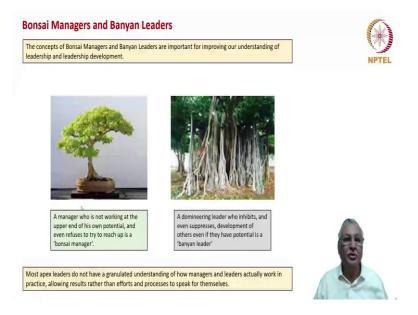
Leadership for India Inc; Practical Concepts and Constructs Prof. C Bhaktavatsala Rao Prof. Ajit Singhvi Department of Management Studies Indian Institute of Technology, Madras

Week - 07 Leadership Development and Succession Lecture - 32 Instilling Development Passion

Hi Friends. Welcome to the NPTEL course on Leadership for India Inc: Practical Concepts and Constructs. We are in week 7, discussing Leadership Development and Succession. In this lecture, we will focus on Instilling Development Passion.

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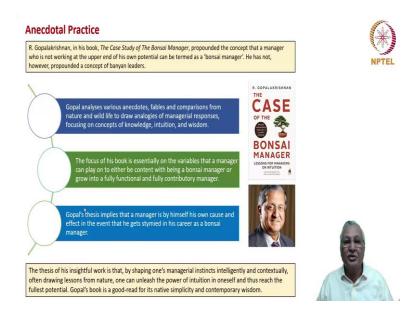
There are four concepts that I would be discussing in this lecture– the first two are concepts relating to bonsai manager and banyan leader. The next two are concepts relating to mentoring and nurturing. Let us see how these concepts workout in practice.

The concepts of bonsai managers and banyan leaders are important for improving our understanding of leadership and leadership development. Bonsai as we know is a Japanese art of growing trees in shallow containers and due to certain genetic ways of bringing up those plants, they remain within the boundaries that are set of the miniaturization. Taking that analogy to managers, a manager who is not working at the upper end of his own potential and even refuses to try to reach up may be called a 'bonsai manager.'

On the other hand, who can be a banyan leader? A domineering leader who inhibits, and even suppresses, development of others even if they have potential may be termed as a 'banyan leader.' Most apex leaders do not have a granulated understanding of how managers and leaders actually work in practice, allowing results rather than efforts and processes to speak for themselves.

While we have discussed several aspects of emotional relationships, people oriented relationships, I want to bring here a practical aspect of how leaders and followers can get attached to each other and together can get attached to the firms they establish, they run and they help deliver results.

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There is very good anecdotal practice supporting the concept of the bonsai manager. R. Gopalakrishnan, in his book, The Case Study of The Bonsai Manager, propounded this concept. He said that a manager who is not working at the upper end of his own potential can be termed as a 'bonsai manager.'

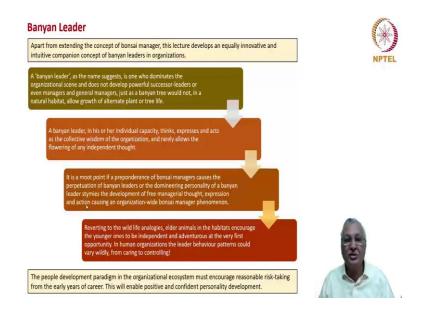
However, he has not propounded the concept of the banyan leader which I have taken the liberty to propose in this lecture, because this will provide a good perspective to understanding where bonsai managers come from and where banyan leaders come from.

Gopal analyses various anecdotes, fables and comparisons from the nature and wild life to draw analogies of managerial responses, focusing on concepts of knowledge, intuition, and wisdom in his book. The focus of this book is essentially on the variables that a manager can play on to either be content with being a bonsai manager or grow into a fully functional and a fully contributory manager.

Gopal's thesis is that a manager is by himself his own cause and effect in the event that he gets stymied in his career as a bonsai manager. This insightful work has this principle thesis, by shaping one's managerial instincts intelligently and contextually, often drawing lessons from nature, we can unleash the power of intuition in oneself.

The thesis of this insightful work is as follows, by shaping one's managerial instincts intelligently and contextually, often drawing lessons from nature, one can unleash the power of intuition in oneself and thus reach the fullest potential. Gopal's book I would recommend as a good-read for its native simplicity and contemporary wisdom.

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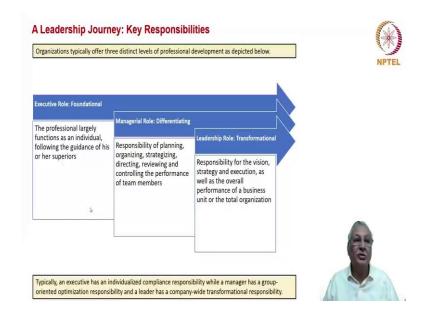


A 'banyan leader', as the name suggests, is one who dominates the organizational scene and does not develop powerful successor-leaders or even managers and general managers just as a banyan tree would not, in a natural habitat, allow growth of alternate plant or tree life. A banyan leader in his or her individual capacity, thinks, expresses and acts as the collective wisdom of the organization, and rarely allows the flowering of any independent thought. It is a moot point if a preponderance of bonsai managers causes the perpetuation of banyan leaders or the dominating personality of a banyan leader stymies the development of free managerial thought, expression and action.

How bonsai managers influence the development of banyan leaders and vice versa has got certain implications, for the organization wide bonsai manager phenomenon or the banyan leader phenomenon. Reverting to the wild life analogies, elder animals in the habitats encourage the younger ones to be independent and adventurous at the very first opportunity.

In human organizations the leader behaviour patterns are very varied. They could vary very wildly from caring to controlling. There must therefore, be lot of emphasis in understanding how leaders can nurture the followers and how followers can be reasonably independent and try to develop themselves.

The people development paradigm in the organizational ecosystem must encourage reasonable risk taking from the early years of career. This will enable positive and confident personality development and leaders do play a big role in this kind of transformation.



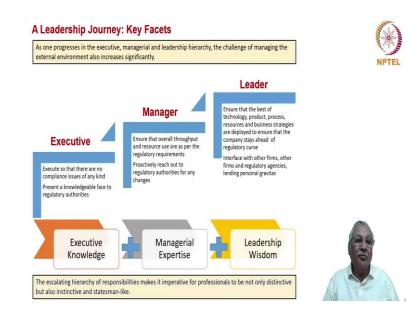
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The key responsibilities in any leadership journey are as follows. At the executive role which is the foundational aspect of one's career the provisional largely functions as an individual following the guidance of his or her superiors. And this is the phase where the leader must take extraordinary effort to reach out to the executives and pass on the wisdom and the guidance which can be provided.

