

Leadership for India INC: Practical Concepts and Constructs
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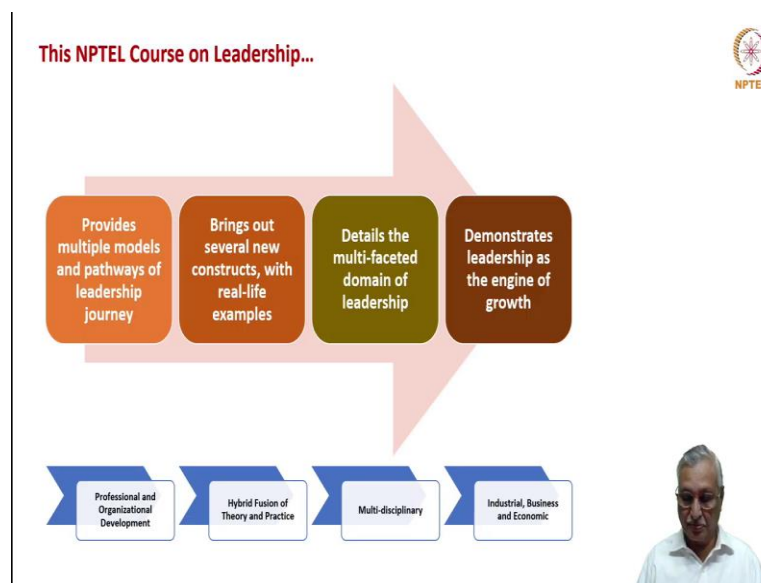
Week – 01
Introduction to Leadership
Lecture – 01
Leadership: Business Context

Namaste, welcome to NPTEL course on Leadership for India Inc. It gives me great pleasure to welcome you to this course. First of all, I thank NPTEL for providing me the platform for sharing my knowledge and experience with you. I thank all of you for enrolling yourselves into this course.

My name is C Bhaktavatsala Rao, I serve as Ajit Singhvi Chair Professor in the Department of Management Studies at the Indian Institute of Technology Madras, Chennai, more about me later.

We have 12 weeks of this course and this week has the broad theme of ‘Introduction to Leadership’. In the today’s lecture we will cover the Business Context of Leadership.

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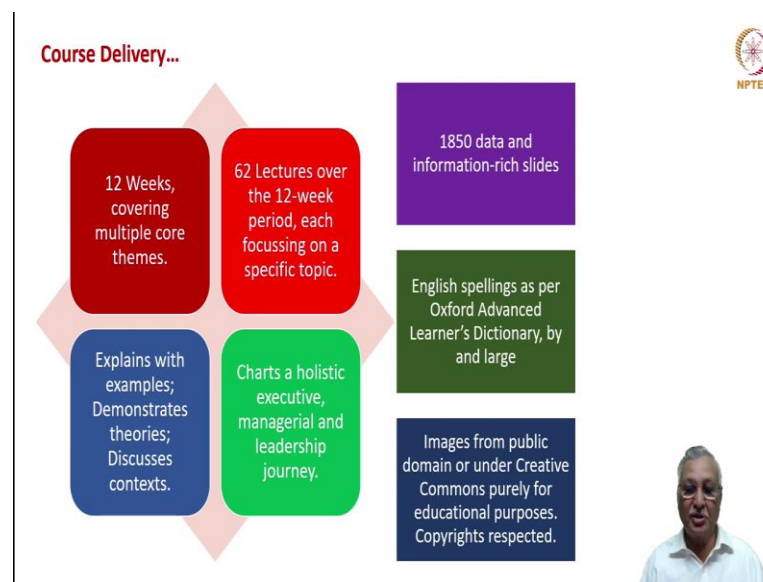


This NPTEL course on leadership has four distinct deliverables. Fundamentally, it demonstrates leadership as the engine of growth. When we say growth, we mean not merely

corporate or business growth, but also industrial and economic growth. We also mean socio, economic development. Leadership is a complex subject, it is multifaceted and multi domain. All of that is knit together in a very simple and cohesive manner and seamlessly delivered for you.

This course is a fusion of academic and practical constructs, it brings out several new models and constructs with multiple real life examples. As part of this course, I will also provide detailed pathways for leadership journey which would be found useful by individuals, managers and leaders.

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This 12-week course will have 62 lectures spread over the 12-week period. Each week as I said we will have an important core theme while each lecture will focus on a specific topic. The important aspect of the course delivery is that all concepts are explained with examples. All theories are demonstrated practically and the contexts of leadership are detailed in discussions.

We also chart a holistic pathway for executive, managerial and leadership journey. Another interesting and pretty unique aspect of this course is that this course is information rich and data rich. I have developed as part of this coursework 1850 data and information rich slides, which would be very useful companion materials, not only for this course, but also for reference after the course is completed.

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Course Structure... (1/2)



Week	Theme	Description
1	Introduction to Leadership	Introduces the course. Discusses various aspects of leadership and management as domains of study.
2	Leadership Theories	Reviews the theories of leadership that have had chronological evolution and recognition in management literature.
3	Leadership for Sustainable Growth	Discusses the role of leadership in contemporaneous and futuristic contexts, defining roles and responsibilities for a new socio-economic order of sustainable growth for India and the World.
4	Competency Leadership	Reviews various leadership qualities including traits, skills and attributes, and identifies certain common essential qualities.
5	Leadership processes	Focuses on processes and methodologies for developing leaders in organizations, including through self-development.
6	Leadership Structures	Discusses the importance of leveraging or disrupting established product and service structures as well as processes to create new growth niches.
7	Leadership Development and Succession	Examines the critical aspects of leadership transitions and CEO successions, based on Indian and global case studies.
8	Functional Leadership Models	Functional leadership, being a prerequisite for organizational leadership, is discussed in terms of domain-specific models.

We have 12 important broad themes covering the 12 weeks. In the first week, we will focus on introduction to leadership and consider several aspects of management and leadership as domains of study. In week 2, we will cover the leadership theories that have chronologically and contemporaneously evolved, based on research as well as practical developments.

In week 3, we talk about leadership for sustainable growth. I bring out the fact that leadership is not merely for revenue maximization or profit maximization. Leadership has to concern itself with corporate social responsibility, sustainability and good governance. These aspects are discussed in detail during week 3. Week 4, focuses on competency leadership. It reviews various leadership qualities traits, skills, attributes, competencies by whatever name you call them and identifies certain common essential qualities.

