

New beginnings

Change has come to Tata Chemicals, Tata Consultancy Services, Tata Motors, and Tata Steel, and it has happened at the top. We bring you the thoughts and views — on business and industry, life and leisure — of five Tata managing directors who have taken charge of their companies

‘I have tried to do a lot of listening and a lot less talking’

Kirby Adams, Tata Steel Europe

How does it feel to be heading Tata Steel Europe, an organisation that has an Indian owner? Are you relishing the responsibility? Is there anything that makes you apprehensive?

I feel extremely privileged to be leading Tata Steel Europe. I am also delighted to be part of Tata, which has a unique heritage, philosophy and principles that are respected worldwide. One of the main reasons I accepted this job was because Tata has a long history of caring for its employees and of working with the communities in which it operates.

Another factor that attracted me was that I already knew and respected a number of executives working with Tata companies; my perception of them as people with values and long-term aspirations strengthened my desire to be a part of the Tata Steel team. Tata Steel also takes a long-term view, which is necessary in a cyclical industry such as steel. Much of my career has been in the strategy area, so this long-term approach makes for an appealing environment in which to work, operate and lead.

The severity of the global economic downturn has had a significant impact on our business this year; we have been forced to respond speedily, but appropriately, to maintain competitiveness. It has been a challenging, and sometimes daunting, introduction to the company, but this is not the first time in my career that I have led organisations through stormy economic conditions.

The steel industry has been going through some rough

times. Do you think the worst is over, and that European steel makers especially, can expect better in the days ahead?

Europe’s economies were particularly badly affected by the global economic crisis, and steel demand in the region is expected to fall by one-third this year. There has been a modest improvement in demand in recent months, but this is more prominent in regions other than Europe, like India and China.

In Europe most of the improvement has been driven by stock replenishment and speculative purchasing rather than real growth, so unless end-user demand strengthens, there is a risk that selling price improvements may be short-lived. Nevertheless, I am realistic about the situation and optimistic that it will improve in time. We have to accept the current landscape and learn to be competitive in today’s world, rather than yearn for what was last year.

We could not have a better partner right now than Tata. As a wholly-owned division of the Tata Steel group, we are in much better shape now than we would be if we were an independent company, particularly in this current market situation. Everyone in Tata Steel Europe is grateful for the financial and technical support we are receiving from our parent in this tough period. We are committed to repaying the favour.

What are the most important qualities that a business leader in an industry such as steel ought to possess, and why?

One of the most important qualities of any leader is the ability to listen. Since I have taken over the reins at Tata Steel Europe, I have tried to do a lot of listening and a lot less talking.

I really enjoy having conversations with employees about how we’re going to accomplish something challenging. I like to hear people’s ideas and aspirations, and to provide them with the space, support and resources they need to achieve their goals.



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What are the big challenges confronting Tata Steel Europe? How do you see the company, and the industry, evolving over the next few years?

The long-term outlook for the global steel industry remains strong. Steel is still fundamental to modern living and essential to economic growth. The speed of growth might have slowed, but the industry will continue to develop in different ways.

We can expect to see capacity expansion continue in emerging economies. China now accounts for around half the world's total steel production, and has achieved record output in recent months. Steelmakers in developed countries will need to shift their focus from volume to value. We will also need to become even more efficient in our use of raw materials and energy in order to compete in global markets.

One way to beat the competition is with superior customer service and delivery. It doesn't cost much to smile, to be pleasant and to deliver a product on time and in full. Indeed, I have been to plants recently where I've seen amazing improvements in customer service that is winning market share, despite the downturn.

Could you tell us a bit about the turning points of your professional life? Who are the people that have influenced you, personally and professionally?

One of my biggest influences was my father. Safety has always been an important part of my working life, but my personal story on safety started as a 12-year-old youngster, when I first cut the grass at home. My father bought me a pair of steel toe-capped boots and told me never to use the mower without them. When I asked why, he took me to a neighbour, who removed his shoes and socks to show how he had lost three toes in a mowing accident. That had a big impact on me, and there have been many subsequent events in later life that have reinforced the importance of proper preparation, tools and attention to safety.

As you rise up the ladder, does it get more difficult to achieve a satisfactory work-life balance? How do you manage this?

I like to keep fit and healthy. I swim, work out and run when the weather's fine. I find I think more clearly and operate more energetically if I exercise and remain physically fit. If I don't take regular exercise I'm grumpy, so if I'm irritable you probably need to tell me to go to the gym.

What are your interests outside of work? How do you unwind?