The next phase is the managerial role, where the executive begins to differentiate himself and his work. The responsibility of planning, organizing, strategizing, directing, reviewing and controlling the performance of team members begins to take place from this particular phase.

And finally, we have the leadership role which is transformational, where the individual has the responsibility for the vision, strategy and execution, as well as the overall performance of a business unit or the total organization. We have seen earlier that these roles can be further subdivided, but generally for the understanding that is required for this lecture. We can look at these three particular roles as being the primary roles.

Typically, an executive has an individualized compliance responsibility when he works as an executive at the front line. A manager has a group oriented optimization responsibility. The leader has a companywide transformational responsibility. See therefore, the scope of responsibility varies substantially across the three levels.



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And, when we look at these progressions in the career from executive, through managerial to leadership hierarchy, the challenge of managing the external environment also increases significantly. At the executive level, we have to execute in such a manner that there are no compliance issues of any kind. The external environment has always an eye on what is being done internally, it could be in terms of environment protection, in terms of worker safety, in terms of labor laws and so on.

The executives who are by enlarge responsible for the day to day operations have to make sure that environmentally this company is protected and also the executives have to present a knowledgeable phase to regulatory authorities. This is beside the work they have to do as part of operational executive responsibilities.

The manager has to ensure that the overall throughput and resource use are as per the regulatory requirements. The manager has to plan in such a manner that the production and the let us say the effluent releases are more or less matched as per these specifications. If there is an increase in the throughput, it is the manager's responsibility to flag this as an item and change the effluent treatment plant in terms of effluent control.

The manager also has the responsibility to proactively reach out to regulatory authorities for any changes. Similarly, if there are any violations of factory's act, it is the responsibility the manager to keep the regulatory authorities duly informed. This is an addition to the managerial responsibility of managing the teams for internal delivery.

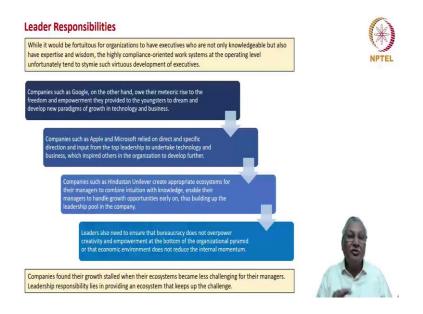
When we come to the role of the leader, he needs to ensure that the best of technology, product, process, resources and business strategies are deployed in a manner that the company stays ahead of the regularity curve. He has the responsibility to interact with the various echelons of the government and also with the investors and the financial institutions, so that the requirements for these kinds of leadership transformations are carried out effectively.

This requires also interface with other firms and regulatory agencies and that requires substantial personal gravitas on the part of the leader. If you see what is the key facet in each of these roles, you will understand that executives need to have significant knowledge of day to day operations. So, executive knowledge is very important in the foundational level.

At the managerial level, they expertise to guide the executives to manage them and also to oversee the total gamut of operations and also expect where problems could occur and take corrective actions in advance that is the managerial expertise.

And, as far as leadership is concerned there must be wisdom in whatever the leader does. The escalating hierarchy of responsibilities makes it imperative for professionals to be not only distinctive, but also instinctive and statesman-like at the same time.

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So, if this is the overall setup, what would be the leader responsibilities? So, we have two sets of companies in the digital environment itself and we know that digital environment itself is a liberalized environment compared to a hardcore industrial environment or a manufacturing environment.

Companies such as Apple and Microsoft by enlarge relied on the traditional organization structures and the direct and specific directions and inputs, which the top leaders are accustomed to give.

However, they have utilized technology and business process to be able to be very effective and they inspired others in the organization to develop on those lines, whereas, companies such as Google including its parent Alphabet owe their meteoric rise to the freedom and empowerment they have provided to the youngsters.

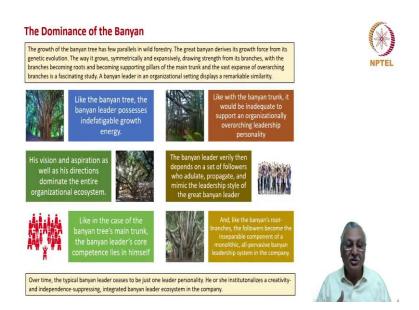
So, there are two alternative models that have been available. Companies such as Hindustan Unilever in our own country created appropriate ecosystems for their managers to combine intuition with knowledge. So, that the managers can handle the growth opportunities early on and through that means, they have built a leadership pool in the company.

Very early in the age of a young officer he or she would get an opportunity to manage a factory in Hindustan Unilever system and in modern days an opportunity to manage the supply chain, and these provided significant understanding of how total organizations function even though they are a part of a very large organization.

Leaders also need to ensure that bureaucracy does not overpower creativity and empowerment at the bottom of the organizational pyramid or the economic environment does not reduce the internal momentum. Whenever the ecosystems became less challenging for their managers and whenever managers constrained the free functioning of their executives' companies found that their growth was getting stalled.

Leadership responsibility lies in providing an ecosystem that keeps up the challenge.

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So, how does this banyan system or the banyan leadership system work? Banyan leader is not necessarily an autocratic leader or a task oriented leader. Banyan leader on the other hand, could be suffering from a bit of narcissism, that is thinking that he is the person who knows it all; he is the person who has to do it all, he is the person who has to guide everybody the path.

You can say that the banyan leader in a manner of speaking suffers from a view of indispensability and a know-all approach. This is a bit different from the authoritarian way of working, the authoritarian leader by virtue of his knowledge and by virtue of his experience believes that he is the person who has to lay down the pathway for the employees to work, because he also believes that the employees by themselves cannot work without the scientific management principles imposed on them.

The banyan leader may or may not be an authoritarian leader, but certainly he is a leader who is kind of in love with himself that is the big difference between the banyan leader and the task oriented leader or the authoritarian leader, we discussed in the earlier lectures.

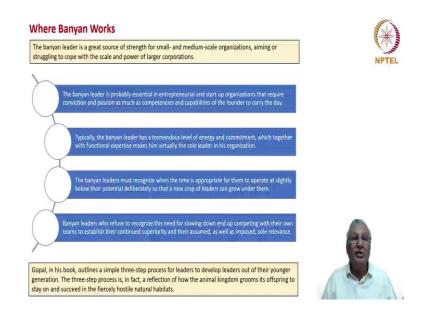
But, there are some special features of the banyan leader. Like the banyan tree, the banyan leader processes indefatigable growth and energy for growing and in doing so, the banyan leader does not take into account any other person who needs to grow. His vision and aspiration as well as his directions dominate the entire organizational ecosystem; just as the banyan tree covers the entire forest landscape, the banyan leader also covers the entire organizational ecosystem.