Week 5, will focus on leadership processes and discusses how the processes and methodologies of organizational working can be leveraged for development of leadership as also self-development of individuals as leaders.

Week 6, will focus on leadership structures, every organization has a structure to perform. These structures can be leveraged to develop leaders. At times, those structures need to be disrupted and even modified significantly to enable leadership development. These aspects are considered in week 6.

Week 7, focuses on leadership development and succession, this is a very important week, because development of future leaders and potential leaders is extremely important task of leadership. This week module examines the critical and crucial aspects of leadership transitions and CEO transitions with international and national case studies.

Week 8 is concerned with functional leadership models. When we talk about functional leadership we talk about functions such as R&D, operations, marketing, finance, and human resources. Each of these domains has certain specific contextual requirements and those requirements and the leadership related to those requirements are detailed in this week 8.


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Course Structure... (2/2)


S. No.	Topic	Description
9	Transformational Leadership Models - 1	Discusses unique aspects of transformational leadership models, with examples based on specific organizational and business contexts.
10	Transformational Leadership Models - 2	Presents additional transformational leadership models, with examples based on specific people development approaches.
11	Leadership Philosophies	Identifies and analyses certain philosophical conundrums of leadership and presents ways to resolve such dilemmas and paradoxes for individual and organizational effectiveness.
12	Legendary Leadership	Studies five leaders from the fields of public eminence, academic excellence, industrial competitiveness, pharmaceutical innovation and conglomerate development for unique Indian leadership models.
		The Course concludes with a tribute to Mahatma Gandhi, a leader who defies any comparison, nationally and internationally. It builds a model of authentic leadership drawing ten instructive lessons from his life.

The Course is reinforced with real-life examples of leadership based on the Instructor's long industrial and business experience spanning multiple industries, multi-nationally.

Leadership potential exists in every individual. Like any other field of expertise, leadership can be learnt and developed. Leadership can be self-taught as well as mentored. While leadership is experiential, understanding the foundations and drivers of leadership as well as the multiple contexts and perspectives that influence leadership enables individuals evolve as leaders, and leaders mature into even better leaders.







Week 9 and 10 are again very crucial for this course. These are related to transformational leadership models that I have developed based on my studies as well as my experiences. Five of these transformational leadership models are development oriented and five are performance oriented. However, with each model we will also learn that these aspects of development and performance are interlinked.

Week 11, talks about leadership philosophies. Leaders are great individuals, but they are not superhuman, leaders are also vulnerable, they have their own difficulties in managing their roles; they also undergo certain traumatic experiences as they try to manage conflicts. This week's module focuses on certain philosophical conundrums of leadership and highlights certain pitfalls and errors which leaders could encounter in their path.

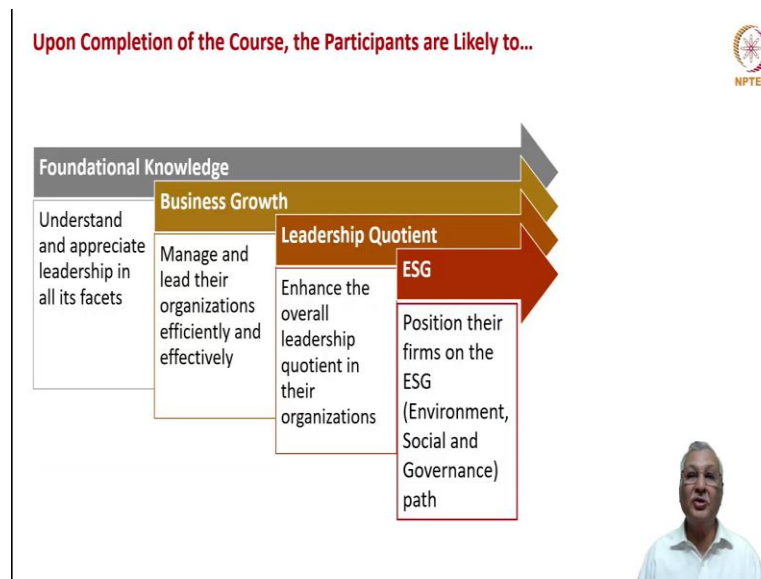
Week 12, talks about legendary leadership. I study 5 leaders from the fields of public eminence, academic excellence, industrial competitiveness, pharmaceutical innovation and conglomerate development for developing very unique and contextually relevant Indian leadership models.

Week 12 is also a capstone week. This course concludes with a tribute to Mahatma Gandhi, a leader who defies any comparison, nationally and internationally. It builds a model of authentic leadership drawing ten instructive lessons from his life. As I said, this course is full of real life examples of leadership, based on my long industrial and business experience spanning multiple industries in India and Abroad.

Honestly and humbly I submit that leadership potential exists in every individual. Like, any other field of expertise, leadership can be learned and developed. Leadership can be self-taught as well as mentored, while leadership is experiential. It is important for individuals to have foundations and principles of leadership ingrained in their professional personality.

I do hope that this course will serve that purpose and enable individuals, managers and leaders become more effective individual's managers and leaders and progress on the path of leadership with aplomb.

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Upon completion of the course, the participants will certainly gain on four fronts. Fundamentally, the foundational knowledge about leadership will be significantly enhanced.



Secondly, they would be able to manage their teams and lead their organizations efficiently and effectively contributing to business growth.

Because, leadership development is a core objective of leadership and because we will discuss several aspects both process driven and structure driven in enhancing leadership capabilities in the organization. As a result of the course and the ripple effect you would have on the organization. The leadership quotient in the organization would be enhanced overall.


And, fourthly very importantly the insights from this course could position you in driving the organization towards the ESG mode of organizational management. You would be able to advocate the need for the organization to position itself firmly and arguably amongst the top cadre in terms of ESG: Environment, Social and Governance aspects of running a business.

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About the Instructor, Prof. C Bhaktavatsala Rao...



- Received Ph.D. Degree in Industrial Management and M.Tech. Degree in Industrial Engineering from the Indian Institute of Technology Madras, Chennai. Received B.E. Degree in Mechanical Engineering from Sri Venkateswara University, Tirupati.
- Have over forty-six years of diversified experience in strategic and operational leadership of large reputed companies, including global multi-national corporations, in India. My last formal assignment was as Managing Director and Executive Chairman of Hospira Healthcare India Private Limited, a Pfizer Company.
- Have been passionate about writing and publishing as well as teaching. Have over one hundred and seventy publications in economic and business dailies and refereed journals.
- Have established LeaderCrest Academy for high quality academic publishing. Have authored and published eight books under LeaderCrest banner over the last four years.
- Currently serving as Ajit Singhvi Chair Professor in Management Studies at the Indian Institute of Technology Madras, Chennai.
- Have offered a Course on **Entrepreneurship: Perspectives of Business Strategy and Economic Development** during January-April 2020 on NPTEL-Swayam Platform.