I'm a very keen gardener, but I've gone from six acres in Australia to six square metres in London, so I'll be gardening in pots for the moment. I enjoy the great outdoors. What I miss the most about Australia is the weather and the beaches, but I keep reminding myself that every location has its beauty and we are discovering that in India and Europe. ●

‘I feel excited and energised by this opportunity’

N Chandrasekaran, Tata Consultancy Services

You have become the managing director of a Tata company at a relatively young age. How does it feel? Did you think, when you joined Tata Consultancy Services (TCS), that you would get to this position this fast?

I feel privileged by the opportunity to lead a great company such as TCS. Every position I have ever held in TCS has been an end in itself — full of rich experiences and learning — and not the means to an end. When I joined the organisation 23 years ago, I did not specifically think about reaching this position.

Are you relishing the responsibility of being the managing director, do you feel apprehensive?

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stage. Coming out of the global economic downturn, the technology market worldwide holds tremendous potential for TCS. With our strong customer base, our services offering, multi-domain capability and presence in emerging markets, I believe we are optimally positioned to capitalise on this opportunity.

It is sometimes said that it's easier for professionals in the IT segment to get to the top. Is that really so?

The sustained high growth rates secured by the Indian information technology industry over the past two decades has created many leadership positions across organisations. Moreover, the nature of the industry has given young managers exposure to global customers and global competition early on in their careers. This has helped in the grooming of the current breed of young leaders in this industry.

What are the most important qualities that a business leader ought to possess, and why?

Today's leaders have to be agile in thought and action. Operating in a rapidly changing and volatile economic environment means there may often be a need to carry out course corrections, especially in the context of a global business.

Another important quality is the ability to listen and accept feedback and contrarian opinions and perspectives. More information may not always help you make a better decision, but looking at the issue through multiple lenses is helpful in reaching the right decision.

How do you see TCS evolving in the next five years or so? What are the big challenges the company faces?

Even with \$6 billion in revenues, TCS's global market share is barely 1 per cent of the total technology spend worldwide. So there is enormous room for us to

grow in every market, from the United States to Latin America and from Europe to Asia.

As we diversify beyond information technology services and scale up our other business lines — among them business process outsourcing, infrastructure services and product solutions — we are emerging as the partner of choice and business advisor for many global corporations.

Could you tell us a bit about the turning points in your professional life?

I do not regard any moment as the turning point in my professional life. I look at my 23-year career as a journey where every situation, every assignment has enabled me to learn something new.

Who are the people that have influenced you, personally and professionally?

Personally, my parents, who instilled in me the values of perseverance and integrity. Professionally, many people have made an impression on me. Even today, I am influenced daily by the colleagues around me, who bring to the table fresh ideas, new ways of thinking and multiple perspectives.

As you rise up the ladder, does it get more difficult to achieve a satisfactory work-life balance? How do you manage this?

I have always believed that you can find the time for the things that you really want to do. I took up long-distance running in 2007. Now, despite my hectic travel schedule, I manage to run regardless of where I am in the world and what time zone I am in. Similarly, with the other things that I want to do, whether it is being with the family or watching a movie, I find the time to do it; it's a matter of being clear about what you really want and then making sure it happens.

What are your interests outside of work? How do you unwind?

As a family, we like the outdoors; we go on treks and other nature-led holidays. I enjoy classical music, chess and Tamil literature. I was recently gifted a Kindle and have been fascinated by it. ●

‘A leader should understand the tapestry of his company’s past’

R Mukundan, Tata Chemicals

You have been appointed managing director of a Tata company at a relatively young age. How does it feel? Did you think, when you joined Tata Chemicals, that you would get to this position this fast?

It does feel energising to serve the company in this role and I must admit that I had no idea this is where it would lead when I joined Tata Chemicals. My focus then was to, at least, deliver value in the area of strategic planning and be of some use as a member of the leadership team. Shortly after my joining, Prasad Menon [the Tata Chemicals managing director at the time] offered me the responsibility of working in Mithapur, which I thought was a bold move by any count. I felt a bit awkward in that role, since I was new to the company and the plant site then.

Are you relishing the responsibility of being the managing director? Is there something that makes you apprehensive?

Serving the business at this point of time is especially interesting due to the challenges one has to face. The very first quarter (into this role), we suffered a sharp erosion in margins, which clearly put us in a tight spot. We are blessed as a company to have a wonderful and talented team, and this has been the single biggest

factor in our ability to handle the challenges facing us.

That brings me to one of the key issues that need focus: team climate and culture. If there is an excellent climate and culture in an organisation, it permeates various spaces within and outside that organisation. In Tata Chemicals we have been able to build a unique sense of team climate, which we aim to refresh and retain.

