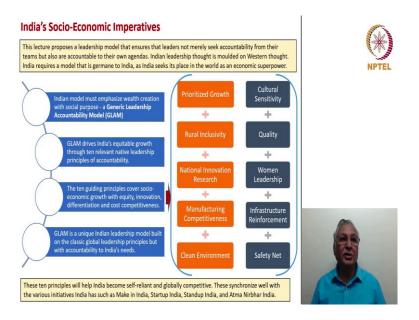
## Leadership for India Inc: Practical Concepts and Constructs Prof. C Bhaktavatsala Rao Prof. Ajit Singhvi Department of Management Studies Indian Institute of Technology, Madras

## Week - 09 Transformational Leadership Models - 1 Lecture - 45 Leadership Accountability Model

Hi Friends, welcome to the NPTEL course Leadership for India Inc: Practical Concepts and Constructs. We are in week 9 discussing Transformational Leadership Models part 1. In this lecture, we will focus on Leadership Accountability Model.

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India has several socio-economic imperatives which leaders need to take note off. This lecture proposes a leadership model that ensures that the leaders not only merely seek accountability from their teams, but also are accountable to their own agendas. Indian leadership thought is moulded on western thought which is a developed world thought.

India requires a model that is germane to India, as India seeks its place in the world as an economic superpower. I have proposed that Indian model must have wealth creation, but with social purpose. A generic leadership accountability model GLAM as I call it. GLAM drives India's equitable growth through ten relevant native leadership principles

of accountability. The ten guiding principles cover social economic growth with equity, innovation, differentiation and cost competitiveness.

GLAM is a unique Indian leadership model built on the classic global leadership principles, but with accountability to India's needs. These ten principles are prioritized growth, rural inclusivity, national innovation research, manufacturing competitiveness, clean environment, cultural sensitivity, quality, women leadership, infrastructure reinforcement and safety net.

These ten principles I believe will help India becomes self-reliant and globally competitive. These synchronize well with the various initiatives India has such as Make in India, Startup India, Standup India and Atmanirbhar India.

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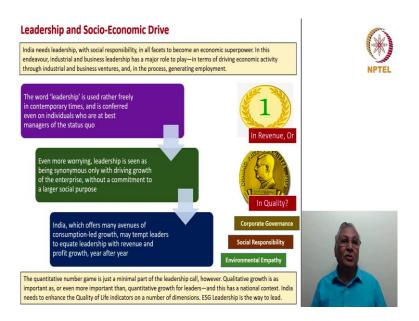
In respect of socioeconomic aspects of industrialization as well as economic development, I believe that India Inc should have leadership accountability. Notwithstanding the global turmoil caused by Covid-19 and the contraction the Indian economy has suffered in 2020.

India certainly has the opportunity and challenge to continue to move ahead to be a USD 25 trillion-dollar economy by 2025. This requires India Inc to make each of the initiatives of Narendra Modi Government a resounding success. Make in India, standup

India, Atmanirbhar Bharat Abhiyan, Digital India, Startup India, Skill India are some of these initiatives.

All of these as you will note are synergistic with each other and together these will lead India higher into the global economic pecking order. Leadership needs to be accountable to itself on a number of relevant factors and parameters as outlined in GLAM.

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What is the nexus between leadership and socio-economic drive? India needs leadership with social responsibility in all facets to become an economic super power. In this endeavor, industrial and business leadership has a major role to play in terms of driving economic activity, through well-meaning industrial and business ventures and in the process generating employment and social equity.

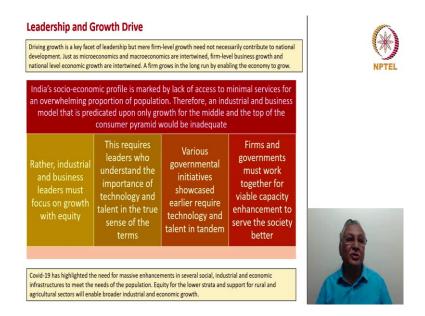
We tend to use the word leadership rather freely in contemporary times and the title of leader is conferred even on individuals who are at best managers of the status quo. Even more worrying leadership is seen as being synonymous only with driving growth of the enterprise without a commitment to a larger social purpose.

India which offers many avenues of consumption led growth may tempt leaders to equate leadership with revenue and profit growth year after year this is something which leadership has to eschew. Should we measure our growth, our development, our leadership in terms of revenue or in terms of quality that is one question.

The quantitative number game is just a minimal part of the leadership call. Qualitative growth is as important as or even more important than quantitative growth for leaders and this has a national context. India needs to enhance the quality of life indicators on a number of dimensions.

ESG leadership is the way to lead as I discussed in some of the earlier lectures, ESG represents environmental empathy, social responsibility and corporate governance. The GLAM model which I have drawn up here is fully reflective of ESG leadership model.

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Leadership and growth drive. Driving growth is a key facet of leadership, but mere firm level growth need not necessarily contribute to national development. Just as microeconomics and macroeconomics are intertwined, firm level business growth and national level economic growth are intertwined. A firm grows in the long run by enabling the economy to grow.

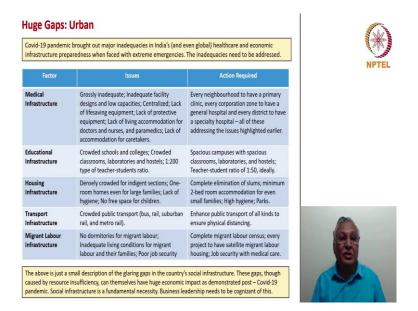
India's socio-economic profile is marked by lack of access to minimal services for an overwhelming proportion of population. Therefore, an industrial and business model that is predicated upon only growth for the middle class and the top of the consumer pyramid would be highly inadequate.

Rather industrial and business leaders must focus on growth with equity; this requires leaders who understand the importance of technology and talent in the true sense of the

terms. Various governmental initiatives showcased earlier require technology and talent in tandem.