Before, we plunge into the course, I would like to say a few more words about myself. My name is C. Bhaktavatsala Rao for short C B Rao. I received my Ph.D. degree in Industrial Management and M.Tech, degree in Industrial Engineering from the Indian Institute of Technology Madras, Chennai. I received my B.E. Degree in Mechanical Engineering from Sri Venkateswara University, Tirupati.



I have over forty-six years of diversified experience in strategic and operational leadership of corporations, Indian subsidiaries of multinational corporations and large Indian companies. I have been fully conversant with how entrepreneurial companies function and also how

professionally developed companies function. My last formal assignment was as Managing Director and Executive Chairman of Pfizer Healthcare India Private Limited. I have been passionate about writing and publishing as well as teaching.

I have over one hundred and seventy refereed and reviewed publications in economic and business dailies and refereed journals. I have established LeaderCrest academy for high quality and high impact academic publishing. I have published eight books after my authoring under LeaderCrest banner over the last four years. I currently serve as I said as Ajit Singhvi Chair Professor in management studies at the Indian Institute of Technology, Madras Chennai.

It is also important for me to bring to your attention that I have offered a course on Entrepreneurship: Perspectives of Business Strategy and Economic Development during January April 2020 Semester on NPTEL Swayam Platform. This course was most highly applauded and also highly enrolled course. I do hope that this course also will be equally successful and beneficial for the participants.

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Leadership as a Field of Study

Leadership has been studied from the historical days of structured civilization and formal kingdoms. With the progress of industrialization, however, management has emerged as a complete spectrum of studies, including leadership.

- In recent years, leadership has been one of the most favoured topics of study in management. Yet, theoretical interpretations and practical perceptions tend to be off mark.
- Leadership is an integral and essential part of the broader domain of management – yet, it is perceived to be distinct and superior to management.
- Leadership is often perceived and portrayed as the singular capability of an individual at the helm of an organization, a competence often unique to an individual.
- Management is considered functional and hierarchical in an organization and a required competence of the broader organization that can be learnt and developed.

One of the perceptions is that leaders are born and not made. It is not true. Like several individual and organizational competencies, leadership can be studied, observed, absorbed and leveraged by an individual.

Leadership as a field of study has been studied from the historical days of structured civilization and even formal kingdoms. However, in recent years, leadership has become one of the most favored topics of study. The theoretical perceptions as well as practical perceptions on leadership at times tend to be off mark. Leadership is an integral part of the broader domain of management, leadership is not something which is distinct and different from management or it is not something which is superior to management.

Many times leadership is seen as the singular ability of an individual at the helm of an organization, for example, the CEO. And, it is considered very personal and individualized competency, whereas management is seen to be a broader organizational competency, which is exhibited at team level or at functional level.

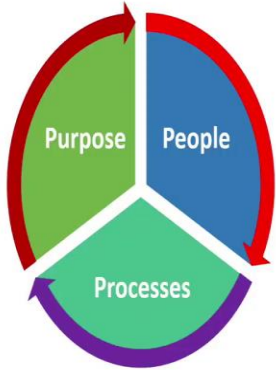
These kinds of differentiations are more apparent than real and as we move along this course we will discover why it is so. And, why leadership and management required to be seen together and worked out together for holistic benefit for the organization. One of the perceptions is that leaders are born and not made. This again is not true.

Like, several other individual and organizational competencies, leadership can also be studied, observed, absorbed and leveraged by an individual through knowledge based studies as well as experience based studies.

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Leadership is Multi-dimensional

Leadership is multi-dimensional, with multiple factors determining leadership effectiveness. That said, the sources of strength for a leader are expressed in terms of certain validated hypotheses around three critical anchors as below.



Each of these is expressed in terms of certain leadership responsibilities that are unique to the role of a leader. While these are considered in detail later, a few important points are considered now.

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Leadership has several dimensions. I would for the purpose of this particular lecture talk about three dimensions. These three dimensions are purpose, people and processes. We will see in the subsequent slides how these are important.

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Leadership is Purpose

Leadership purpose is often seen in terms of the leader's vision for the organization. Vision at leadership level needs to be more than business purpose and metrics. It needs to have a strong socio-economic inspiration as well.

- Cigarettes now just one line of the varied FMCG line-up
- Self-reliant hotels and hospitality business
- Papers, paperboards, packaging and printing
- Presence at every node of agri value chain
- Global technology services and consulting

Y C Deveshwar joined ITC in 1968 and grew to become the Chairman and CEO in 1996. He transformed ITC from a predominantly cigarette maker to an Indian conglomerate with several interests that touch India's socio-economic firmament. He was also the longest serving CEO of any Indian company. He displayed leadership with a broader socio-economic purpose.

Leadership is purpose. Leadership purpose is often seen in terms of the leader's vision for the organization. Vision means, the future state of the organization or the future state of the business. A good leader understands, how to craft a vision, how to visualize a future state for the organization. But, more importantly leadership is purposeful, a good leader understands the socio-economic inspiration, that could set apart great vision from a good vision.

Let us take the case of ITC to illustrate this purposeful leadership. In the 60s and earlier, ITC was a cigarette making company by and large. During the 1960s and 1970s it was apparent that ITC needs to be something different to grow its business. It would have been very easy for the chairman and the leadership of ITC to diversify into further adjacencies that is most in products like cigarettes.


So, that the revenues and profits could be driven faster and diversification could occur. However, Y C Deveshwar who was the Chairman of ITC peg to differ. He took the company on a path of diversification into sectors which are relevant and important for India's growing socio-economic canvas. He diversified the company into FMCG with focus on food products into hotels and hospitality, papers and paperboard, agribusiness and even information technology.

As a result, ITC is today a conglomerate and cigarettes is nothing, but one line of business. So, this is an illustration how leadership can be purposeful purposive and also set itself separate from run of the mill management for today's revenues or today's profits.



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Leadership is People

A true leader draws his or her strength from his or her people-connectivity. A leader eschews sycophancy and welcomes criticism. A master of communication and relationships, a leader coaches his people but also listens to them for feedback.