And, like in the case of the banyan trees main trunk, the banyan trees core competence lies in himself. Again, like with the banyan trunk, it would be inadequate to support an organizationally overarching leadership personality. The banyan leader therefore, relies on a whole set of followers who adulate, who propagate and who mimic the leadership style of the great banyan leaders.

So, the banyan leader typically encourages followers who are absolutely in awe of the banyan leader and who follow his advises his role modeling rather implicitly. And, like the banyan's root branches, the followers themselves become the inseparable component of a monolithic all pervasive banyan leadership system in the company.

Now, you can envisage how a banyan leader works very strong, very possessive about whatever he does, lot of growth to continuously grow on the fertile soil which the organization provides, having vision and aspiration which is very much dominating, having the core competence within oneself, but also acquiring the core competence by having the followers who implicitly follow his role model and together occupying the entire organizational system as one huge tree.

Over time, the typical banyan leader ceases to be just one leader personality. He or she institutionalizes a creativity and independence-sapping, integrated banyan leader ecosystem in the company. That is the dominance of the banyan in an organization.



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All said and done, banyan works in certain cases. The banyan leader is a great source of strength for small and medium scale organizations, aiming or struggling to cope with the scale and power of larger corporations.

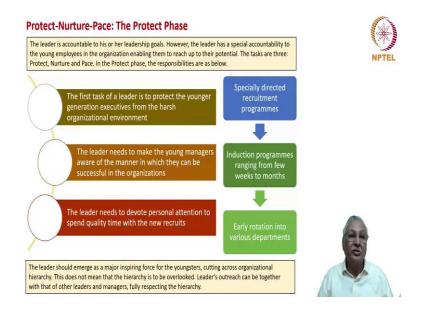
The banyan leader is also essential in entrepreneurial and start-up organizations that require the conviction and passion as much as competencies, capabilities and self belief of the founder to carry the day. Because, the banyan leader typically has a tremendous level of energy and commitment, these two along with the functional expertise make the banyan leader virtually the sole leader in the organization.

This works well in small and medium enterprises and in start-ups and entrepreneurial firms, but the banyan leaders must recognize when the time is appropriate for them to operate at slightly below their potential deliberately so that a new crop of leaders can grow under them.

Banyan leaders who refuse to recognize this need for slowing down and providing the required space for the others in the organization and who seek to establish their continued superiority at all points of time, then they are likely to aim for their own soul relevance, but in the process they make the organization suboptimal.

Gopal, in his book, outlines a simple three-step process for leaders to develop leaders out of their younger generation. This three-step processing is, in fact, a reflection of how the animal kingdom grooms its offspring to stay on and succeed in the fiercely hostile natural habitats.

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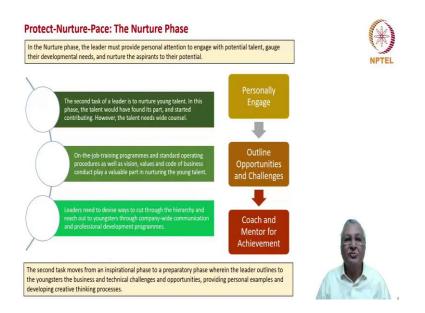
These three phase framework is protect, nurture and pace. The leader is accountable to his or her leadership goals. However, the leader has a special accountability to the young employees in the organization enabling them to reach up to their potential.

The task are threefold – protect, nurture and pace the young employees. In the protect phase, the responsibilities are as below. The first task of a leader used to protect the younger generation executives from the harsh organizational environment, which includes group dynamics as well as certain competitive factors within the team, between the team members.

The leader needs to make the young managers aware of the manner in which they can be successful in the organizations and the leader has to devote the personal attention of the leader to spend quality time with the new recruits. Companies have started designing specially directed recruitment programs to be able to get the right types of young entrants.

Induction programs range from few weeks to months and early rotation in various departments is enabled. The leader should emerge as a major inspiring force for the youngsters, cutting across organizational hierarchy. This does not mean that the hierarchy is to be overlooked. Leader's outreach can be together with that of other leaders and managers, fully respecting the hierarchy. So, this is the first action step of a leader the protect phase.

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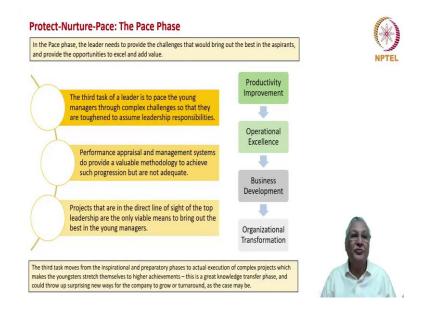
In the nurture phase, the leader must provide personal attention to engage with potential talent, gauge their developmental needs, and nurture the aspirants to their full potential. How do we nurture the young talent? The talent would have found it is part, the role it can play in the organization and began contributing. However, the talent needs a wide ranging council on the part of the leader to be fully effective.

On-the-job-training programs and standard operating procedures as well as vision values and code of the business play a very valuable part in nurturing the young talent. Leaders need to devise ways to cut through the hierarchy and reach out to youngsters through company-wide communication and professional development programs. To be able to do that, to be able to nurture the young executives the leaders have to set apart time to personally engage, outline opportunities and challenges, coach and mentor for achievement. Typically, whenever the top executive is visiting a plant or a different office.

The leader must make it a point to have a special session with the young talent where required also co-opting the other leaders and manager to connect with them and share the feedback of the young people as they coast through the organization and also provide the perspectives to make them more successful.

So, in the second phase the leader moves from an inspirational phase which is the protect phase to a preparatory phase when the leader outlines to the youngsters the business and technical challenges and opportunities, providing personal examples and developing creative thinking processes and critical thinking process relevant for the organization.

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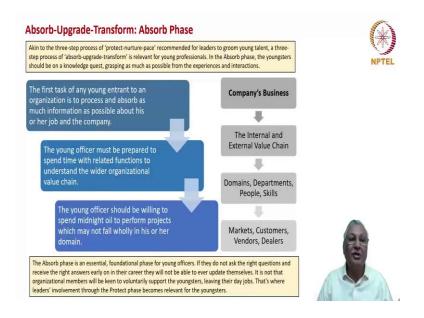


In the final phase, which is the pace phase, the leader needs to provide the challenges that would bring out the best in the aspirants, and provide the opportunities to excel and add value. The third task of a leader used to pace the young managers through complex challenges, so that they are toughened to assume leadership responsibilities.

