

Embrace the Future

The soft science of business transformation

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Bhattacharyya are distinguished
leaders from Hindustan lever and
Unilever. R Gopalakrishnan also
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Bhattacharyya has taught at leading
business schools like the Michigan
School and London Business school.

I worked for both of them in
Hindustan Lever. They were
intellectual giants and easily the
best read of the senior leaders in
Hindustan Lever and had a teachable
point of view

TCS hired the first Chief Transformation Officer in India in 2000 when S Ramadorai was the CEO.

More companies have the role now and it just suggests that transformation management has become a top leadership issue.

Business transformation
appeared in the management
lexicon sometime during the
last few decades and the
practice is still maturing.

Nature teaches us that:

1. Adaptation is continual and not episodic

2. Adaptation is obsessive, constant alertness is essential for survival

3. Responses are based on embracing or assessing the future rather than the past.

Transformations are about
heart plus mind

Many managers spend their time correcting mistakes from the past. They become reactive to the actions of competitors and regulatory bodies.

Transformational leadership on the other hand requires adaptive responses, keeping in view individuals and social systems.

Democracy and authoritarianism are not natural companions. In long serving organizations there is likely to be a valuable collective memory from the past.

The elephant in the room is
that the old is not discarded
and the new is not quite
established.

My lessons from Unilever Arabia (R Gopal)

1. Recruit early and ally with the HR head
2. Interact with the last powerful people in the ecosystem
3. Formalize mechanisms and employee feedback
4. Use the burning platform to stimulate change
5. Communicate constantly , but both ways.

Before the 1980s, leaders needed high IQ, then came the era of EQ, now we need AQ (Adaptability quotient)

I place great emphasis on a
leaders need to possess both
discipline and creativity to
execute a change programme
successfully.

There is a delicate balance
between an organizations
capacity for change and a
leader's vision for change.

Organizational transformations
are gut wrenching and painful,
but there is no short cut.

Every organization carries an institutional memory, which is passed on to employees as 'the way things are done here'

This institutional memory can be powerful and can also be a hindrance.

Consultant companies add great value but only if the client uses them in the right manner, rather than abdicating tasks to the consultant which is beyond their skill set.

Transformation leaders need to have generalist skills and not specialist skills.

The problems that senior managers face are often foggy and unclear.

Efficient and Effective organizations

Efficient traits

- You work on things you understand quite well
- You plan in detail and review actions against plan
- You improve a process and responsibility
- You respect completing a task as per agreed agenda
- You would throw resources to accomplish the task

Effective traits

- You work on things you don't quite understand
- You find it difficult to plan in any detail as the way forward is unclear
- You try out approaches and adjust your plans accordingly
- You expect progress but are not sure of completion
- You must generate more options and not just

Engaged employees provide the
best immunity to an
organization.

A good company is run by a competent CEO but a business institution is built by a shaper.

Managing the short and long
term simultaneously is a
challenge for many leaders

A shaper anticipates and exploits emerging trends across all functional areas.

Understanding the past is
deeply important, assimilating
it well and drawing core
lessons from it even more
important. That is hindsight

Extrapolation of the past into the future in a linear way was a game one could play safely in the twentieth century, when growth was lower, competition was milder and tech innovation was slower – but not anymore.

One needs to learn from the
past, manage the present and
prepare for the future.

All strategy exercises are an attempt to keep the business relevant well into the future, to address the next set of needs and wants of various stakeholders.

Most strategy models have a
challenge in two counts —

Industry definition and
Change and the rate of change.

Three interconnected changes

Consumer needs priority change

New technology inventions

Business design innovations

5 steps to creating a transformative strategy

1. Ambitious targets

2. Attitude change

3. Impact of social change in our chosen area

4. The technological trends

5. Business system innovation

Future success requires that one has an objective basis on which to shape a business.

Conventional wisdom says there are five dimensions across which business strategy must be expressed – industry assumptions, strategic focus of the business, customers, assets and capabilities & products and services.

The ability to challenge long held industry assumptions is at the root of transformational strategy creation.

Thirty years ago Janes Moore defined a 'business ecosystem' as a network of organizations and individuals that co evolve.

According to John Kotter, the three tasks of a business leader are:

1. Figure out what needs to be done
2. Accomplish the agenda
3. Ensure that the work is done and properly completed.

**Transformation is coping with
big changes , which could be
both inside and outside de the
organization**