Mahendra Singh Dhoni (M S Dhoni) made his cricketing debut in India in 2004, and went on to become one of the best cricketers and cricketing captains in the world. He won numerous cricketing trophies for India. He is also the only captain in the history of cricket to win all the ICC trophies. His extraordinary success as a captain is attributable to his team orientation.



The second example, I have is of Mahendra Singh Dhoni. It illustrates that leadership is people, a true leader draws his or her strength from the leadership team he has or the people connectivity that he or she possesses. Arguably Mahendra Singh Dhoni is the most successful cricket team captain that India ever had. And, his success is solely and wholly related not merely to his impeccable cricketing performance, but also for his illustrious people orientation.

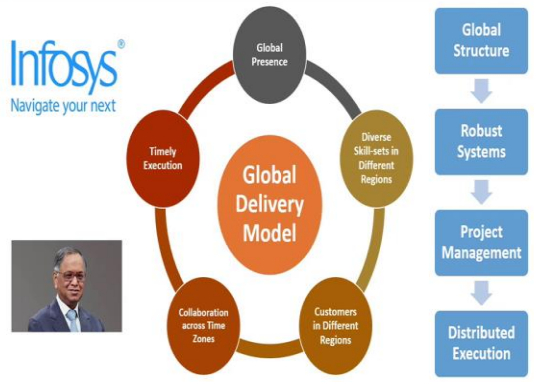
He inspires confidence in his team members, he learns from seniors and others in the team. He manages relationships and even egos in the team very smoothly. He handles success with humility, he handles failures with equanimity with openness and confidence and he respects competitors.

So, when you look at Mahendra Singh Dhoni's captaincy and his legendary capabilities as a cricketing captain, we can identify three aspects. Performance competence, people competence, and national pride, association with national pride. So, the people orientation is the second important dimension of leadership.

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Leadership is Process


A great leader is a master of organizational and business processes. A great leader is not only purposive and people oriented but also understands how structures and processes can be utilized to convert strategy into beneficial execution.



The diagram illustrates the Infosys Global Delivery Model. At the center is a large orange circle labeled "Global Delivery Model". Surrounding it are five smaller circles: "Global Presence" (top), "Diverse Skill-sets in Different Regions" (top-right), "Customers in Different Regions" (bottom-right), "Collaboration across Time Zones" (bottom-left), and "Timely Execution" (left). To the right of the central model is a vertical flowchart with four blue boxes: "Global Structure", "Robust Systems", "Project Management", and "Distributed Execution", connected by downward arrows. The Infosys logo "Navigate your next" is in the top left, and a small portrait of N R Narayana Murthy is in the bottom left.

N R Narayana Murthy, and his co-founders established Infosys in 1981. The leadership strove to develop the global delivery architecture of information technology services for its global customers. The success of the pioneering global delivery model contributed to Infosys's dominance in the global IT industry. Infosys emerged as the bellwether of Indian stock markets.

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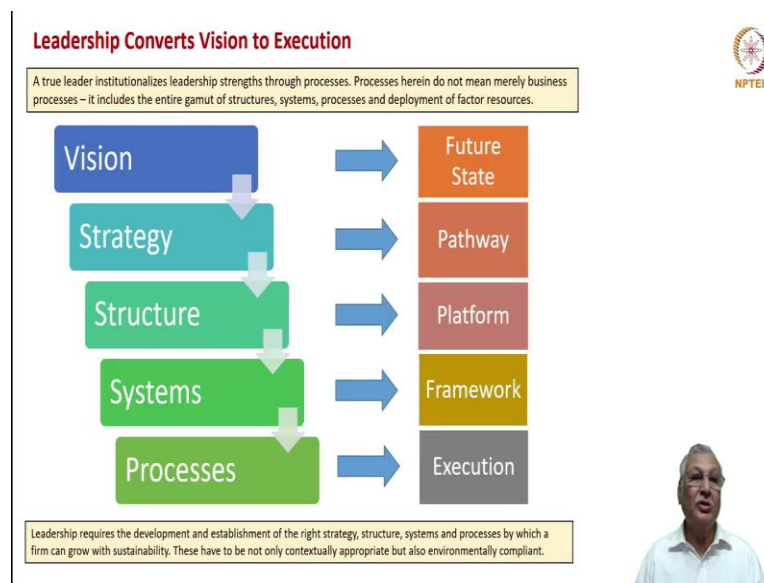


The third important dimension is process. All of us know about Infosys. It is not only the largest information technology company, over the years, it is also the bellwether of Indian stock markets. It has been founded in 1981 by N R Narayana Murthy and his co-founders. One of the very important aspects of Infosys has been its process orientation. It was not only an ethical and compliant company, it also understood how it could develop its IT systems, IT services seamlessly across the globe for global delivery.

Infosys perfected a model of global delivery, which enabled the company to have global presence, assemble diverse skill sets in different regions; serve customers in different regions provide services, across geographies with least disruption and with timely execution.

The global delivery model also integrated project management structures, program management structures. So, that the projects are carried out to the satisfaction of clients. So, leadership is process as illustrated by Infosys.

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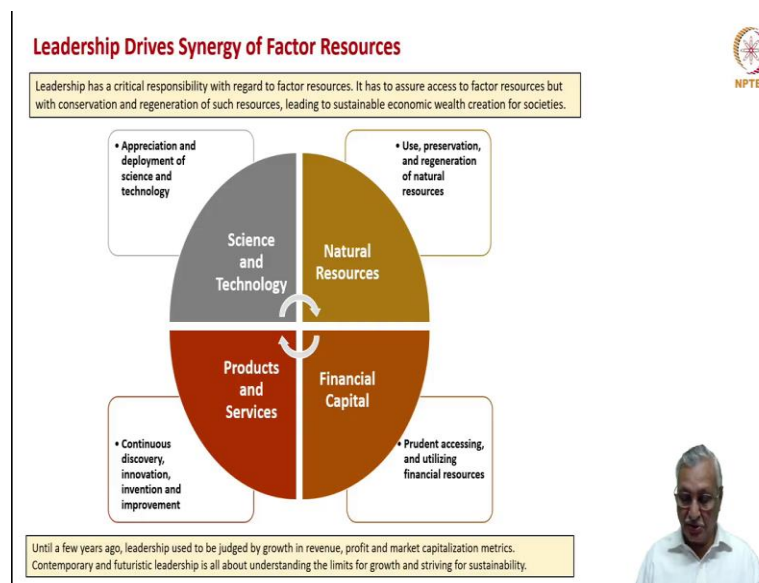


Leadership converts vision to execution. A true leader institutionalizes leadership strengths through processes. The first aspect of this process is vision, setting the future state for the company. The second aspect is strategy, converting that vision into a set of actions, which have short term, medium term and long term implications. And, together describe a pathway for the company and which everybody in the organization could follow.