Firms and governments must work together for viable capacity enhancement to serve the society better. Covid-19 has highlighted the need for massive enhancements in several social, industrial and economic infrastructures to meet the needs of the population. Equity for the lowest strata and support for rural and agricultural sectors will enable broader industrial and economic growth.

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Let us take a quick survey of the gaps that exist in the urban and rural landscapes. Covid-19 pandemic has brought out major inadequacies India's and even global health care and economic infrastructural preparedness when faced with extreme emergencies, the inadequacies need to be addressed.

I do not intend to go line by line on the various infrastructural issues that we face, let us just take medical infrastructure. We all recognize that the medical infrastructure we have is grossly inadequate, the facility designs in hospitals are of inadequate design integrity and the capacities available are low.

When I say facility designs are inadequate, I refer even to corporate hospitals wherein I would expect better standards of hospital design. We cannot say separate gateways for men and materials similarly for sick patients as well as treated patients and there is lot of

mixture or mixing up of various materials as well as manpower as we go through the hospitals.

That is one example of inadequate facility designs. We can go further deeper inside, but that is the fact of the matter. Health care if at all is centralized there is acute lack of life saving equipment, there is lack of protective equipment, lack of leaving accommodation for doctors and nurses which would come in handy when we have emergencies of this nature, paramedics also have no place to stay overnight in case emergency is required and of course, there is lack of accommodation for caretakers.

If these have to be redressed, every neighborhood should have a primary clinic, every corporation zone should have a general hospital and every district should have a specialty hospital, all of these addressing the issues which I have highlighted in terms of the gaps in medical infrastructure. Similarly, you can look at education infrastructure; you find crowded schools and colleges with adverse teacher-student ratio.

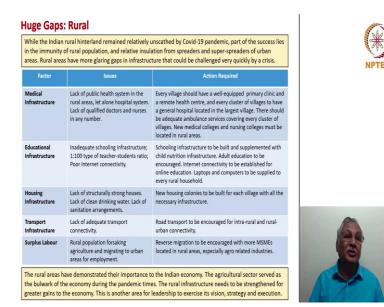
We do need spacious campuses with spacious classrooms, laboratories and hospitals with an ideal teacher student ratio. As far as housing infrastructure is concerned poor and indigents sections of society live in densely crowded habitats with the lack of real hygiene. No free space for children, one room homes even for large families, the action required is in terms of complete elimination of slums minimum 2-bedroom accommodation for even small families, high hygiene and parks.

In fact, the new India developed by Niti Aayog looks at these kinds of developments for India for 2030. Transport infrastructure. Crowded public transport, any kind of transport you take it has been crowded. Of course, we are talking about pre-Covid situation, we need to enhance public transport of all kinds to ensure physical distancing plus comfortable travel.

Migrant labour infrastructure, Covid-19 pandemic has brought in to the limelight the kind of difficulties which migrant labour face, no dormitories, inadequate living conditions, poor job security. So, we need a complete migrant labour senses, every project to have a satellite migrant labour housing, job security with medical care must be provided and so, on.

So, the above is just a small description of the glaring gaps in the country's socio infrastructure. These gaps though caused by resource insufficiency can themselves have huge economic impact as demonstrated post Covid-19 pandemic. Social infrastructure is a fundamental necessity for a growing economy. Business leadership needs to be cognizant of this, and many of these things are well within the realms of private business and large industrial houses.

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If you look at the gaps in the rural area, the gaps exist significantly while the Indian rural hinterland remain relatively unscathed by Covid-19 pandemic part of the success lies in the immunity of rural population and relative insulation from spreaders and super spreaders of urban areas. Rural areas have in fact, more glaring gaps in infrastructure that could be challenged very quickly by a crisis.

In the case of medical infrastructure, there is an absolute lack of public health system in the rural areas let alone hospital system, lack of qualified doctors and nurses in many number. So, we should have a well-equipped primary clinic and remote health center in every village and every cluster of villages should have a general hospital located in the largest village.

There should be adequate ambulance services covering every cluster of villages, new medical colleges and nursing colleges must be located in rural areas and telemedicine, remote medicine must be prime application for rural areas. So, it should be in terms of educational, infrastructure inadequate schooling infrastructure must be addressed, internet connectivity has to be ensured, adult education should be encouraged, laptops and computers to be supplied to a very rural household.

And in terms of housing infrastructure lack of structurally strong houses no pukka houses in rural areas, lack of clean drinking water, lack of sanitation arrangements, new housing colonies need to be built for each village with all the necessary infrastructure, again a point noted by Niti Aayog. Transport infrastructure: lack of adequate transport connectivity, road transport to be encouraged for intra-rural and urban connectivity, surplus labour is a big issue.

Rural population forsaking agriculture and migrating to urban areas for employment, reverse migration should be encouraged with more MSMEs located in rural areas especially agro related industries.

The rural areas have demonstrated their importance to the Indian economy in no uncertain terms, the agriculture sector served as a bulwark of the Indian economy during the pandemic times. The rural infrastructure needs to be strengthened for greater gains to the economy, this is another area for leadership to exercise its vision, strategy and execution.

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Leadership and resources - The buildup of urban and rural infrastructure requires trillions of dollars in investments for which India does not have the resources. Leadership in Indian context requires working successfully under multiple constraints, fulfilling multiple objectives simultaneously. I would rate raising of resources as one of the biggest challenges Indian leadership has and leadership believe me can help generate resources provided there are viable plans for enhancing rural economy.

The 2 percent of profitability that is being spent on corporate social responsibility is not adequate for uplifting the rural economy or the indigent sections of the population. The benefits of uplifting the rural and indigent sections of the population would be actually manifold.