Performance appraisal and management systems do provide a valuable methodology to achieve such progression, but are not adequate. Projects that are in the direct line of site of the top leadership are the only viable means to bring out the best in the young managers. And, such projects could be in the areas of productivity improvement, operational excellence, business development, organizational transformation and so on.

The third task which is the pace phase moves from the inspirational and preparatory phases to actual execution of complex projects which makes the youngsters stretch themselves to higher achievements. This is a great knowledge transfer phase, from the leader to the youngsters. This could throw up surprising new ways for the company to grow or turn around, as the case may be.

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If the leader is providing this capability and this opportunity and the coverage for the youngsters, the youngsters also have a responsibility to respond adequately. I have therefore, proposed a corresponding three-step process for the youngsters also to respond and benefit the maximum from the 'protect-nurture-pace' that has been recommended for leaders.

The first task of any entrant to an organization is to process and absorb as much information as possible about his or her job and the company. This is the time when the young entrant must ask questions about the products, the process, the people, the relationships and the market forces, as well as several other questions that the young entrant could have in the mind.

If the young entrant does not do that in the first 3 months or 6 months of his entry, then probably the entrant would lose the opportunity to ask such questions in the same intensive manner at a later date. The young officer must also be prepared to spend time with the related functions to understand the wider organizational value chain.

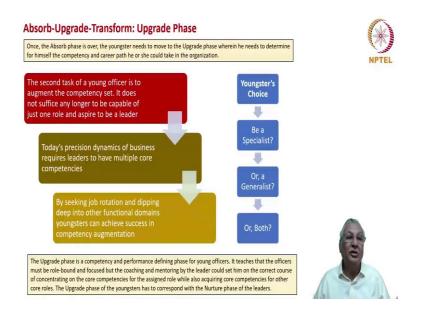
The young officer should also be willing to spend midnight oil to perform projects which may not fall wholly in his or her domain. This would also include understanding the knowledge bit a bit more. If a company is functioning in a particular type of products, the young officer should understand who are the competitors what other kind of product is possible to be made in the company and so on.

So, company's business which comprises the internal and external value chain also comprises various domains, departments, people and skills and the markets, customers, vendors and dealers, needs to be understood in the quickest possible time by the youngster.

So, this absorb phase when coupled with the protect phase that would be offered by the leader would have the maximum guarantee of the youngster becoming very knowledgeable, very learned and very confident in a very short span of time. The absorb phase is an essential, foundational phase for young officers. And it is important that all the questions are asked at the right time.

And, the leader through the Protect phase must also keep checking, whether the youngsters are following the absorbed phase modalities as they enter the organization and make themselves comfortable.

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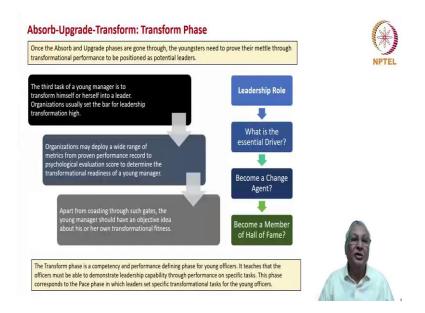


After the absorb phase is over, the youngster needs to move to the upgrade phase wherein he needs to determine for himself, the competency and career path he or she could take in the organization. And, it is important to understand the right competencies that are required to deliver in the job that has been provided, whether as part of the appointment order or as part of any subsequent communication highlighting the actual precise role.

Given that the dynamics of today's precision are much more precise, but at the same time much more broad the leaders need to have multiple core competences which means that the youngsters themselves start developing the core competences that befit a leader the early stage.

By seeking job rotation and dipping deep into other functional domains youngsters can achieve success in competency augmentation. And, the youngsters always face some key choices, should I be specialist? Should I be generalist or both? From an organizational development point of view, as well as an individual development point of view to be a generalist as well as a specialist is very much recommended at the young age of the entrant.

The upgrade phase is a competency and performance defining phase for the youngsters. It teaches that the offices must be role-bound, must be systematic and systemic, must be focused, but coaching and mentoring by the leader as part of the nurturing phase could set the youngster on the correct course. It would help the youngster use the core competences in the appropriate manner in the assigned roles. That is the relationship between the nurture phase and the upgrade phase of leaders and followers respectively.



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And finally, in the transform phase which corresponds to the pace phase of the leader. The third task which comes up at that stage is to transform himself or herself into a proper leader and organizations usually set the bar for leadership transformation very high. You need to understand as the person undergoing transformation from an executive to managerial position or from managerial position to a leader position, the essential driver for business growth and for business sustainability.

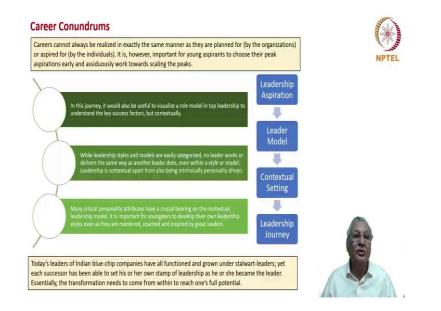
Organizations may have a whole range of metrics to determine the performance of the company and the organizations may also have a wide range of metrics to understand how the young manager is ready for the transformation. So, the young manager has to work on himself or herself, so that psychologically he or she is well prepared for the transformation and onsite, the manager should be ready to fulfill the performance metrics that the company adopts.

Apart from coasting through such gates, the young manager should also have an objective idea about his or her transformational fitness. Self awareness is very important at this stage. So, the question the leader, young leader may pose for himself or herself – what is the essential driver for my company? Should I become a change agent for the

company or should I become a member of the hall of fame? What should I do to be extremely important, extremely valuable for the company and also have high degree of self worth? These are the choices a typical leader under transformation would have.

The transform phase is a competency and performance defining phase for young officers. It teaches that the officers must be able to demonstrate leadership capability through performance on specific task. This phase corresponds to the pace phase in which leader set specific transformation task for the young officers.

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So, before I talk about this slide, I want to recall certain experiences I have. Way back in 1976, I was selected based on nationwide test to be a system analyst in Telco in their systems department at Jamshedpur. However, I was never put on the job on the day one. Me, along with the other three people who got selected for the 70 strong systems department which does of course, a coding as well were put through a pace of 21 days in various departments.

Each divisional head pretty senior in the hierarchy would spend at least half a day or even full day with us explain the division, understand our perspectives, where we come from our M-Tech or MS studies and the way in which we respond to the operations as explained by the leaders. And, one of the ideas of this very thorough induction program or rotation program is for the individual that is we as the entrants and the leaders that is they who are protecting us at that point of time by understanding how comfortable we are and how geared we are have to understand the organizations plans and perspectives. The objective here is to understand whether there could be any better positioning or any better fit between the individuals and the company.