The third is structure developing a structure, which suits the strategy that has been developed and structure inevitably follows strategy. It is a platform for the organization to perform. It also sets the systems, the systemic thinking in the organization, the systematic way of doing things and also compliance to ethics and value systems. This is the framework within which every individual in the organization needs to work and perform. And, finally, the leader also sets in motion.

A set of processes standard operating procedures by which every individuals' acts executes and also measures himself or herself. Leadership is not therefore, just one component of these five aspects, it is an end to end combination of vision to execution.

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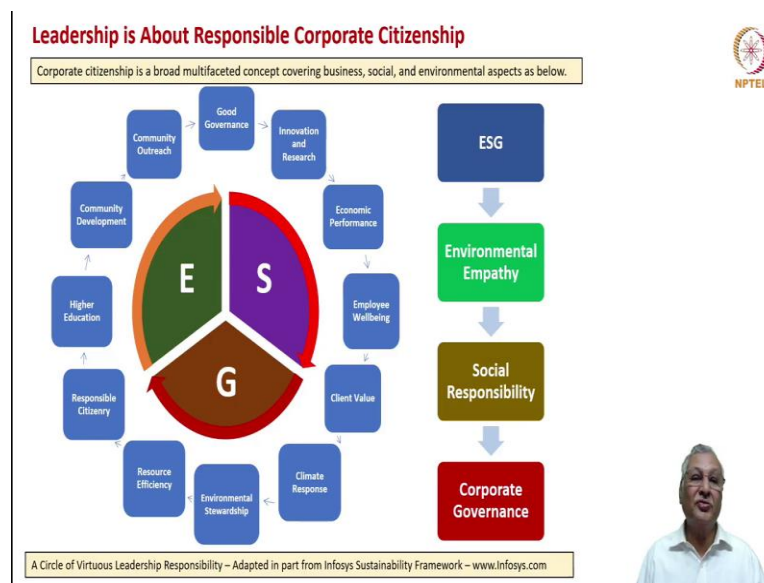
Leadership also drives synergy of factor resources. When, I say factor resources I do not mean merely natural resources, which are one of the very important set of factor resources. I also mean science and technology, products and services and financial capital. A great leader looks at natural resources as a resource which should be used, but also preserved and regenerated, renewable resources would be the highlight of his leadership style.

The leader would also appreciate, how science and technology can modify social life, industrial life and economic life. And, he or she would understand the appropriate deployment of science and technology. Products and services is the third factor set which would be used by the leader.

For some companies, their products are just products and services, but for other companies the products and services are the factor resources. Let us take the example of a machine tool company. The machine tools produced by the machine tool company or products and services providing an end use for the company of adding revenues. However, for an automobile company or for an engineering company, these products services serve as the factor resources. And, one of the other all-encompassing factor resource is money. It should be prudently accessed and prudently utilized.

Great leadership drives the synergy of all these four factor resources optimally. So, that the net impact is one of capital efficiency and resource efficiency.

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Leadership is also about and in these days of ESG investing, primarily about responsible corporate citizenship. ESG investing is a hot topic in today's corporate world. ESG means environmental empathy, social responsibility, and corporate governance.

Companies such as Infosys have followed an ESG model even though that terminology was probably not in existence at that point of time. I present here the 10 factor based model of corporate citizenship which Infosys advocated, which includes good governance, good innovation and research, high economic performance, employee wellbeing, providing value to the customers, being responsive to climate conditions, environmental stewardship, efficiency and effectiveness in utilization of resources, responsible corporate citizenship, contribution to higher education, community development and community outreach. Each company could have shades of these aspects and an integrated ESG model could be developed.

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Basic Architecture of a Firm

Several firms, providing products, services or both constitute an industry. Industrial sector and other economic sectors such as agriculture, infrastructure and services constitute the economy. The firm is a key entity of the economy meeting the needs of individual customers or business customers.

Leading a firm is the keenly watched role and responsibility of a leader. However, these could vary contextually based on the nature of each firm. That is because firms could follow different business strategies and models – again, a leader responsibility.

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To understand leadership in its totality, first we should understand, how a firm gets organized. The basic architecture of a firm is in terms of the products and services it develops and offers to the customers. And, the customers could be individuals or businesses.

So, the basic leadership context is set by the product-service and individual business nature of the company. But, also the context or the firm in terms of its positioning in the industry, in the economy, and nationally, internationally is also extremely important for setting the context for leadership, as we will see in the following slide.

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Contextual Nature of Leadership

Leadership has to be contextually different based on the entity and ecosystem it operates in, and leads. Regardless, the globally interconnected nature of the entity and ecosystem has diverse contextual compulsions on leadership.

The state of the firm, the nature of the industry, the aspirations of the society, and the expectations of the nation set the leadership context, all of these influenced by the extent of globalization experienced or desired by the four entities/ecosystems.

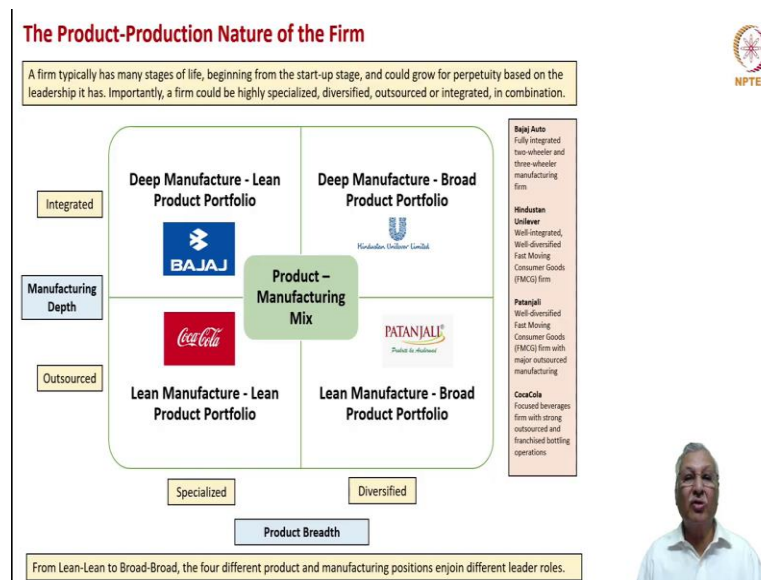
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The firm exists in industry. In fact, several firms make an industry and several industries make an economy. And, the all together all encompassing nature of economy determines the national gross domestic product. And, all of these elements or the components are tied together in a globalization framework. Notwithstanding the protective winds that have seen recent times we can say that globalization is a trend that cannot be reversed.