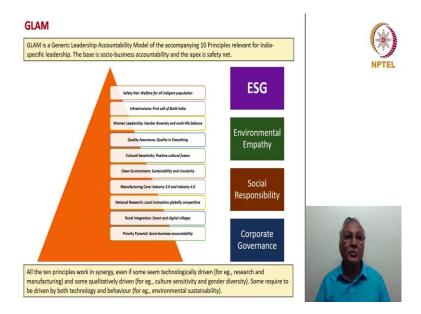
Be it in terms of a better housing infrastructure, better hospital network, better schooling and college infrastructure, better consumer goods infrastructure, you name it every of these infrastructure developments would have a strong pull effect on the urban economy as well as the industrial economy.

The cornerstone of leadership for India Inc should therefore be growth for the country and equity for all the stakeholders most importantly the common man. Technology bridges public policy imperatives and private enterprise compulsions to achieve socioeconomic development. Management and leadership have the responsibility to utilize technology such that it leads to both corporate growth and socio economic equity.

We have discussed in an earlier lecture how technologies such as sensors and how algorithms related to machine learning and artificial intelligence could predict weather conditions, moisture requirements and ensure that there is productivity at the agricultural farm level and there could be many other areas where in a technology could chip in. Leadership has the overarching responsibility to ensure that technology management and business management are synchronous.

This lecture proposes a generic leadership accountability model GLAM for driving India's equitable growth through 10 relevant native leadership principles of accountability. For India Inc in an ESG framework Environment, Social and Governance framework.

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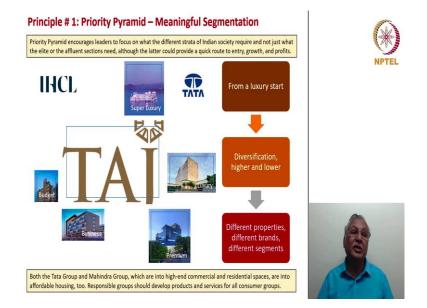
This GLAM comprises the following 10 principles. At the very bottom we have the bottom of the pyramid that is the priority pyramid for the leadership. It should have socio business accountability in terms of addressing the issues of the priority pyramid. Rural integration, smart and digital villages are as important as smart cities. National research - local innovation that is globally competitive.

Manufacturing core industry 3.0 and industry 4.0, clean environment - sustainability and circularity cultural sensitivity - positive cultural fusion, quality assurance - quality in everything, women leadership - gender diversity and work life balance. Infrastructure - first call of build India and finally, safety net - welfare for all Indian population including senior citizens.

So, environmental empathy, social responsibility and corporate governance are expressed in terms of the GLAM model. All the 10 principles work in synergy, even if some seem technologically driven for example, research and manufacturing and some qualitatively driven for example, culture sensitivity and gender diversity, some required to be driven by both technology and behavior example environmental sustainability.

The brief principle is that all of these things are interlinked and all of these things can reinforce each other.

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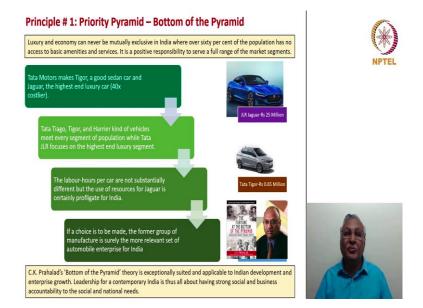
Let us look at each of the principles in a little more detailed. Principle number 1: Priority pyramid. We need meaningful segmentation to address the requirements of the various consumers at various levels of the population pyramid.

Priority pyramid encourages leaders to focus on what the different strata of Indian society require and not just the elite or the affluent sections need. Although the latter could provide a quick route to entry growth and profits. If you look at IHCL owned by TATA's, they have hotels ranging from super luxury, down to budget. They started with the luxury hotel approach, but then diversified into higher and lower end hotels.

Different properties, different brands and different segments now constitute IHCL portfolio. Both the Tata group and Mahindra group which are into high-end commercial and residential spaces have signaled their intent to going to affordable housing too.

Responsible groups should develop products and services for all consumer groups. DLF for example, has done even service to Delhi by driving developments in Gurgaon, but they also need to do something of similar kind for indigent sections of the population as part of their social responsibility.

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The concept of bottom of the pyramid is extremely important when we look at the priority pyramid for a business leadership. Luxury and economy can be never mutually exclusive in India where over 60 percent of the population has no access to basic amenities and services.

It is a positive responsibility to serve a full range of the market segments. Tata motors makes Tigor a good sedan car and Jaguar the highest and luxury car which is probably 40 x costlier compared to Tigor. JLR Jaguar is rupees 25 million and Tata Tigor is rupees 0.65 million. Tata Tiago, Tigor and Harrier kind of vehicles meet every segment of population while Tata JLR focuses only on the highest end luxury segment.

The labour hours per car are not substantially different, but the use of resources for Jaguar is certainly profligate for a country such as India. If a choice were to be made, the former a group of manufacture that is the Tiago's Tigo'sr and Harrier's kind of manufacture is surely the more relevant set of automobile enterprise for India because there is going to be more employment per dollar investment that is being made in such facilities and processes.

C K Prahalad's Bottom of the Pyramid theory is exceptionally suited and applicable to Indian development and enterprise growth. Leadership for a contemporary India is thus all about having strong social and business accountability to the country's social and national needs.

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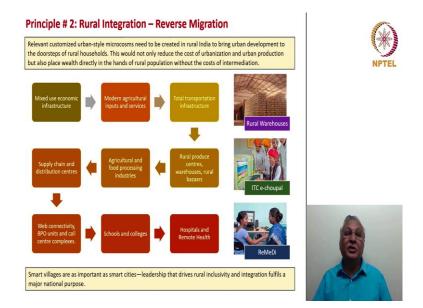


Let us look at principle number 2 which is rural integration. Rural integration is more than meeting a marked requirement. The demand for consumer and white goods in India is increasingly driven by rural consumption.

