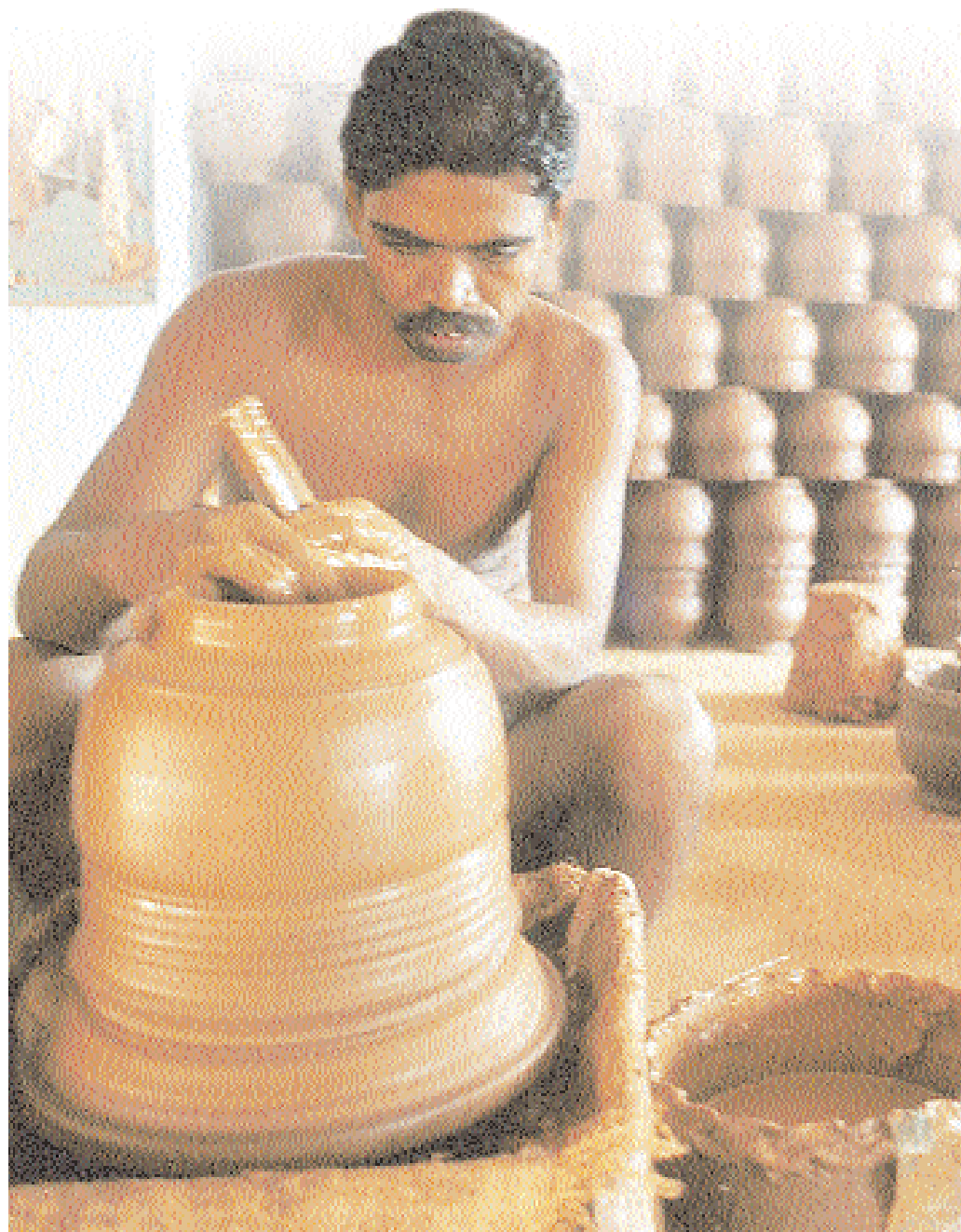


P.M. SINHA



# The multinational leader



*Leaders in multinationals need to be consistent, fair and passionate about what they do. Equally, they must recognise that mistakes will happen and that learning from them and moving on is critical.*



**T**HE qualities of a good leader are the same be it a domestic enterprise or a multinational corporation (MNC). Almost all successful leaders lead from the front and set examples for managers to follow. Modern business schools talk of leadership, but most of the approaches and ideas they talk about are borrowed from old army practices – where leadership requires motivating the troops to face bullets. However, leadership styles differ and each leader selects a style best suited to his personality. And while one can try to copy the leaders one admires, in the execution it is one's personality that gives the style its uniqueness.

I had the privilege of working with some of the world's best management professionals – P.L. Tandon, Vasant Rajadhyaksha, T. Thomas and A.S. Ganguly, all former Chairmen of Hindustan Lever; Don Kendall, Roger Enrico, Wayne Calloway and Steve Reinemund, all Chairmen and CEOs of PepsiCo, and watched closely some great leaders such as Ernest Woodruff and Sir David Orr, former Chairmen of Unilever Plc. Each of them had a distinctive style; the common thread I found was their warmth and concern for people, and total commitment to the highest values of integrity. These towering personalities had character and transparency. Leaders in MNCs have grown and reached the top by virtue of their merit. This is not to say that successful MNCs have not had great entrepreneur leaders, or that MNCs were not started by visionary entrepreneurs who

Pic: Bijoy Ghosh



*A leader knows that people are truly the greatest asset of a company and strives to be a coach and mentor.*

accepted professional managers to lead their companies.