Globalization is here to stay. Atmanirbhar and self-realization also occurs with globalization, making our own products more competitive for other nations. So, the additional leadership contexts are required. We have seen the basic leadership context in terms of how the firm satisfies or meets the requirements of its customers, whether they are individuals or businesses through its products and services.

We also saw, how a firm is globalized in terms of its industry, economy, and nation framework. But, there are additional leadership contexts as well. There are three principal leadership contexts; one is the product-manufacturing context of the firm, the other is the firm-customer context of the firm, and the third is the business-industry context of the firm, let us consider these as well.

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Every product portfolio of company can be seen in terms of the specialization or diversity the products offer. If the product is a homogeneous product serving one type of customer group, it is a specialized product. If on the other hand the product portfolio is very broad and serves

different product functionalities and different customer segments is a diversified product portfolio.

So, the product breadth of a company, whether it is specialized or diversified determines the nature of the firm. Similarly, the manufacturing depth to be able to make all of those products the company could be fully integrated, which means that all of its manufacturing resources are within the campus or they could be outsourced. That is those products and services are taken from vendors.

Depending upon how a firm is organized in terms of this 2 by 2 matrix. We can see companies as varying in terms of the product manufacturing mix. A company such as Coca Cola, which has got specialization in beverages could be seen as a lean manufacturing, lean product portfolio firm.

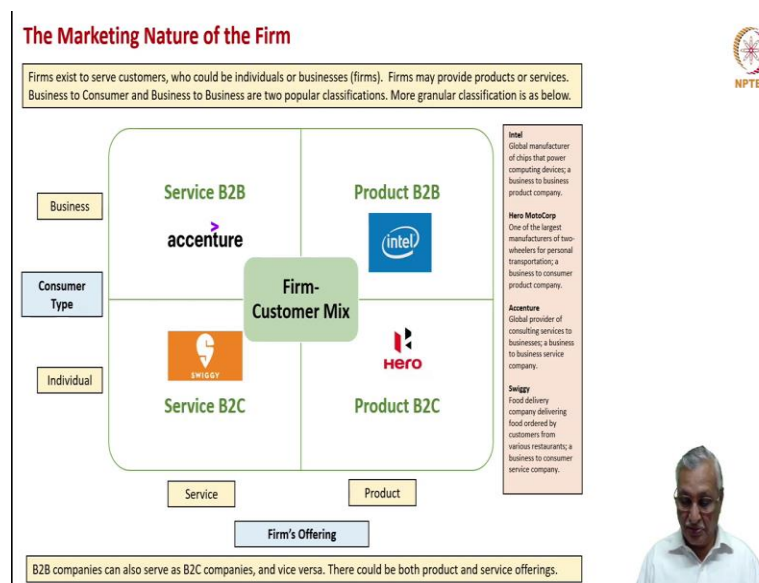
On the other hand, a company such as Bajaj Auto, which has lean product portfolio in terms of only two wheelers to be offered to the customers, could be seen not merely as a lean product portfolio company, but also a deep manufacture portfolio company. It has all of its assets by and large within its own in house organic capabilities set. So, it is an integrated company.

On the other hand, we can see Hindustan Unilever Limited, the noted FMCG giant, as a deep manufacture broad portfolio company. It has several 100s of products manufactured essentially within its factories, but also selectively taken from very well controlled vendor supplies.

We can compare that with Patanjali, which has also a broad product portfolio, but its manufacturing footprint is very lean. It has several vendors supplying all of its products and very few in house facilities to support those kinds of products. So, we can manufacture all by ourselves or we can manufacture only a few by ourselves.

We can manufacture one product for a customer, or we can manufacture multiple products for multiple customers. So, the product manufacturing mix of a firm determines the leadership context from one perspective.

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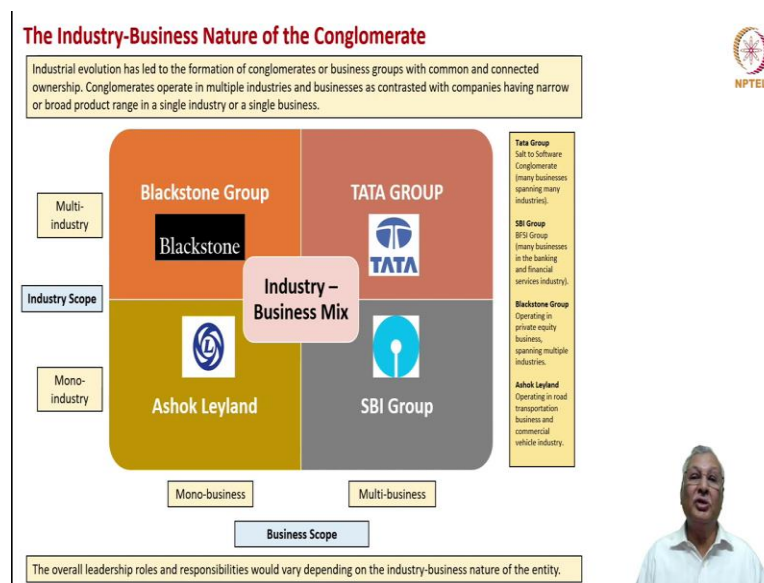


The other perspective is the marketing nature of the firm. A firm can be seen to be offering a service or a product. The consumers who undertake in the business or the company, who support the business of the company could be individuals or business organizations themselves. So, if you look at a company such as Accenture, it is in the knowledge service area and its business offerings are provided to other businesses. So, it is a service B2B company.

On the other hand, a company such as Swiggy, which is a food delivery service company is a service oriented company alright like Accenture, but its services are offered to individuals. So, it is a B2C company. We have Hero MotoCorp, which is a manufacturer of two wheelers, which develops and manufactures motorcycles and scooters. It offers its products to individual consumers by and large. So, it is a product company with B2C capabilities with a B2C business model.

We also have Intel, which is a leading manufacturer of semiconductors and chips, which are offered for computers and smart devices. It is a product B2B company, it offers its products to other manufacturers. So, depending upon how a firm is positioned in these categories service B2B or service B2C, product B2B or product B2C the leadership context varies.