This got demonstrated in the Covid scenario as well when the robust agricultural sector moderated the economic contraction. The rate of growth for rural demand has outstripped that of the urban demand. Nearly, 70 percent of India's population is still rural and 30 percent of India's GDP needs to be generated out of agriculture.

The proportionality of rural urban demand requires that India moves into Bharat, the urban into the rural. If you look at the farm tractors, creative rural sales, rural Kirana store the possibilities are immense. Rural demand should not be seen as a compensating option for contraction in the urban sector and it should not also be seen as being dependent on monsoon. It should be seen as a steady growing phenomena that needs to be catered to by India Inc as a broader economic responsibility towards rural India.

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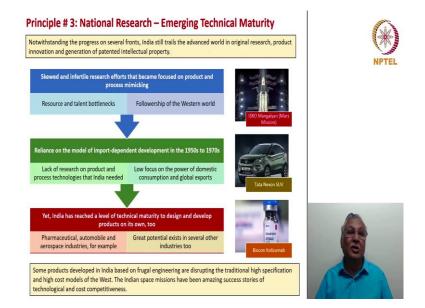


When we talk about rural integration, we should look at reverse migration also. Relevant customized urban style microcosms need to be created in rural India to bring urban development to the doorsteps of rural households this would not only reduce the cost of urbanization and urban production, but also place wealth directly in hands of rural population without the cost of intermediation.

The images of rural warehouses, ITC e-choupal, remedi that is rural medicine infrastructure they illustrate this point. Mixed use economic infrastructure, modern agricultural inputs and services, total transportation infrastructure, rural produce centres, warehouses, rural bazaars, agricultural and food processing industries, supply chain and distribution centres, web connectivity, BPO units and call centre complexes, schools and colleges hospitals and remote health.

We have as many as 9 big hubs of development in rural area that are waiting to be created in an intensive manner. India Inc certainly has got its plate full if it wants to really address the rural India issues. Similarly, smart villages are as important as smart cities leadership that drives rural inclusivity and integration fulfils a major national purpose.

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Principle 3 which is national research. That is emerging technical maturity notwithstanding the progress on several fronts. India still trails the advanced world in original research, fundamental research, product innovation and generation of patented intellectual property we had the occasion to discuss the patentability of Indian inventions the need for enhancing the patentability.

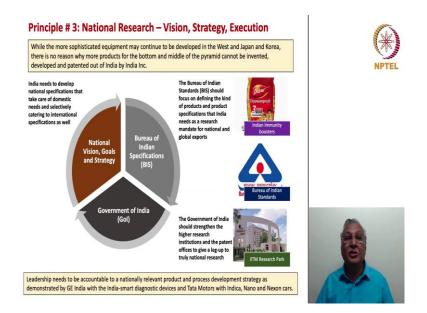
Skewed and infertile research efforts that became focused on product and process mimicking that has been responsible for not being able to generate enough patent estate in India. We had resource and talent bottlenecks, we had followership of the western world in terms of importing designs, but all that is set to change now. We need to have balanced and fertile research efforts which could lead to patentability.

Our reliance on the model of import dependent development in the 1950s and 1970s cannot be allowed to extend. We need research on product and process technologies that we need at this point of time and probably the world also needs. We should remove the low focus on the power of domestic consumption and higher focus on global exports we tended to have. We need to accord equal importance to the power of domestic consumption as well as to global exports.

India has reached a level of technical maturity to design and develop products on its own. Pharmaceutical, automobile, aerospace industries apart from jewelry, apparel are examples, great potential exists in several other industries too. The PLA schemes for increasing production levels and also the bulk drug plants, bulk drug research parks, biotech research parks that are being thought about are great signs that Indian government is alive to the need to enhance the technological maturity in India to a higher level.

Some products developed in India based on frugal engineering are disrupting the traditional high specification and high cost models of the west. The Indian space missions have been amazing success stories of technological and cost competitiveness. ISRO Mangalyaan was done at a fractional cost compared to a mars mission that was done by the NASA.

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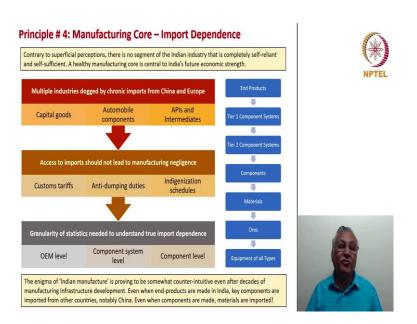
Principle number 3: National research. We should look at vision, strategy and execution as part of that. In the previous slide, we talked about Indian cars like Tata Nexon which have got globally competitive positioning and we require more of such introductions.

While, the more sophisticated equipment may continue to be developed in the west and Japan and Korea for some more years, there is no reason why more products for the bottom and middle of the pyramid at least cannot be invented, developed and patented out of India by India Inc. For that, we need a framework of national vision, goals and strategy as far as national research is concerned.

We also need very strong bureau of Indian specifications undertaking a detailed definition of the products and product specifications that India needs as a research mandate for national and global exports. Government of India itself should strengthen the higher research institutions and the patented offices to give a big leg up to the truly national research, IITM research park is a great example what public institutions can achieve should they set their mind to it.

We have to have a vision, goal and strategy spectrum that will develop products and processes not only to national specifications, but also for global specifications as well. Leadership needs to be accountable to a nationally relevant product and process development strategy as demonstrated by GE India with the India smart diagnostic devices and Tata motor with Indica Nano and Nexon cars.

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Principle number 4: Manufacturing core. We need to move out of import dependence. Contrary to superficial perceptions there is no segment of the Indian industry that is completely self-reliant and self-sufficient. A healthy manufacturing core is central to India's future economic strength. Multiple industries are dogged by chronic imports from China and Europe capital goods, automobile components even pharmaceutical ingredients and intermediates.