And, at the end of this 21-day program, we would be given an opportunity to tell the company whether we like the same department for which we have been selected that is the systems department or whether we would like to go to materials management department or manufacturing or human resources or even finance.

Likewise, the leaders had this option to tell the human resource department that amongst these four, I believe that this gentleman is far more suited to my department than to another department and these cases have actually occurred saying that various leaders have state their claims for us and we had the opportunity to say whether we would like to continue to remain the systems department or move out.

This is the example of how leaders can protect the young entrants to the organization and how the young entrants could understand the absorbed phase as they come into the organization. In fact, even today 46 years later, I keep safely the three bond books in which I have noted what every one of the leaders talked about in the course of these 21-day induction program and what we also said in those programs.

This is the foundation of the protect phase and absorbed phase and that is what makes organizations great. That was the time also I asked about many people getting trained in Telco and getting jobs elsewhere and for that the uniform response across the senior leaders was that we consider ourselves as a training university for meeting national requirements for talent.

We do not really regret that we take more people than we really needed to and train them because if they go to other companies and make themselves efficient and effective, then they are contributing to national development. That was the kind of broadness of the purpose that was there in Telco and that is why Telco, now Tata Motors has been a great organization.

So, speaking about career conundrums after that example of mine from Tata Motors, we can realize that careers cannot always be accomplished in exactly the same manner as they are planned for by the organizations or aspired for by the individuals. Any organization which provides this loose tight fit to redefine the careers would be helpful organization for the youngsters.

However, it is important for youngsters to choose their peak aspirations early on and assiduously work towards scaling those peeks. In this journey, it is always useful to visualize the role model within the top leadership that is available to understand the key success factor in this organization and in a contextual manner, context of the youngster himself and the context of the department in which the person is placed.

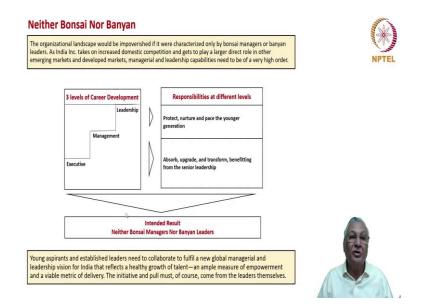
While leadership styles and models are very easily categorized, no leader works or delivers the same way as another leader does, even within a style or model. To that extend readership is individually contextual apart from being intrinsically personality driven.

Many critical personality attributes have a crucial bearing on the contextual leadership model. It is important for youngsters to develop their own leadership styles even as they are mentored, coached and inspired by great leaders. I have talked about leaders who are ferment nationalist; I have talked about leaders who are virtuous technologists. There are leaders who tend to be very erudite and very intellectual, there could be leaders who are very strict and rule bound.

We have to watch those great leaders and absorb the relevant points which we as individuals can adapt in our own psychology and in our own personality. So, the leadership aspiration starts with having the aspiration within the individual, selecting a leader model, understanding the context of the leader with the reference to the department and the individual and then commencing the leadership journey.

Today's leaders of all Indian blue chip companies have functioned and grown under stalwart leaders; yet each successor has been able to set his or her own stamp of leadership as and when he or she became the leader. Essentially, the transformation needs to come from within to reach one's full potential. The leaders, the leadership models, the human resources inputs, all of these things can help the individual. But, it is up to the individual to rise up to the challenge and make this leadership journey effective.

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The objective from an organization point of view should be neither bonsai managers nor banyan leaders. The organizational landscape would be impoverished if it were characterized by only bonsai managers or banyan leaders obviously.

As we take increased domestic competition seriously and as India Inc itself gets to play a larger direct role in other emerging markets and developed markets, we need to have managerial and leadership capabilities of the highest order.

So, we have to remember the kind of responsibilities we have as leaders and the kind of responsibilities people need to have as followers to be able to protect, nurture and pace the younger generation from a leadership perspective, and absorb upgrade and transform benefiting from the senior leadership on the part of the youngsters.

The result will then be an organizational system wherein neither bonsai managers nor banyan leaders would be there and this requires collaboration between young aspirants as well as the established leaders and the initiative and pull however, must come from the leaders themselves. But, as I said, the followers cannot be weak followers, they should also be enterprising, intelligent, outgoing and trying to absorb as much as possible take on early responsibilities and finally, become the transformational leaders.



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So, if you look at all of these things, you can think of leadership plus great leaders not only institute process and systems to promote leadership in their organizations, they also take personal responsibility to individually develop promising leaders. Leaders never consider that their job is done when they three clusters of the dimensions which I mentioned in the previous lecture are fulfilled.

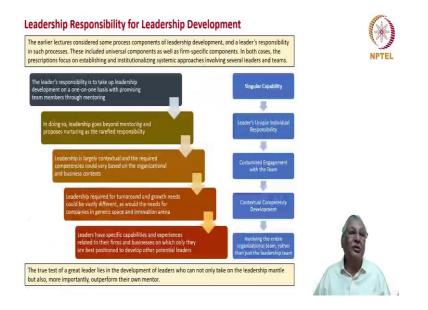
If you recall those were revenue, profit, market share and market capitalization on the quantitative dimension. On the cerebral dimension we had vision, strategy, structure and execution and on the aspirational dimension we had safety, health, environment and ethics.

Now, leadership has the unique ability and unique responsibility to handle all these 12 factors, but beyond that there must be a proactive recognition of the opportunities and diligent overcoming of challenges by the youngsters. And, leadership should engage itself in convincing, motivating and inspiring the team to follow his or her articulation.

Leadership is therefore, not just a competence, process or accomplishment, but it is something which is very people oriented in terms of developing more leaders and more effective executives. And, to be able to do that if you want transformational business growth, you should instill in the youngsters a development passion and a risk taking ability to move from the charted to the uncharted.

While providing a clear message that appeals to the team, we should also understand where the self and the you come from and involve the entire organization team rather than just the leadership team in that process of undertaking something superior on the part of the organization.

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So, the leadership responsibility in under taking such a leadership development is really singular. It requires customized engagement with the team, it requires contextual competency development from the team members and also it requires involving the entire organizational team rather than just the leadership team. The requirements for the turnaround and growth are certainly different and a wise leader knows that.

However, the leader must also recognize that the three phases through which he would put the youngsters through, that is the phases of protecting, nurturing and pacing the young executives could alter dramatically depending upon whether the company is in a growth phase or the companies in a turnaround phase.

Typically, if the companies in a turnaround phase many of these modules will be shortened and compassed, because there is no time to lose and there would not be many people who can be called upon to perform very vital task of turnaround. So, leader also has to be contextual generating the development passion and the fulfillment passion in the youngsters.