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Then, there is the third view of the company, mostly suited for large groups and conglomerates. We can think of a group operating in one business, which is a mono business company or operating in multiple businesses. We can think of the company operating in only one industry or in multiple industries. Ashok Leyland is a large company; it is actually a group of several activities today. However, it is business by and large is singular. It serves the commercial vehicle industry; it serves the road transportation customers. So, it is a mono industry mono business company.

However, we can look at another mono business company, which is quite at variance. Let us take a private equity business such as Blackstone group. Its business is mono that is it does nothing other than private equity investments into company. However, it operates in multiple industries for its private equity investments. They could be investing in real estate it, they could be investing in automobiles, pharmaceuticals, oil and gas you name it they could have it. So, it is a multi-industry, but mono-business company.

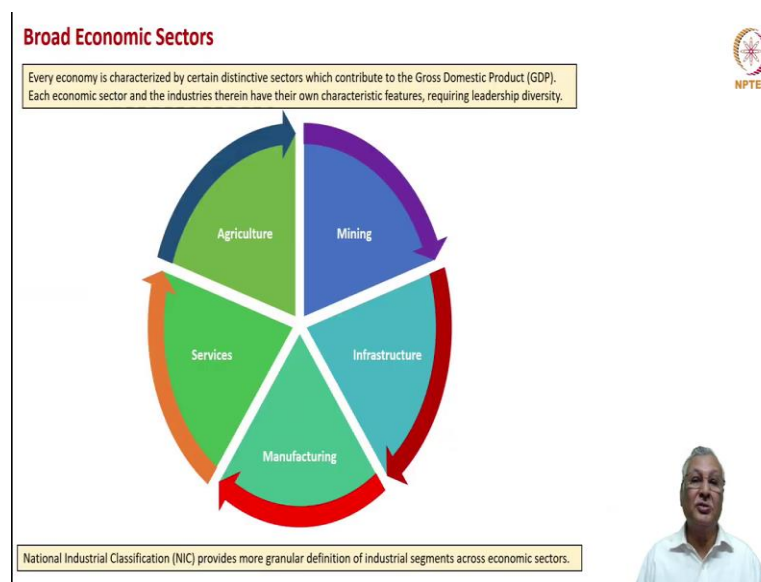
We also have the noted SBI group, which is BFSI industry vertical. It has got banking financial service and insurance under it is canopy. However, these multiple businesses belong to one broad industrial segment called BFSI.

For a true conglomerate definition, we can look at Tata group, it is a salt to software group. It operates multiple businesses and also exists in multiple industries. It has over 100 companies

operating in these multiple businesses and multiple industrial settings. The leadership context again differs based on the industry business mix.

So, at this point if you recall and recap, you can see how the context of a firm impacts leadership. The basic architecture of the firm, that is the product market configuration or the service market configuration. The globalized nature of the firm and its positioning within the industry, economy and the nation. The production product interface of the firm, the product market interface of the firm and finally, the industry business interface of the large group or the conglomerate; all of these things have significant impact on how leadership emerges and how leadership is expected to drive the growth of these kinds of huge activities.

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But, it is not sufficient to have only this conceptual understanding. We should also understand how a firm will operate in an economy which is characterized by certain distinctive sectors. In any economy, we can have five key sectors, agriculture, mining, infrastructure, manufacturing and services. Each of these sectors has its own characteristic drivers and its own characteristic differentiations and they require different leadership capabilities.

Again it is not sufficient to look at only the sectoral application of the leadership requirement, we need to dwell deeper into the industrial classification.

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National Industrial Classification – 1 *(Just a few representative examples)*

Each economic sector has multiple industries developed around specific product lines, and each industry having segmented players as well as multi-segment players. Players also focus on R&D, manufacturing, marketing or all.

Agriculture									
Agriculture			Forestry			Fishing and Aquaculture			



↓

Mining			
Coal	Oil and Gas	Metals	Others

↓

Industry									
Agro and Food	Auto	Metals	Chemicals	Pharma	Textiles and Apparel	Electronics	Capital Goods	FMCG	Many, many others

There is considerable overlap and differentiation between NIC and popular appreciation of industrial classifications. Many economic sectors that are presented next have multiple classification interpretations.

National Industrial Classification is one representative methodology. For driving deep into how a firm is positioned and what its characteristics are. Agriculture is not simply crop growing, agriculture includes forestry, fishing and aquaculture for example, mining includes coal, oil and gas, metals and various other minerals.

Industry is huge and very widely diversified from agro and food to FMCG, and from chemicals and pharmaceuticals to automobiles and metals, you name it everything would be there in any industrial classification.

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National Industrial Classification – 2 *(Just a few representative examples)*

Infrastructure and Services have become so investment-intensive and technology-intensive that they have assumed the characteristics of an industry.

Infrastructure			
Power and Gas Utilities	Water & Sanitation	Transport Utilities	Smart Cities



↓

Infrastructure			
Telecommunications	Construction	Real Estate	Logistics

↓

Services									
Finance & Banking	Education	Healthcare	Insurance	Hospitality	Media	Science & Technology	Transport	Wholesale & Retail	Many, many others

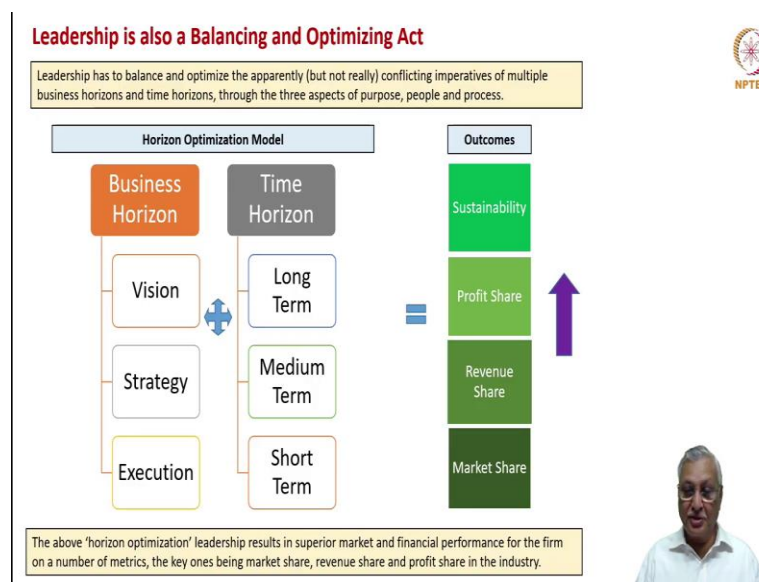
Regardless of the regulatory classification, the industrial boundaries get drawn from a strategic and leadership practice based on the nature of product or service and the types of customer groups that are served.