Access to imports should not lead to manufacturing negligence. Customs tariffs, antidumping duties, indigenization schedules do help the Indian industry take route, but

beyond a point liberalization has to happen because quality needs to be equalized, scale needs to be equalized under such circumstance India Inc must actually step up and ensure that these factors become irrelevant and India can stand on its own against any type of competition from any country, granularity of statistics is needed to understand true import dependence at the OEM level, component system level and at competent level.

Recently, when E-Commerce had to declare the country of origin there were issues because the real country of origin was never known. Similarly, when you have an end product that is being manufactured and sold in India what are the tier 1 component systems that are being made in India, tier 2 component systems the detailed inner bill of material that is getting made in India, the materials the ores and the equipment of all times.

Aatma Nirbhar means our ability to have self-reliance in all of these aspects of product manufacture the enigma of Indian manufacture is proving to be somewhat counter intuitive even after decades of manufacturing infrastructure development. Even when end products are made in India key components are imported from other countries notably China.

Even when components are made materials are being important, we need to move away from this import dependence paradigm. Especially, when India has the capability and the capacity to undertake manufacture of those types of components and materials.

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How do we promote self-reliance? From furniture to toys and electronic components to diagnostic equipment imports are dominant. While the whole spectrum of high end automobiles, white goods and electronics goods and even pharmaceuticals ironically because India is called the pharmacy of the world is import dependent this needs a major redressal.

The self-reliance call of our Prime Minister Narendra Modiji Atmanirbhar Bharat Abhiyan is indeed a clarion call for India to be reliant by itself on itself to be able to produce globally competitive products in adequate capacities and with great quality. We have imported filling equipment that are being used extensively in the Indian pharmaceutical sector.

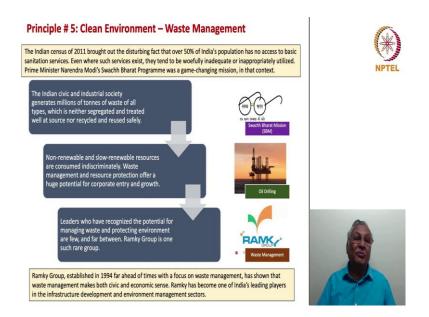
Why not we start making those feeling equipment by ourselves? We have a fab policy that is being put in place. We need to have a good semiconductor industrial base in India. The PLA schemes must not only look at enhancing the production of products that are currently being made, but also new products that could power India's Atmanirbhar drive.

Statistics of increasing manufacturing output in India hide the fact that most high technology production is based on imported position manufacturing equipment and in corporate high technology components. Make in India initiative needs to correct these anomaly leaders need to eschew the expedient root of ready imports and encourage local capabilities and where it is encouraged, we also have experience that the manufacturers

of Indian equipment and machine tools, have not unfortunately risen to the challenge; however, the users and the machine tool supplies must work together to make sure that the machine tools are actually as good as if not better than what is obtained outside the country.

World class industrial design and a broad spectrum of electronic products including chips would be two priority areas that could help India make goods that would regain their competitiveness. India cannot be the super economy of the world without a superlative manufacturing core. India needs to build a manufacturing capability across a whole range of products to fulfill its intrinsic potential which I believe it can.

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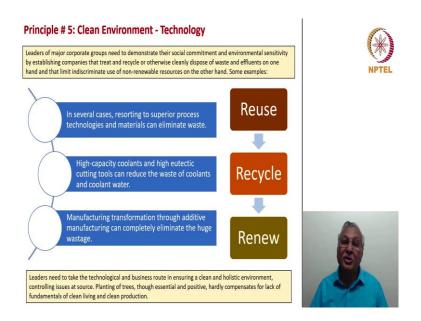
To support the principle number 5 which is clean environment. We require waste management capabilities of the highest order. The Indian senses of 2011 brought out the disturbing fact that over 50 percent of India's population has no access to basic sanitation services.

Even where such services exist they tend to be woefully inadequate or inappropriate utilized. Prime Minister Narendra Modi Swachh Bharat program was a game changing mission in the context, for the first time the Prime Minister of country brought sanitation as the top of the agenda item for the Indian population to recognize and modify its style accordingly.

The Indian civic and industrial society generates millions of tonnes of waste of all times which is neither segregated and treated well at source nor recycled and reused safely. Nonrenewable and slow renewable resources are being consumed indiscriminately, waste management and resource protection offer a huge potential for corporate entry and growth.

Leaders who have recognized the potential for managing waste and protecting environment are few and far between India. Ramky group is one such rare group which has done fabulously well in terms of the waste management capabilities. It was established in 1994 far ahead of times with a focus on waste management and the group has shown that waste management makes both civic and economic sense. Ramky has become one of India's leading players in the infrastructure development and environment management sectors.

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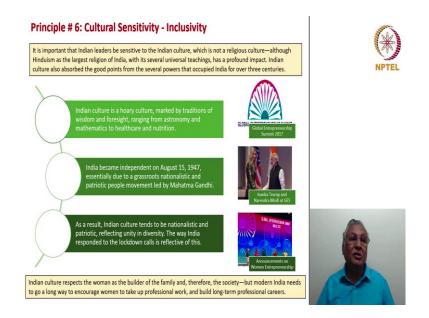
Principle number 5: Clean environment is further addressed in terms of technology. Leaders of major corporate groups need to demonstrate their social commitment and environmental sensitivity. By establishing companies that treat and recycle or otherwise clearly dispose of waste and effluents on one hand and also limit indiscriminate use of non-renewable resources on the other hand.

Some examples, in several cases resorting to superior process technologies and materials can eliminate waste. In machine tool cutting, we use high capacity coolants and high

eutectic cutting tools to reduce the waste of coolants and coolant water. However, manufacturing transformation through additive manufacturing can completely eliminate the huge wastage.