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They will tend to be always elevations, inductions and exits. Companies such as GE and Pfizer have always committed themselves to develop leaders in-house. In several case, however, leaders come from outside the company. When you develop a vast pool of youngsters there is much greater chance that you can bring leaders through the internal ranks and we have discussed in the previous lecture how it is possible to have successions.

Within the Tata Group itself many successions took place within the companies. However, a company within the Tata Group, Tata Motors had to have many external leadership inductions, the reason the company began to diversify itself beyond its core competencies and it therefore, required newer competences.

On the other hand, Tata Steel which has a kind of homogeneous business model and homogeneous product technology, although the depth could be varying each time and although there could be strategic adjacencies that could be explored from time to time had internal orderly leadership successions. Infosys had very rich founder talent which performed taking up leadership positions from time to time in rotation. However, when it sought to bring a new leader from outside for quantum jump into artificial intelligence and various other product based business models, the model did not work.

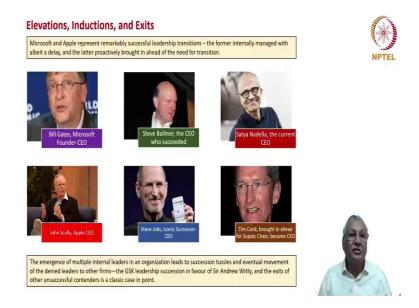
Again, it had to rely on an external person Salil Parekh from Capgemini to be inducted. He has proved successful. Why does this happen? This happens because the leadership team is or probably has been looking at getting to the CEO position and those who did not make it to the grade were under the threat of moving out.

So, there was a need to protect the leadership stability at the highest level and the only way in which they could do was not to select one over the other, but to bring in an external leader, so that everybody is at the same level and this happens in many organizations. If there are let us say two chief operating officers the company finds it difficult to select one amongst the others.

In one of the discussions which we would see, even large companies abroad find it difficult to retain the other two or three leaders when one leadership selection is made. So, elevations, inductions and exits are a part of leadership transition situation.

The only way in which you can reduce this impact is to have roots developed by the leaders, by the executives, by the managers with the company to such an extent that a setback could be seen as a temporary setback and they see greater merit in staying on in the organization.

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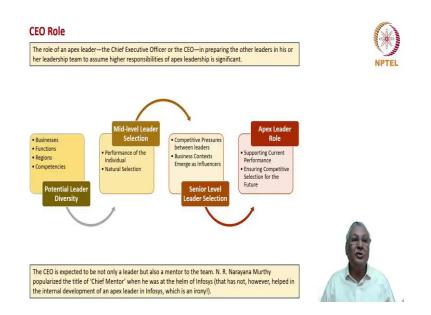


Let us look at some elevations inductions and exists in the digital space. Bill Gates when he moved off the full time executive position, he brought in Steve Ballmer as the CEO who succeeded and when he moved out he brought Satya Nadella, again an internal leader as the current CEO.

John Scully was brought into Apple from outside Apple System. Then Steve Jobs was internal and was the leader had to move out, but then because of the non performance as he is reported of John Scully, Steve Jobs has come back and he came back and he became the iconic successor CEO. But, Steve Jobs did not have a successor from within the system. He had to bring Tim Cook for supply chain ahead of his becoming CEO.

So, the emergence of multiple internal leaders in an organization leads to succession tussles and eventual movement of the team leaders to other firms– the GSK leadership succession in favor of Sir Andrew Witty, and the exits of other unsuccessful contenders is a classic case in point.

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So, the role of CEO lies in preparing the other leaders in his or her leadership team to assume higher responsibility of apex leadership in a significant manner. So, the potential leadership diversity is the first step. People should understand businesses, functions, regions and have competences. At the middle level itself leader selection must be perfect. It must be based on the performance of the individual, it should confirm to the natural principles of selection.

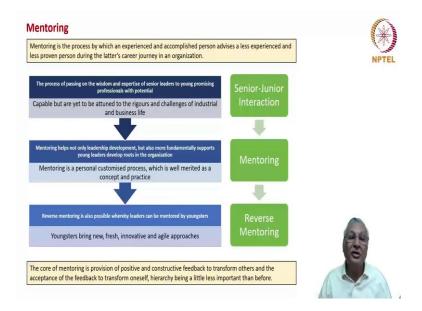
At the senior level, the leader selection must be based on the way in which the competitive dynamics have been handled, the way in which business contexts are tackled by contenders and also ensuring that these internal dynamics do not upset the senior lever harmony. And, finally, at the apex leader role the role is one of supporting the current performance even while ensuring competitive selection for the future.

The CEO is expected to be not only a leader, but also a mentor to the team. And, when we talk about mentor, it cannot be just label or a term and the challenge is far higher. N. R. Narayana Murthy after he moved out of the full time chairman's position had the title chief mentor. He was at the helm of the company for few years as a chief mentor.

However, that has not stopped Infosys from looking outside to get the right kind of talent to help the company which means that development of talent has to start from the very young ages of various people in the organization and along with the talent development the development of roots to the organization also must take place. Just a failure to get to the top position or a CXO position should not be the cause for talented people who came up all the way from the front ranks to the top ranks to leave the organization.

That is the very essence of the CEOs responsibility to offer leadership plus to the organization.

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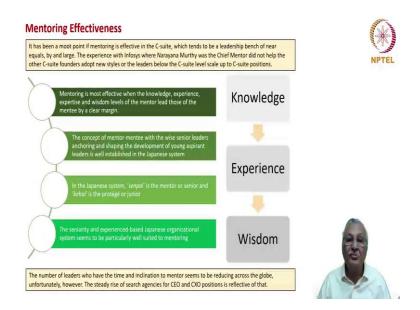


And, in that two aspects are there, one mentoring as we all know, it is nothing, but a senior junior interaction in which the senior shares the knowledge and experience to the youngster, so that there is no failure on the part of the youngster. It is a personal customized process which is well merited as a concept and practice.

In several companies, the directs on the board are chosen as mentors for three or four select leaders. Similarly, three or four select leaders have their responsibility cut out when they are asked to have another 12 or 15 leaders to be mentored by them. While mentoring is all fine, it cannot be and should not be top down exercise. Youngsters also bring new fresh innovative and agile approaches to business and operations.

Reverse mentoring is also possible. That is why we should have leaders who are open and who are flexible to understand the newer development, so that reverse mentoring also can take place. The entire objective of mentoring is to provide positive and constructive feedback to transform others. It also requires acceptance of the feedback to transform oneself and hierarchy is less important in this mentoring process.