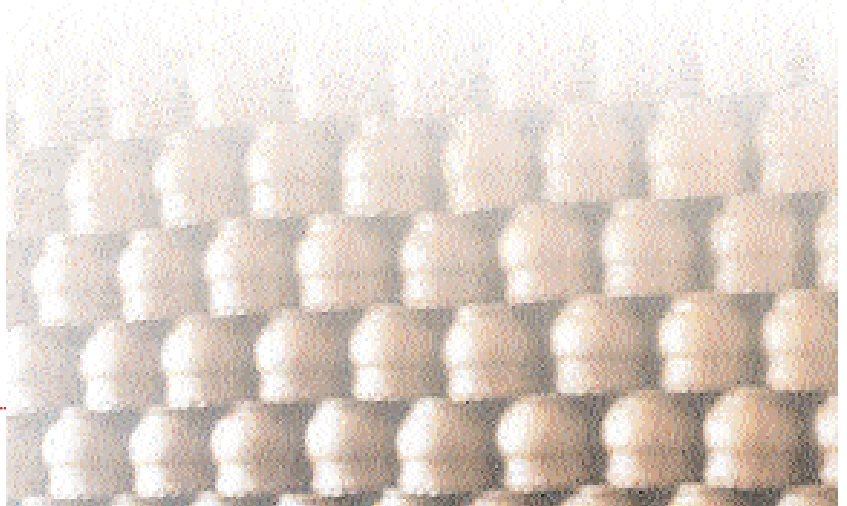
I would like to share some prerequisites for being a successful leader in a MNC in India. An Indian manager has to reflect the personality of the MNC he works for, never compromising on the values the company stands for. The values have to be converted into the culture of the organisation, where everyone is not only committed to, or believes in the values, but breathes the culture. An Indian manager has to first carefully understand the Indian environment, the policies of the country, the processes and the needs of the country. For an MNC to be successful in the long run, the leader must identify the MNC with national priorities, be seen to be a part of the Indian fabric, and put country gain before corporate gain. Leaders in MNCs have to recognise that we cannot live on 'favours', or short-term benefits, but must always operate on the merits and within the laws of the land. MNC leaders need to appreciate that we are more exposed to the media and the political system than domestic corporations are, and must, therefore, always act in a transparent manner.

I do believe that if we contribute to the national economy through investments, employment generation, exports, import substitution, technology, management knowhow and building a committed group of people, we are then entitled to com-

mercial success, profits and value addition for the shareholders, for whom we work.

The level playing field for all corporate enterprises is the competitive environment where the successful will survive. Leaders in MNCs have to build a team of high-calibre professionals, or lead one, if they have inherited such a team. They have to be consistent, fair and passionate. A passionate team such as in Pepsi or Hindustan Lever must take ownership for the vision of the company and its goals, and must put the corporation before self; such a team cannot but succeed. Passion to win, to achieve, to enjoy and celebrate team victories, a commitment to excellence, to the best, are great binding features. Action, quick decisions, commitment to identifying the core competencies of your organisation, and working with and improving on them, with an ability to adapt to changing business and country environment are necessary prerequisites for a leader. Equally, leaders must recognise that mistakes will happen, and learning from them and moving on is critical. This does not imply that accountability has to be compromised.

A leader in an MNC must understand the market he/she operates in, the distribution system, the customer, the retail trade and most important the front line. He must truly consider people as the greatest asset of the company and be a



coach. Commitment to training and development, ensuring the introduction of the latest technologies and processes, and flexibility to change and adapt to the needs of the customer must be the driving force. Imposing the best practices of the parent company, or even products successful outside India, or even the approach to motivating people, need to be tailored to India. Hence an MNC leader must have a completely open mind.

A leader working for an MNC is different from his counterpart in domestic enterprises, as he must earn the total confidence of his parent company, particularly in his judgement. He must interpret country policies, the political environment and the happenings in the country and be able to take a balanced view. He cannot afford to be unnerved by small events or excited by few successes. He is the eyes and the ears of his company, and must have the ability to convincingly argue against the negative press that India generates in foreign countries. He must have a sense of timing, seize opportunities, anticipate future changing demands, and promote investments ahead of demand.

Managers in MNCs need to build the image of the corporation and not their individual image. The high quality products of the corporation, the quality of advertising and commercials, the behaviour of the company's employees in the market place, the transparent dealings with partners and suppliers, the speed of the response to customer complaints, the eye to always ensure customer satisfaction and to endeavour to give the consumer value for money, all add to a corporate image. MNCs have to ensure that corporate image consistently improves, as in a borderless world, the image in one country affects the image globally. An MNC manager in India, therefore, has a responsibility, which crosses

**etc.**  
RAVIKANTH



“After his commanding a million-man army and winning 30 wars, you expect an Emperor to build something that lasts.”

national boundaries and thus places greater burden on his shoulders.

However, it is great fun working for a good MNC; you never have to compromise on your conscience, you learn from superiors and peers around the world and more often than not, work is considered fun, and therefore work is enjoyable.

Finally, a leader in an MNC has to walk the talk. If cost-effectiveness and lowest cost operations is the company's target, the leader's personal lifestyle must reflect simplicity and not ostentation. He and the organisation must think in rupees

and not dollars, and he must lead the organisation to meld with other Indian organisations. Hindustan Lever is an excellent example – many people consider it an Indian company, and not the largest MNC in India. ■

*(The author is a former Chairman of PepsiCo India Holdings Pvt Ltd.)*