Leaders need to take the technological and business route in ensuring a clean and holistic environment, controlling issues at source, eliminating waste at source, planting of trees though essential and positive hardly compensates for lack of fundamental of clean living and clean production. So, that is where our additional focus needs to be as we go forward in ensuring clean environment.

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Principle number 6: Cultural sensitivity-inclusivity. It is important that Indian leaders be sensitive to the Indian culture which is not a religious culture, although Hinduism is the largest region of India and with its several universal teachings did have a profound impact on the Indian culture.

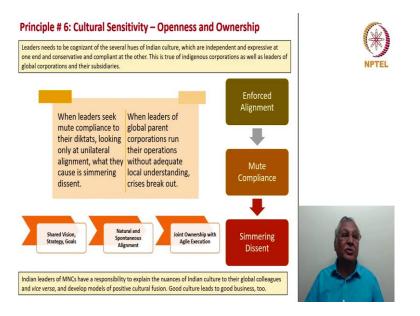
Indian culture also absorbed of course, the good points from the several powers that occupied India for over three centuries that way India was always an open country with an open mind and lot of hospitable approach to foreigners.

Indian culture is a hoary culture marked by traditions of wisdom and foresight ranging from astronomy and mathematics to health care and nutrition. We need to preserve those great sciences and develop them on modern lines so, that we could be very distinguished and differentiated relative to other national cultures. India became independent on August 15 1947, essentially due to a grassroots nationalistic and patriotic people movement led by Mahatma Gandhi.

As a result, our Indian culture tends to be nationalistic and patriotic reflecting unity in diversity. The way India responded to the lockdown calls is reflective of this and you can compare it with many other countries which are generally thought to be developed, but have not responded the way they should have responded.

Indian culture respects the woman as the builder of the family and therefore, this society, but modern India needs to go a long way to encourage women to take a professional work and build long term professional careers as part of the cultural sensitivity and inclusivity paradigm.

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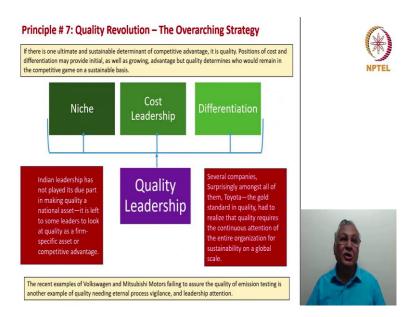


We need to have openness and ownership. Leaders need to be cognizant of the several hues of Indian culture which are independent and expressive at one end and conservative and compliant at the other. This is true of indigenous corporations as well as leaders of global corporations and their subsidiaries. We should not have enforced alignment, we should not have mute compliance, we should not have simmering dissent. We should have open discussions, open debates and shared viewpoints.

When leaders seek mute complaints to their diktats in organizations, looking only at unilateral alignment what they cause is simmering dissent. When leaders of global parent corporations run their operations in regions without adequate local understanding crisis breakout. So, what we need from a leadership perspective are share division, strategy and goals.

Natural and spontaneous alignment amongst various stakeholders and joint ownership with the agile execution. Indian leaders of MNCs have a responsibility to explain the nuances of Indian culture to their global colleagues and vice versa and develop models of positive cultural fusion. Good culture leads to good business too.

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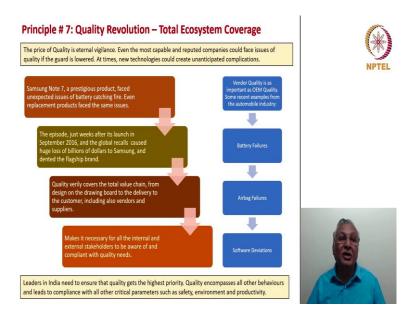
Principle number 7: Quality revolution. The overarching strategy should be quality. If there is one ultimate and sustainable determinant of competitive advantage it is quality. Positions of cost and differentiation may provide initial as well as growing advantage, but quality determines who would remain in the competitive game on a sustainable basis whether it is a niche strategy, cost leadership or differentiation quality leadership is the one that is required.

I would think that Indian leadership has not played its due part in making quality a national asset. It is left to some leaders to look at quality as a firm's specific asset or competitive advantage. Several companies surprisingly amongst all of them Toyota the

gold standard in quality had to realize that quality requires the continuous attention of the entire organization for sustainability and a global scale.

The recent examples of Volkswagen and Mitsubishi Motors failing to assure the quality of emission testing is another example of quality needing, eternal process vigilance and leadership attention.

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To have quality revolution of the kind I am researching, we need a totally ecosystem coverage because the price of quality is eternal vigilance, the cost of quality would be immense in terms of the recalls, lost production, redesign, replacement cost, damage to the brand and the reputation and so, on. Even the most capable and reputed companies do face issues of quality if the guard is lowered. At times new technologies also could create unanticipated complications.

Samsung Note 7, a prestigious product launched by Samsung as a defining change in the note line up faced unexpected issues of battery catching fire. Even replacement products face the same issues. The episode just weeks after its launch in September 2016, and the global recalls caused huge loss of billions of dollars to Samsung and dented the flagship brand.

Quality verily covers the total value chain from design on the drawing board to the delivery to the customer including also vendors and suppliers. The cost of bad quality is

unimaginable while the value of good quality is highly reputation building. Makes it necessary for all the internal and external stakeholders to be aware of and compliant with quality needs. Vendor qualities as important as OEM quality some recent examples from the automobile industry.

Battery failures, air bag failures, software deviations these are all from vendor stables and if the OEM kept adequate oversight these would not have probably occur. Leaders in India need to ensure that quality gets the highest priority. Quality encompasses all other behaviours and leads to complaince with all other critical parameters such as safety, environment and productivity.

Principle # 8: Women Employment and Entrepreneurship

India, as an emerging country, does not have many women in entrepreneurial roles. Given the constraints, business leaders of modern India must make special efforts to bring women Into the leadership rungs.