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Mentoring is very effective when the knowledge, experience, expertise and wisdom they get transferred from the mentor to the mentee.

In the Japanese system this works very well, you have this "senpai", "kohai" system wherein "senpai" is the mentor or the senior and "kohai" is the protégé or junior. The seniority and experienced based Japanese organization system has been very well suited to mentoring and we need to have these kinds of mentoring approaches ingrained and embedded in our organizations.

The number of leaders who have the time and inclination to mentor seems to be reducing across the globe unfortunately because of the competitive pressures and competitive dynamics which required the CEOs and CXOs to be available almost 24 by 7 to tackle growth and emergency imperatives, how do we ensure that we keep mentoring as an institutional phenomenon.

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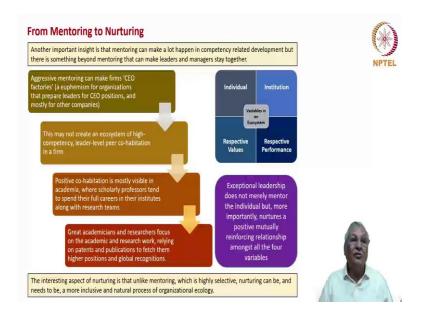


We can do that when we see the benefit of mentoring. V Krishna Murthy was the chairman and managing director of Maruti Udyog. He mentored R C Bhargava as a key member of the team, when the collaboration was being structured and later as his managing director. And, R C Bhargava is today a longstanding chairman of Maruti Udyog Limited or Maruti Suzuki at this this point of time.

You can see how mentoring has worked for the benefit of not merely R C Bhargava, but also for the benefit of Maruti Udyog as a rapidly growing and stable organization. R J Shahaney was chairman manager of Ashok Leyland. He mentored R Seshasayee to move into his shoes once his turn got over. N Vaghul at ICICI Bank took lots of steps to encourage and move K V Kamath into his chair based on mentoring.

Deepak Parekh took steps to mentor Aditya Puri as his successor and because, of these kinds of successions, we have had companies such as Maruti Udyog, Ashok Leyland, ICICI bank and HDFC bank as very strong institutions. And, this process of mentoring also enabled their successes, not only develop their own capabilities, but also acquire certain new competences from the mentors, so that as personalities they become far more effective.

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When mentoring is such an important aspect and some kind of mentoring does keep happening in organizations. Why is it that we have this issue that people will leave if choices what to be made at the top level? For that we need to understand some of the flip sides of the mentoring process.

If we do only mentoring that is building up of competencies, building up of readiness for becoming a CEO then the firms end up becoming the CEO factories, because you would turn everyone into a potential CEO always anxious, keen and ready to enter into the CEO position and CEO positions as we have seen are only singular one position kind of situations. So, we have a system of having high caliber leaders, but cohabitation of equally competent peers does not happen in this system.

Positive cohabitation is mostly visible on the other hand in academia, where scholarly professors tend to spend their full carriers in their institutes along with their research teams whether they are professors, heads of the department, deans, directors or again back as professors.

Great academicians and researchers focused together on academic and research work, and they rely on their patents and publications to fetch them the higher positions and global recognition are not the ege of the superior or the retirement policy of the company. So, there is a difference between how the academics promote mentoring and nurturing versus how the business organizations promote mentoring. If you see the variables in an ecosystem, we have individual with the respective values and the institution with the respective to performance requirements. We need to match these four sets. Exceptional leadership does not merely mentor the individual, but more importantly will nurture a relationship between the individual and the institution and also between the individual's value system and the institutional value system.

Nurturing and mentoring differ in certain critical aspects. Under mentoring you take a person on a targeted basis most probably, such a person has got several competencies, but probably has a troubling aspect. It could be lack of aspiration or a facet of his personality. And, mentoring tries to mend that and mentoring also tries to pass on the knowledge and experience, so that the person can be an effective CXO or CEO. It is a kind of very targeted focused development of the people.

On the other hand, in nurturing the whole emphasis is on being inclusive. The nurtured individual must not only become much more effective as in the case of mentoring, but also he must be much more connected individual with reference to the organization and with reference to the overall.

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So, if you see the differences between mentoring and nurturing, mentoring enables development of individual leadership competencies whereas, nurturing in addition develops the whole gamut of relationships between the individual and the institution as well as between and with the respect value systems that is a big difference.

Mentoring focuses on individual leadership competency development. It creates CEO factories typically, for other companies ironically whereas, nurturing does increase the competency levels, but it also brings in a more inclusive and natural organizational ecology for leadership development and provides for leaders' opportunities to develop roots with the organization.

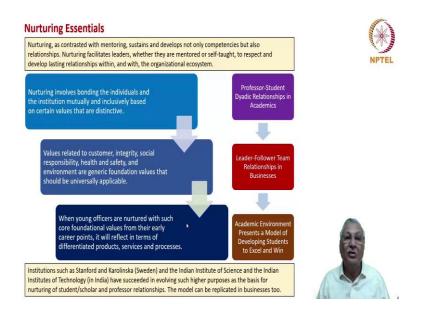
We can look at this great assembly, the stellar assembly of the leaders who had during the Indian independence movement taller than everyone else was Mahatma Gandhi, but we had also other leaders' stalwarts – Pandit Jawaharlal Nehru, Sardar Vallabhai Patel, Babu Rajendra Prasad, B R Ambedkar, S Radhakrishnan.

In the newly independent India of 1947, relationships nurtured by Mahatma Gandhi enabled stalwarts, such as these leaders develop themselves further. They grew not only as leaders in their own right, but also stayed together to bring the best of their faculties for India's governance after the independence. It is the love of these leaders towards the nation more than the leadership positions that bound them together in the governance.

We need a similar model in organizations. It should be the love of the organization; love for the business and love for the social economic contribution that should make leaders stick together and develop themselves further than the love of the apex leadership position. That is the importance of nurturing leadership ecosystem for organizations.

This example from the political firmament is a great example of how nurturing can ensure leadership development as also leadership pretension based on the love for the institution and for a broader cause.

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So, the essentials for nurturing are the following: development of a bond between the individual and the institution mutually and inclusively based on certain values that are distinctive. The values could be related to customer, integrity, social responsibility, health and safety, and environment in fact, preferably all of these, things these must be the generic foundational values that should be universally applicable.

And, when young officers are nurtured with such core foundational values from their early career points it will reflect in terms of differentiated product, services and processes.

