

'Leadership has to touch people'

VINAY KAMATH

It was a tough time to take over. And, not a situation that a young and raring-to-go R. Seshasayee would have presaged for himself when he faced the then Managing Director of Ashok Leyland, R.J. Hancock, in his interview for a job in 1976. Asked where he expected to reach in his career in Leyland, Seshasayee had replied, "Eventually, to your position!" Eventually, he did!

Seshasayee, Leyland's articulate Managing Director, took over the reins of the commercial vehicles major in April of 1998, at a time when the market was beginning to slip after a run of three good years. But, despite the pressures Leyland has stayed the course and today has achieved a degree of stability and this reinvigorated company is poised to take advantage of the market when the resurgence happens.

A chartered accountant, passionately involved with Carnatic music, Seshasayee began his career in Hindustan Lever before joining Leyland as Manager, Internal Audit, and spent the next 26 years in the Company, four of them as MD. In this interview to Praxis, Seshasayee discusses his leadership style, the pressures of leading a company when the chips are down, motivation and his inspiration. Excerpts from the interview:

What does leadership mean to you?

If you go into history and see why leaders have succeeded, it's because they have been able to identify a goal that appears almost impossible. They have been able to get their followers to accept that the seemingly impossible goal is achievable; they have been able to give them the confidence to achieve this goal. That is the inspirational role of leader-

ship. Leaders have succeeded when they set themselves up as examples and get people to replicate what they have done as role models. Everybody would accept this as a leadership definition.

One outstanding instance is that of Gandhiji in the socio-political sphere. More than the goal of Swaraj, his ability as a leader was demonstrated in getting people to accept something unimaginable like the removal of untouchability. Untouchability was so ingrained and was so much a part of the ethos of the country. But he was able to set the goal and get people to move towards that, a seemingly impossible thing in the context of the social milieu then. He was also a role model who walked his talk.

Outstanding leaders are those who set audacious objectives and get people to own and achieve them. Take the oft-repeated example of Narayana Murthy: he has shown that you can be a global player. Or a Dhirubhai Ambani, who thought world-scale.

Three essentials emerge: setting a goal which seems impossible or needs a fundamental leap; second is to communicate to people and inspire them that the task is not so daunting; and the third is to be a living example of what can be done so that followers can refer to the leader's life and his actions and see the way to behave in given circumstances.

What are the examples of leadership that you have observed which goes beyond the corporate pale?

If you are setting targets and goals, it is easy to do so with a more defined goal to which you can associate yourself with. But, if you're aiming to be many things to many people, you have to be an outstanding leader to be able to synthesise



Pics: Shaju John

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so many different things. But, it could also dilute the ideals that you stand for. There could be conflicts, so it is not easy for a corporate leader to be a social revolutionary.

One outstanding leader who has inspired me very much is E.V.R. Periyar (social reformer and a leader of the Dravidian movement in Tamil Nadu). He was an outstanding leader; he identified the goal of emancipation of the backward classes. That was considered completely impossible at that time when caste distinction was taken as granted.

The reason why I am referring to EVR is that he didn’t mix many things. He was a politician and a social reformer; but when he found that political leadership was coming in the way of social reform, he was ready to give up the former. It required an outstanding leader like Gandhiji to combine religious leadership with social and political lead-

ership. Even he made his choices: Gandhiji was essentially a social reformer, politics was a means. He looked at self-rule and self-determination as a means to emancipation. Religion again was an approach to this; he was irreligious in a manner of speaking and therefore he chose any religion, as he used it only as a means for emancipation.

Coming to Ashok Leyland, you took over at a tough time as the MD and those tough times still continue. Today, Leyland has achieved a certain degree of stability but the pressure is still there. Looking back, what were the challenges and what was the agenda that you had set for yourself?

We have prided in our 50-year-old track record as a well-managed and successful organisation - we didn’t miss one single year of profit or dividend. But when the recession hit us in 1997-98, and that too, following a three-year long boom preceding it, there was despondency. “Can we weather the storm?” was the question. The instantaneous agenda in the first couple of years was therefore, “together we can” and that we could come out of it. We had to get the confidence back and show people that we could pull through. They saw that we were able to buck the trend, not by accident, but by design. Traditionally, we had not set our sights beyond a 27-28 per cent market share, but suddenly a 35 per cent share was coming within our grasp. So, the process involved taking people through this to not merely survive but to succeed as well. But, that’s behind us now. The turnaround story is over. You can’t be turning around all the time. You’ve got to move forward.

Our leadership agenda thereon was captured in the slogan that we coined: “Mining More Value” – maximising the output from our own resources. So, it was a search to get

more out of the technology, infrastructure and our people. That was the focus which brought people together.

In fact, the current agenda for moving forward popped up by itself. We have been moving forward in a linear fashion; we are making continuous improvements. You go to any part of the organisation, and ask people about current objectives, they will reel out statistics on productivity improvements, cost savings etc. But, we said that this is not enough now, we got to have breakthroughs, and we have to set some difficult-to-reach goals and get people to believe that it is possible. And I find now people have begun to accept it. They have seen change happen, they know that it is possible to change habits and attitudes and think out of the box. This is the major challenge today, to make people break out of mindsets and start looking at breakthrough ideas. The idea is to drive a spirit of entrepreneurship and risk-taking in the company so that they don't look at themselves as mere production or line managers but look at how to make a business out of their function. This process is not easy, but not impossible. That's what I've set out to do – to make people to think in breakthrough fashion.