One of my apprehensions is about our ability to build a seamless global enterprise. While we have a global footprint, we still seem largely India-centric in our thinking. Additionally, there is the danger of casting doubts on ‘internationalisation’ for the challenging situations confronting us, rather than addressing the real issues of competitiveness and employee engagement in every part of our business.

What are the most important qualities that a business leader in an industry such as chemicals ought to possess, and why?

While there are generic qualities which one can talk about, the specifics that distinguish our operations are probably three:

A leader should be in touch with the tapestry of the past while encouraging his or her team to weave a new future. This is especially important in companies such as ours, which have a proud and successful history.

A leader should be committed to employee well-being, with safety as the most important consideration. While every business needs an orientation towards safety, its importance is paramount in the chemicals industry.

A leader should be able to relate to diverse customer segments and meet their needs. The chemicals industry, by its very nature, serves other sectors of the economy, including agriculture, other industries and services. One needs to be comfortable traversing a wide array of customer segments: farmers and households, and industries spanning food and beverage, metals and materials, textiles, soaps and detergents, electronics, etc.

“Tatas are rich in terms of leadership depth and width; there are tremendous opportunities here to learn and grow. It would be fair to state that a lot of people have influenced me and provided patient coaching and mentoring at various points of time”



How do you see Tata Chemicals evolving in the next five years or so? What are the big challenges the company faces?

We have just finished reviewing our strategy and we have summed it up in simple terms: 'Touching humanity through chemistry'. We would like to see Tata Chemicals among the 50 most profitable chemical companies globally in the next five years. Today, we are not even in the top 100, though we are a global leader in some products (such as soda ash).

We have within Tata Chemicals two strong pillars, inorganic chemicals and fertilizers; the recent move of acquiring a major stake in Rallis India has given us the third pillar, speciality chemicals. This is what we expect of our three pillars:

In the first pillar of inorganic chemicals, we will leverage our global low-cost advantage to strengthen our leadership in soda ash globally and in branded salt in India.

In fertilizers, we will build scale in the domestic market by doubling our capacity in Babrala. Rather than focus on asset-led growth, we see growth coming from more intimate 'farmer-connect' efforts, which we will address with our associate company, Rallis, to create a national footprint.

Rallis has set its sights on going beyond domestic leadership to be one of the world's top five generics agrochemical companies. We see Rallis as a vehicle for growing our speciality chemicals business. Also, we are excited about new products coming out of our innovation centre in Pune.

Could you tell us a bit about the turning points of your professional life?

If I were to state the biggest learning opportunities (not all of them successful, though) they would be the turnaround of the footwear business of the Taj group of hotels (business development role); starting up Tata AutoComp Systems (corporate planning and projects role); and the transformation of Mithapur in Tata Chemicals (operations role).

Who are the people that have influenced you, personally and professionally?

The Tatas are rich in terms of leadership depth and width; there are tremendous opportunities here to learn and grow. It would be fair to state that a lot of people have influenced me and provided patient coaching and mentoring at various points of time.

I learned a lot and enjoyed working with all the three managing directors I have been associated with, Homi Khusrookhan, Prasad Menon and DS Gupta. Each provided a different experience and probably left me richer than when I started off. I must, however, mention that a lot of

what has happened at Tata Chemicals is because of Prasad Menon. I think he was instrumental in the way many of us in the organisation developed and evolved.

As you rise up the ladder, does it get more difficult to achieve a satisfactory work-life balance? How do you manage this?

Professionally, while the time I spent in Mithapur was probably the most rewarding, it also was the most testing at the personal level. My wife, Sheila, stayed back in Mumbai so that our son, Siddharth's schooling was not disturbed. That phase provided an important learning about work-life balance. I try to avoid business travel on weekends and make the most of the time I have with my family when I am in Mumbai.

What are your interests outside of work? How do you unwind?

I tend to think that I am a voracious reader; I love the feel of a book in my hand. Of late I've been trying to learn music along with Sheila and Siddharth. (Right now what I end up playing is cacophonous, but, who knows, one day it may well be music.) ●

'I've given up trying to achieve a work-life balance'

HM Nerurkar, Tata Steel

Tata Steel has in the past had some of corporate India's most powerful managing directors, Jamshed J Irani and B Muthuraman among them. These are big boots to fill. Are you relishing the responsibility of heading a company with such a storied past? Do you feel apprehensive?