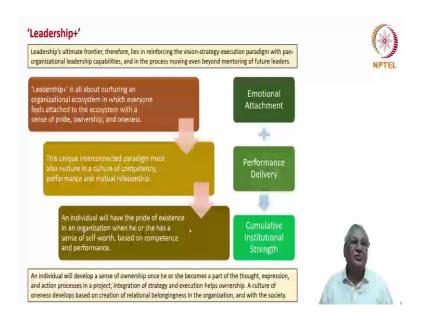
You can look at the professor-student dyadic relationship in academics. There is a bond which is developing between the professor and the student. Even if the students are many in number there is an individual relationship that develops between the professor and the student; whereas, in businesses they tend to be leader follower team relationships which are by enlarge transactional.

So, as opposed to the learning and development emphasize that is brought out in the academic dyadic relationships, the dyadic relationships in leader followed teams tend to be transaction. I provide this value to the business and the business will provide this compensation to me. This is what needs to be avoided or modified.

Academic environment presents a model of developing students to excel and win. Similarly, business environment must present a model of developing youngsters to excel and win for the cause of the nation. Institutions such as Stanford and Karolinska; Karoslinska is a Sweden, Stanford in the US and Indian Institute of Science and Indian Institute of Technology in India have succeeded in evolving such higher purposes as the basis for nurturing of student-scholar-professor relationships.

And, this model should be and can be replicated in business too.

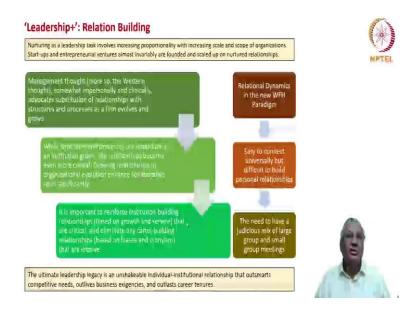
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So, the leadership plus which I will advocate is all about nurturing an organizational ecosystem in which everyone feels attached to the ecosystem, not merely to a leader and not merely to a department and with a sense of pride, ownership and oneness that is the emotional attachment part of it. And, this unique interconnected paradigm must also nurture in a culture of competency, performance and mutual relationship. This is the performance delivery part of it.

And, once these two together happen, the individual will have the pride of existence in the organization based on the sense of self worth that is I am capable, knowledgeable, competent and I am also contributing to the company and the business and in many cases to the socio economic needs of the country as well. And, this happens to develop as the cumulative aggregate institutional strength of a company. Leadership plus is all about this. An individual will develop a sense of ownership once he or she becomes a part of the thought, expression and action processes in a project. That is, first leadership is seen and the goals are set inclusively by the leader along with the followers; integration of strategy and execution helps ownership. A culture of oneness develops based on the creation of relational belongingness in the organization and with the society.

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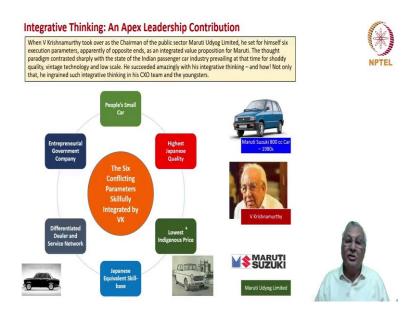
And, to be able to build these relationships, we have to think innovatively from time to time. Today, we have a situation where we have new work from home paradigms. So, how do we have these relational dynamics? Management thought more so, the western thought, somewhat impersonally and clinically advocate substitution of relationships with structures, systems and process as a firm involves and grows.

While these are important, the relationships are important and critical by themselves. Enhancing relationship quotient in an organization enhances the collaborative spirits significantly. And, when that happens institution building relationships based on growth and service are very critical and they eliminate any cartel building relationships based on biases and cronyism that could be erosive.

So, building relational dynamics is very important. And this challenge is even more for us when we have newer paradigms such as working from home in a digital environment. So, we can easily connect with anybody in the universe today, but it is very difficult to build personal relationships. The need to have a judicious mix of large group gatherings and small group meetings in these digital interactions is very much necessary, because we still need to see people, we still need to enable people to talk with each other. Rather than have a surfeit of meetings just because the digital connectivity is available, we should have very selective number of meetings which help leaders not only deliver, but also build relationships just as you would do in an office setting or in a factory setting.

The ultimate leadership legacy is an unshakeable individual institutional relationship that outsmarts competitive needs, outlives business exigencies and outlasts career tenures – that is very important, that is leadership plus for us.

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And, if you see V Krishnamurthy, the stalwart leader I mentioned earlier, you will see that he brought in the whole concept of integrative thinking as part of the way he managed as an apex leader. When he took over as the chairman of the public sector Maruti Udyog limited, he set for himself six execution parameters apparently of opposite ends as an integrated value proposition for Maruti.

The thought paradigm contrasted sharply with the state of the Indian passenger car industry prevailing at the time for shoddy quality, vintage technology and low scale, but he succeeded amazingly with this integrative thinking. Not only that he ingrained such an integrated thinking in his CXO team and the youngsters. V Krishnamurthy skillfully integrated six apparently conflicting parameters in the way he designed the operation paradigm for Maruti. He said that the car must be small and should be a people's car. It should represent the highest Japanese quality; it should have the lowest possible indigenous price.

The skill base in the factory or within the company should be equivalent Japanese skill base and there should be differentiated dealer and service network that takes care of the new generation of cars. And, there should be an entrepreneurial company system, even though it is a government company. These are the six conflicting, but compelling parameters the outlined and he make sure that Maruti 800 CC car which he brought out in the 1980s reflected this.

How did Krishnamurthy succeed in his integrative thinking? One, he had compact teams with which he worked; the second he worked with youngsters and groomed them into his way of thinking. The account he gave of these six parameters in fact, was listened to by me and several others in one extra mural lecture, he delivered at IIT, madras where he demonstrated in a compelling manner, how he set these targets for the team and made them enthusiastically respond to the seemingly impossible task at that point of time.

And, by working with youngsters and grooming them, nurturing them, he brought in the right kind of mindset in the entire executive and management team. I have no doubt that many of those youngsters, whom I saw in the 1980s in the Maruti Corporate office would have moved on to occupy high positions in Maruti itself and some of them I know personally have contributed to other companies such as Tata Motors, Ashok Leyland various other companies.

That is the ingredient which Krishnamurthy brought in for organizational development at Maruti and even at BHEL as well as SAIL where he worked. And, that ingredient is one of nurturing the team to the highest levels of capability, highest levels of value system and highest levels of contribution to the company. That is what is meant by nurturing.

So, we should not have bonsai managers, we should not have banyan leaders, we should not just be satisfied with mentoring and we should actually, go in for nurturing as a concept, which instills the development passion in young officers, young executives and takes them on virtuous and fulfilling path of managerial and leadership development. Thank you. We will meet in the next lecture.