteristics are trust, empathy, passion, courage, integrity, mentorship, empowerment, reflection, aspiration, and commitment.

These are developmental, these are qualitative. It is difficult to give a quantitative factor, but each of these development factors will be felt in a leader, felt leadership can be easily demonstrated by the leader who has these developmental parameters.

Then we also have 10 performance leadership criteria, knowledge, vision, strategy, execution, conceptual skills, analytical skills, decisiveness, communication, collaboration, negotiation; these are highly performance oriented attributes, qualities, skills by whatever name you call them. And these competencies set apart leader as a high performance leader.

And we also discussed that the developmental capabilities and performance capabilities reinforce each other and there could be several combinations of these developmental and performance qualities, which could be very useful in certain specific firm level, industrial level contexts.

In this lecture, we discussed that, while leaders have these remarkable competencies; an apex leader or a leader of leaders or someone who is at the very top of the organization as in the position of a chief executive officer or managing director should have another 10 important apex leadership qualities. These are wisdom, stature, innovation, intuition, inspiration, nurturing, networking, ethics, objectivity, and socio economic purpose.

Together these thirty qualities define apex leadership. A leader who has all these thirty leadership qualities is bound to be recognized as a leader's leader; a leader capable of leading businesses led by leaders to greater heights. And we have in the final examples which I have brought to your kind notice; that is Sir Ratan Tata and the Tata Group, N R Narayan Murthy and the Infosys group and the L&T group and a legendary A M Naik.

How the 10 apex leadership attributes can help such leaders manage a team of CXOs, a team of CEOs in their own right and take the conglomerate or that large group or that large organization to greater heights. And that is the difference which apex leadership

makes and that is the difference which apex leadership attributes make; and they help a leader be resourceful, resilient, visionary, intuitive, inspirational, and transformative.

The leaders who have these apex leadership skills, can position their firms and our nation in the global industrial and economic space. They can undertake several organic and inorganic initiatives nationally and globally to take Indian industry to the next higher level and be known as one of the best industrially developed nation of the world. And that is the beauty, strength and importance of apex leadership.

Thank you.