Tata Steel has been lucky to have had a series of leaders who were stalwarts. Every time there has been a change at the top, it has made the person coming in look like a dwarf. This, perhaps, has put pressure on the person, but he has eventually grown his feet to fit the shoes, and sometimes enlarge them.

I cannot deny that I am stepping into big boots. At the same time, I cannot say that I am apprehensive, simply because Tata Steel provides enough time to a new leader to get hands on with the job. Mr Muthuraman has been effective in this transition, mentoring me all the way.

What are the most important qualities that a business leader in an industry such as steel ought to possess, and why?

Steel has, arguably, a greater degree of complexity than many other industries. The reason is the nature of the business and the span of its operations. Mining,

production, logistics and supply chain, technological complexity, safety and environment issues, regulatory norms, a huge workforce with varying degrees of education and skills, the cyclical nature of the industry, long payback periods, political sensitivity — you name it and we have to deal with it. The complexity level at Tata Steel is even higher due to its integrated operations and geographical spread.

A leader in the steel industry, first of all, requires a great deal of energy and tenacity. At the same time, his ability to comprehend a wide variety of inputs, build relationships, empathise with people, and trust and delegate are essential for him to be effective. There is also a visionary dimension that is extremely important for sustenance and growth.

How do you see Tata Steel evolving in the next five years or so? Has the time for consolidation arrived? What are the big challenges the company faces?

Despite being a century-old company with a strong India story, Tata Steel needs to tackle the issues associated with its global footprint. The South East Asia part of Tata Steel is in its nascent stages of development and the Indian growth story is yet to be completed. Raw-materials security and the completion of projects in time and within budget are necessary to maintain a healthy cash flow. Importantly, building a decisive competitive advantage with our customers by creating mutual value remains the unfinished agenda of the company.

Could you tell us about the turning points of your professional life? Did you think when you joined Tata Steel that you would get to this position?

Let me answer the easy part first. Of course, when I joined I did not imagine that some day I would get this

position. I probably started fancying my chances in 2001, when I was made vice president (flat products) after a 'performance ethics programme' exercise, but this was not the only turning point. I went through a series of 'S' curves and continual rejuvenation, giving me wide exposure in research and development, production, marketing, supply chain and, critically, our Orissa project.

Who are the people that have influenced you, personally and professionally?

I have been lucky to have had superiors and leaders who bestowed faith in me and consistently gave me opportunities outside my comfort zone. Mr Irani and CD Kamath were responsible for getting me from scientific services into production, even differing with some of their senior colleagues on this.

Tridibesh Mukherjee helped in developing my technical capabilities by insisting on 'why-why' analyses. Both Mr Irani and Firdose Vandrevalla took a big risk by getting me into marketing. And, of course, Mr Muthuraman mentored me for close to a decade, allowing me to develop and get comfortable with my present responsibility. Last but not the least I had the opportunity to watch Mr Tata conducting board and other meetings, exhibiting a blend of firmness and compassion. It has been a leadership lesson of a lifetime.

As you rise up the ladder, does it get more difficult to achieve a satisfactory work-life balance? How do you manage this?

Certain things one realises and gives up early. I have given up trying to achieve a balance between my personal and professional lives; everything is left to my wife to manage on the home front. It is completely imbalanced, but it does not trouble either of us.



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The easiest way to find a work-life balance is to merge the two in many ways. Fortunately, I am able to build and keep relationships on a professional as well as personal level. I think I have developed as a human being thanks to the relationships I have in a purely professional context. On the other hand, I have got significant insights into professional issues thanks to my social contacts.

What are your interests outside of work? How do you unwind?

I must say that I rarely need to unwind. This is probably because I hardly ever store stress in my system. However, I do have some personal goals and I work on them. For instance, I have become increasingly sensitive to the role of corporate social responsibility initiatives in building sustainability from a social as well as company perspective.

A few years ago, I decided to work on my physical fitness. I spend about four-five hours a week on this and it has helped me tremendously. I like to spend my evenings reading technical and general management books, or with friends, family and people I like. I try not to eat alone even on business trips. This helps me unwind, if you like using that term. ●

‘The occasional recession may not be such a bad thing’

PM Telang, Tata Motors

You are at the helm of a company with a long history. Are you relishing the responsibility and do you feel apprehensive at times about it, not because of capability issues as much as the challenges of the job?

This is a question people keep asking me time and time again. Tata Motors is a very different company from what it was in previous years. Then it was primarily a locomotion manufacturing enterprise, restricted by various government regulations; if we wanted to expand production, we had to go to the government for permission. It may sound strange today, but that was how it was. We have now moved to an open market; we can make any product, operate in any geography, etc, so the opportunities we have are much more.