In addition, India being a traditionally patriarchal society certain cultural moors are tilted against women employment and entrepreneurship

A major shift in attitude is required for building a new

A new emphasis on the enhanced role of women in

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Principle number 8: Women employment and entrepreneurship. India as an emerging country does not have many women in entrepreneurial roles given the constraints business leaders of modern India must make special efforts to bring women into the leadership rungs. The Government of India and SEBI have done their bit by legislating that all boards of public limited companies must have at least one women director, but more needs to be done voluntarily by India Inc.

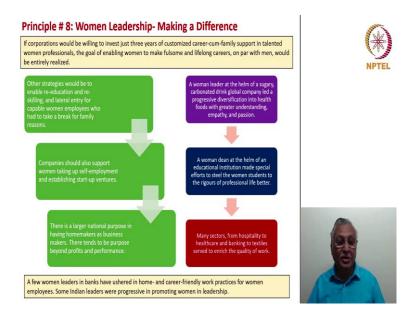
In addition to the normal issues, India being a traditionally patriarchal society certain cultural moors are tilted against women employment and entrepreneurship. A major shift in attitude is required for building a new national entrepreneurial culture in India focused on women. We need to have a new emphasis on the enhanced role of women start upon entrepreneurial ecosystem.

According to an Nasscom report, women comprise only 11 percent in a base of 5000 starts up in India. The number of women entrepreneurs who received venture capital funding is even smaller. Only 3 percent of women run startups are funded according to Saha Fund.

Even the IITM Research Park which is considered to be the hotbed of startup innovation in India women entrepreneurship is still nascent. Out of 252 entrepreneurs only 22 were noted to be women and only 4 women led startup received external funding in the IIT Madras Research Park.

Organizations therefore, must have specific accelerated career advancement policies for women employees; they should also encourage entrepreneurship as an alternative. This coupled with empowering them in family caretaking efforts with empathy and flexibility would go a long way in arresting the career drop out issue.

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How do we make a difference in terms of women leadership? If corporations would be willing to invest just 3 years of customized career cum family support in talented women professionals, the goal of enabling women to make fulsome and lifelong careers on par with men would be entirely realized.

There could be other strategies as well re-education and re-skilling, lateral entry for capable women employees who had to take a break for family reasons, companies should also support women taking up self-employment and establishing startup ventures. There is a larger purpose definitely in having homemakers as business makers there tends to be purpose beyond profits and performance.

We have seen an example of a woman leader at the helm of a sugary carbonated drink global company, leading progressive diversification into health foods with greater understanding empathy and passion. A woman dean at the helm of an educational institution made special efforts to steel the women students to the rigours of professional life better.

Many sectors from hospitality to health care and banking to textile serve to enrich the quality of work by employing women in greater numbers. A few women leaders in banks have assured in home and career friendly work practices for women employees. Some Indian leaders were very progressive in promoting women to leadership positions.

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Principal 9: Infrastructure building-special leadership needs. India's ascent as a global economic power depends verily on the development of world class social and economic infrastructure. Leaders at the helm of infrastructure companies therefore, have a special role to play. Of course, not all leaders are expected to be dedicated to infrastructure companies.

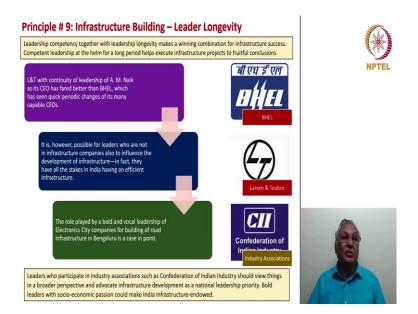
Those who are leading infrastructure companies must aim at executing the long gestation infrastructure projects with utmost speed because if at all anything infrastructure time delays and cost overruns are the Achilles heel of India's economy. The challenges of executing infrastructure projects in India are many and daunting therefore; leaders in infrastructure companies in India must possess exceptional skills to be able to do the following.

Structure projects with sensitivity to environment, cut through land acquisition difficulties, choose appropriate science and technology platform, tie up mega finances for the projects, interact with the myriad government non-government and private agencies. Leaders of infrastructure companies should ideally have longevity greater than the long gestation times of infrastructure projects to make sustainable socioeconomic impact.

We have seen in an earlier lecture that even in the normal types of companies where the product life cycle grows to a maturity stage within 2 to 3 years, we have leader longevity of 10 to 15 years and that is considered the best time period that is necessary for leaders to make their impact.

It is therefore, counter intuitive to imagine that infrastructure projects can be having gainful development with leadership tenure of just 5 year or lower. In fact, infrastructure projects if at all require much longer leadership tenures as long as leaders are of course, capable of leading those infrastructure projects.

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Let us look at some leader longevity issues in infrastructure building. Leadership competency together with leadership longevity makes a winning combination for infrastructure success. Competent leadership at the helm for a long period helps such leaders execute infrastructural projects to fruitful conclusions. L&T with continuity of leadership of A. M. Naik as its CEO has fared far better than BHEL, which has seen quick periodic changes of its many capable CEOs.

It is however, possible for leaders who are not in infrastructure companies also to influence the development of infrastructure. In fact, they have all the stakes in India having an efficient infrastructure. The role played by bold and vocal leadership of electronic city companies for building a road infrastructure in Bangalore is a case in point.

So, industry associations, individual companies can play a great role in infrastructure building. Leaders who participate in industry associations such as confederation of Indian industry should view things in a broader perspective and advocate infrastructure development as a national leadership priority. Board leaders with social economic passion could make India infrastructure endowed.

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Principle number 10: Safety net - this has something to do with employment mores. India with its philosophical history tends to be neither opportunistic nor materialistic in competing for world leadership. India Inc for example, does not consider employees as a variable factor. During the global liquidity crisis of 2008 and 2009, amongst all the countries India was the only country that avoided job cuts.