So, is that the leadership agenda?

There is no one leadership agenda. You've to keep sensing the need of the time and altering the agenda and continuously rationalising the agenda within.

The organisation looks at the chief for inspiration and motivation. Who do you look to for your inspiration?

Back to the people. I'm not saying this because it sounds nice. If you sit in a group and ask people what to do, you get several sensible answers. That helps you develop



your thought. It is not necessary for a leader to bring out all the answers in an organisation, I'm certainly not capable of it and I say this quite earnestly. At least, that is not my leadership style. There are people who can operate like a mainframe computer and think of all alternatives, but that's not my style. If you are part of a network then you are able to get the network to perform and that's sustainable also. At any rate, I don't think this mainframe thing, even in the current context, is very relevant because you need nippy servers which are networked rather than have mainframes.

Tough times also call for hard decisions. Ashok Leyland has also gone through a VRS programme. How did you bring out about a balance in the organisation?

This is a key issue. It is easy to deal with inanimate things; dealing

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with people is tougher. Asking people to go is a painful process. We are not alone in this, several companies have done it in an even bigger way than us. To my mind, you have to go that far in terms of taking care of an individual, but you also have to go that far in taking care of an organisation. There's a conflict there. In one of the letters that I address to all employees once a quarter, I said that we are like an overloaded boat. Either some get off and the others can reach the shore or everybody sinks. The only sure way of reaching the other side is to ask some people to get off. If you think that you have to do so to get the other guys across, then it is not so painful.

You've said that you are challenging the status quo. Are you developing multiple leadership roles within the organisation which can carry the organisation forward?

That's an interesting point. An organisational context is different from a political context. In politics it may not be very expedient to create multiple leadership and very successful politicians have not done that because there is the inherent issue of challenge of leadership. That's a style that seems to have worked, particularly in political democracies.

But, in an organisation it works exactly the opposite way. You have to create multiple leadership roles in order to make the organisation effective. If you don't create the next ring of leaders, you are sub-optimising the organisation. If you say that my task is to create an environment in which people are going to be giving their best, it is impossible for one person to do that.

You need multiple leadership roles and only then will you be able to touch people. Icon-building could be counter-productive. I know this theory that you need a CEO as a brand, but I don't think it is in the

long-term interests of the organisation at all. It will be too hazardous if you have a larger-than-life CEO and the others get suppressed. You have to present the organisation with a fairly large number of faces. It is not easy. You need to constantly keep managing this as you can get into this icon situation easily.

Does Leyland have a clear leadership development programme?

We are just launching the future leaders forum. We have done some preparatory work for the last few years. It involved a competency mapping exercise, which has since been completed in some divisions with the help of IIT Mumbai's School of Management. We looked at a fairly structured way of appraisals and also some direct interaction. Last year, for example, I met almost all the executives who were rated 4 and above (on our 5 point appraisal scale). The idea is to assess the quality of people that we have who can be brought up as future leaders and identify the inputs required for development. We will also assign a mentor who will have 8-10 people under his wings and guide them through their career paths and give them development inputs. And we will use this as a silo to pick up people as divisional heads.

But this kind of mentoring, could you have an adverse impact on others?

Yes, we have discussed the impact on people who are not a part of this process. If somebody goes around as a future leader and wears his badge on his sleeve, how does it impact others? We have devised some methods whereby we won't make this too obvious. We will make it an elastic kind of situation where people come in and go out, but we will have a core group to focus on. There will be some issues, but we have to manage this. So far, we have had the leadership process



in an unstructured way where some people were put on a fast track.

You talked about motivation in the organisation. What methods did you follow?

Communication. You have to keep telling people in a transparent way what is happening in the organisation. People have an enormous hunger to know what is happening to them and the organisation. I thought I did a lot of communication with the employees: I do a letter every quarter and once a year, I meet all executives. The humbling moment was when I did a 360-degree appraisal of myself and people said I wasn't communicating enough! That took me by surprise.

Communication is a strong motivator - the feeling that the organisation is talking to you and that you are being included in the management of the organisation. I have also seen that if you include some-

body in something unrelated, that is a great motivator. Also, the fact that somebody at the senior level is willing to spend time with you to chat with you. You don't realise it. I have this habit of writing notes on a pink slip - my pink slips are different. There was this employee who wrote a good report on something. I sent him a note saying that it was "a great delight to read this report. Good show." This person left us and went to West Asia. Many years later, I ran into him at an airport and after chatting with him, he brought out his wallet and showed me the pink slip - he had preserved it all these years! Obviously, he was bit more of a child than others and he was looking for recognition and that slip of appreciation meant a lot to him. The message is that little things like that can have a tremendous impact on people. The basic issue is to be able to relate to and touch people. The more you can do that, the more committed people become. You don't have

to do that individually, but you can do it as an organisation.

What is the vision that you have for Ashok Leyland?

My vision is to make this company competitive to be able to attract the best talent. That's an all-encompassing vision. If you get the best talent and retain them, the company can move forward. But firstly, you have to be competitive to do that. You've got to be an attractive destination for talent. That's the vision. We are not there yet. To be internationally competitive - that's an ambitious statement to make, but I can say that we have started. Today, we have an Englishman who works in our Product Development, whom we recruited internationally. How did we market ourselves to this person? He saw what we were doing. We spelt out our vision to him and he was sufficiently excited not to take up a job in Europe but instead join us. ■