We manufacture commercial vehicles; we are in the cars business and we would like to expand further, into defence, for instance. Up until now we have been mostly in India, but now we are going beyond these shores. It’s exhilarating to be in this position; at the same time, once in a while you do feel a bit apprehensive given the

challenges and the need to keep going forward all the time. You have to take decisions quickly and move on from there. That said, I’m enjoying what I’m doing.

You began your association with the Tatas in 1972, when you joined TAS (previously the Tata Administrative Service). Did you think then that you would reach such a position?

There were no thoughts of the kind in my mind. I was glad to be with the Tatas because, right from childhood, there was this respect for the group and what it represented: integrity, trust, honesty and qualities like that. I lost my father when I was five and my mother took up a job with Empress Mills [then a Tata enterprise]. There was this desire to be with the Tatas, to grow with it, but there were no set targets to reach by this time or that. I enjoyed what I was doing and the growth came in its own time.

You were the only TAS person to choose the manufacturing route, rather than the management side of business. Why did you do that?

There are two parts of it. I trained originally as a mechanical engineer; the MBA degree came later. While attending engineering college, one didn’t know much about engineering, but afterwards I realised I liked it. Engineering became my first love. Secondly, I reckoned Tata Motors had to be technology and product driven, that that’s where mainstream growth lay, where the company needed its best talent to be. It fitted with my personal inclinations, so it was a win-win kind of situation.

Do business leaders in the automobile sector require any specific qualities or attributes?

In a way, yes, because decisions have long-term implications. If you make a wrong decision the repercussions can be severe, given that investments are high and gestation periods long. You need to make sure you have all the facts right, you need a tremendous understanding of business situations, the ability to get a collective opinion, perhaps some vision and, finally, the courage to take tough and tricky decisions.

Do you need an analytical mind?

Sure, but you don’t want analysis to become paralysis. All the analytical factors have to be considered and then, at some point, you take the plunge. If you don’t take decisions quickly, you risk losing opportunities; at the same time, you have to be careful not to be foolhardy and jeopardise the future of thousands of people. If you believe a wrong decision has been taken, you have to have the humility to accept it, and the agility to change course.

Have you had any mentors?

We always learn, all the time and in every walk of



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life. I have always tried to learn from the people operating around me. Apart from that, if I had to have a shortlist, there would be three people on it: Sumant Moolgaonkar, SY Jagatdar, a former joint managing director of the company, and Mr Tata, whose vision and understanding of global issues has set the direction for all of us at Tata Motors and raised our technological levels and skills. Then, of course, there’s Ravi Kant [the person Mr Telang succeeded as managing director], who has been a mentor and a guide in recent years.

This is a question about having a work-life balance. As you rise up the ladder, does this get more difficult?

In some ways some compromises are involved. Given the choice, I would like to play more golf and to read more than just work-related stuff — economics, sociology, the classics — but these will have to wait for another day. There is so much to do, and the professional challenges automatically come first. That’s how it is for now and I’m enjoying it.

What about your family?

The family’s important and there are times when you are unable to strike the right balance. In Pune we used to have our weekly day off on Thursdays; for my wife and two daughters it would be Sundays, so we did not get much time together. But my daughters have grown up pretty well and — maybe because I didn’t play much of a role in it — they have been excellent academically.

What are your interests outside work, other than golf?

Can’t really make a big list, but I try and find time

to relax a little bit here and there. I listen to music — jazz, Indian classical, *ghazals*, all kinds of music really — and go for vacations with my wife and daughters, though not as frequently as I would like.

Has there been something that you have achieved that you feel really good about?

It’s difficult to single out one thing, but the creation of the Ace comes close. We decided to make a kind of vehicle that did not exist at that point; it was a bold move. We got customer expectations right; our engineers rose to the occasion and created a vehicle that has had an unchallenged run for about four years.

What are the big challenges Tata Motors faces going forward?

First, getting our financial health back on track. Second, we need to significantly improve our passenger car business, where we are still a baby. Third, we need to spread our operations and sales beyond India, which right now accounts for about 85 per cent of our revenues (not counting Jaguar Land Rover).

What about people?

We have been fortunate in that we have people with the mindset, the commitment and the skills, but as we scale up operations we will have to keep on generating and expanding our talent pool. That’s a big challenge.

How often are you able to meet your people?

Not as often as I would want to, but I like to follow the open-door policy. I firmly believe that the more you interact with people, the better your understanding of their problems and their thinking. ●

Philip Chacko