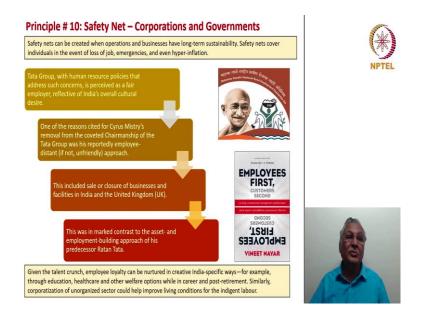
Indian employment carries its own safety net. Even in the Covid-19 impact organized sector did not resort to quick layoffs or drastic salary cuts. However, apart from huge unemployment, vast sections of population are employed in the unorganized and in formal sectors in which minimum wages are abysmal and inconsistent.

There are also employees both in organized formal and unorganized informal sectors who do not have adequate medical insurance. The travails of senior citizens are no longer in employment for reasonable health care are particularly severe in India. How can corporate India help in this?

Life insurance companies have got a great role to play, they need to develop insurance plans which are customized to these indigent sections of population, to these older generation of people so, that safety net is provided in some manner to such indigent sections of the population. Leaders need to plan the compensation plans.

For people who are in employment not necessarily on the basis of market forces, but more in terms of greater retirement security. We have to take note of the vulnerable sections rural small farm holders and tenants, migrant labour, senior citizens and do take every effort do make every effort to create a safety net for such sections.

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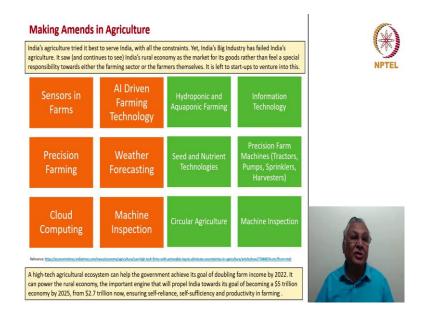
Elaborating further, the role of corporations and governments in creating a safety net. I would say that safety nets can be created when operations and businesses have long term sustainability. Safety nets cover individuals in the event of loss of job, emergencies and even hyper-inflation. Tata group with human resource policies that address such concerns is perceived as a fair employer reflective of India's overall cultural desire.

One of the reasons cited for Cyrus Mistry's removal from the coveted chairmanship of the Tata group was his reportedly employee distant if not unfriendly approach. This included sale or closure of businesses and facilities in India and the United Kingdom. This was in marked contrast to the asset and employment building approach of his predecessor Ratan Tata.

We have in India, Mahatma Gandhi National Rural Employment Guarantee Act which has been a great support for ensuring minimum livelihood for indigent sections of the population. Vineet Nayar one of the stellar executives from the HCL group wrote book on employees first customers second, reflecting the need for taking care of employees to be able to take care of the wider society.

Given the talent crunch, employee loyalty can be nurtured further in creative India specific ways for example, through education, health care and other welfare options while in career and during post retirement periods. Similarly, corporatization of unorganized sector could help improve living conditions for the indigent labour.

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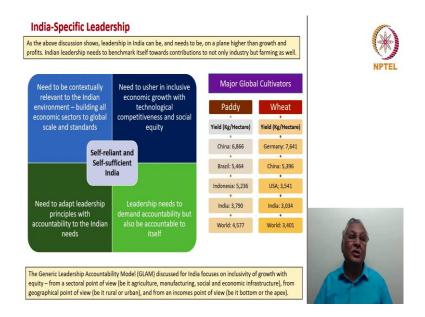
We should make amends in agriculture because India's agriculture tried its best to serve India with all the constraints yet, India's big industry has failed India's agriculture. It saw and continues to see India's rural economy as the market for its goods rather than feel a special responsibility and bond towards either the farming sector or the farmers themselves.

It is left to startups to venture into this and there are as many as 12 areas where Indian technology, Indian leadership, Indian Corporations could help agriculture in technology friendly ways. Sensors in farms, Al driven farming technology, precision farming, weather forecasting, cloud computing, machine inspection they all belong to one type of technological clustering.

Hydroponic and aquaponic farming information technology use, seed and nutrient technologies, precision farm machines tractors pumps sprinklers harvesters, circular agriculture, machine inspection form another cluster of technology friendly agricultural practices.

A high tech agricultural ecosystem can help the government achieve its goal of doubling farm income by 2022. It can power the rural economy the important engine that will propel India towards its goal of becoming 5 trillion-dollar economy by 2025 up from 2.7 trillion dollars now. This will ensure self-reliance, self-sufficiency and productivity in farming.

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So, what is the India's specific leadership that we should envisage under the GLAM framework. As the above discussion shows, leadership in India can be and needs to be on a plane higher than growth and profits. India leadership needs to benchmark itself towards contributions to not only industry, but farming as well. You look at major global cultivators' paddy and wheat separately. The yield in terms of kg per hectare. In China is 6866, in Brazil 5464, Indonesia 5236, World averaged 4577, but India is at 3790.

In respect of wheat Germany is 7641 kg per hectare, China at 5396, USA 3541, world average at 3401, India at nearly the world average of 3034. India therefore, needs to do a lot in terms of enhancing agricultural productivity agricultural spread. So, if you want a self-reliant and self-sufficient India as we all want, we need to be contextually relevant to the Indian environment; building all Indian economic sectors to global scale and standards.

We need to assure an inclusive economic growth with technological competitiveness and social equity. We need to adapt leadership principles with accountability to the Indian

needs and leadership is to demand accountability, but also should be accountable to itself. The generic leadership accountability model GLAM discussed for India focuses on inclusivity of growth with equity. From a sectoral point of view be it agricultural, manufacturing, social and economic infrastructure.

From geographical point of view be it rural or urban and from an incomes point of view be it bottom or the apex, Indian corporate leadership India Inc has got a great role to play in furthering GLAM the General Leadership Accountability Model, in a manner it is specific to India's growth with socio economic equity.

Thank you. We will see in the next lecture each other.