Infrastructure again is not one monolithic perspective for leadership, infrastructure comprises power and gas utilities, water and sanitation, transport utilities and increasingly even smart cities. There is also the backbone aspect of infrastructure in terms of telecommunications, construction, real estate and logistics.

Services, again very diversified from finance and banking, through education, healthcare insurance, and to wholesale and retail. And, including even knowledge services, and science and technology services, we have a huge variety in terms of services. Again as you can appreciate, leadership could vary depending upon the infrastructure and service, as well as manufacturing potential that the leader faces in his day to day and strategic business.

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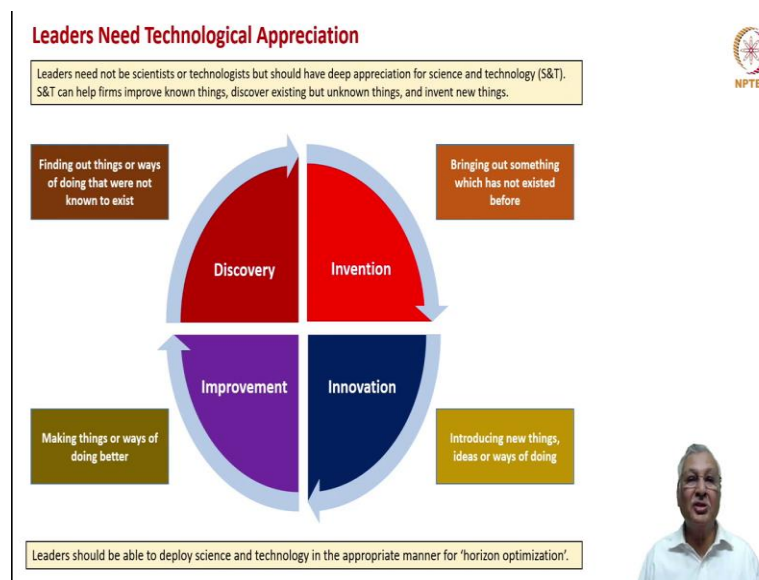
So, we have set the context for the leadership in terms of the characteristics of the firm and also in terms of the economic positioning. We also must appreciate that leadership is not a singular activity; it is a balancing and optimizing act.

There are three business horizons which a leader tries to manage all the time. The vision horizon which is long term in terms of time, the strategic horizon which is medium term in terms of the time horizon and the execution horizon which is short term. All the three horizons are extremely important. Without a proper vision and without a proper strategy a firm will just wander, trying to be very opportunistic and knee jerk in how it matches to the environmental opportunities and challenges.

On the other hand, if the company is focused only on vision and strategy, does not focus on execution, it does not have the revenue and profit capability to fund it is vision and strategy. So, when the business horizon and time horizon are optimized and run in a smooth and seamless fashion, the outcomes would be many.

It starts with gaining a market share in the market. Which translates itself into revenue share and also gets into profit share, but that is not sufficient as we discussed briefly earlier. Sustainability of the business and sustainability of resources that is also equally important. So, the horizon optimization model has to be supplemented with the outcome optimization model. So, that the later emerges as not only a successful leader, but also as a role model for other leaders.

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Leaders also need technological appreciation, not all leaders can be and need to be scientists or technologists, but every leader must have appreciation of what technology and science can do for individual firms as well as the broader society.

There are four aspects of technology. The first is discovery, that is finding out things or ways of doing that were never known to humans. Second invention, that is bringing out something which has not existed before, mostly by using the newly discovered aspects or aspects which are already there, but are being assembled or developed creatively. The third is innovation, introducing new things ideas or ways of doing, when we think of e-commerce or when we think of food delivery or digital lab models, these are innovative models.

And, improvement all the time, regardless of the levels of discovery invention and innovation, the available products and services have to be improved consistently and continuously, that also is available from technological appreciation. So, leaders should be able to deploy science and technology in a meaningful and beneficial manner for horizon optimization.

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Leadership is Innate in Every Individual

Leadership is innate in every individual. An approach of learning and development by the individual, a coaching and mentoring boss, and a positive and nurturing ecosystem (the firm included) go a long way in bringing out the innate leadership in any individual.

With a virtuous circle of empowering factors, and in many cases independent of that too, an individual's innate leadership can be brought out in response to opportunities and challenges faced in the ordinary as well as extraordinary course of life. When faced with emergencies and crises, even ordinary individuals demonstrate extraordinary leadership.

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I present here two simple models of leadership, because leadership is innate in every individual, how do we discover that innate leadership and how does the system discover and support the individual leadership. At the core and center to this three circle model is the individual. He is amplified by the boss. The success of an individual verily depends on the orientation the boss has towards leadership development.

And, if an individual is able to align himself or herself with a leadership oriented, development oriented boss and vice versa, the individual's development would be perfect. And, these two should exist in the third outer concentric circle of the firm ecosystem, the industrial ecosystem. The opportunities are provided; the motivations are provided by the ecosystem. This is the three concentric circle model of innate leadership.


We as individuals have our capabilities. We also encounter or face opportunities and challenges all the time. The three interconnected circles model, demonstrates to us that the arcs of intersection are the best opportunity for an individual to discover his leadership capabilities, play on to his strengths, realize the opportunities and overcome the challenges. The larger the intersection is the better would be the leadership impact.

So, with a virtuous circle of empowering factors and with a discovery of innate capabilities, and external opportunities, and challenges leadership can be developed in an individual wholesomely.


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Leaders Need to Also Eschew a Few Things


While leaders are required to possess many qualities, they are required to eschew certain approaches as well. If not eschewed, these could become emotional blinds, reducing leader effectiveness. The common blinds are...



Biases	Likes/Dislikes	Halos
Accumulated over time, 'biases' on the part of a leader could lead to erroneous decisions.	Little less problematic than 'biases', 'dislikes' nevertheless inhibit leaders from viewing things objectively.	Past good experiences make leaders fall into straightjacketed decision making, planning and execution modes. The risk is that past experience need not necessarily predict the future.



Leaders will need to be objective to the extent of being equidistant from people, events and outcomes. Being equidistant does not mean being unattached, detached, unconcerned or distanced. It means dispassionate ownership.



Having said that, leaders need to also eschew a few things, they should avoid biases which are accumulated in any individual over time. And, leaders must be free of biases. They should also be free of likes and dislikes, while they are little less problematic compared to biases, nevertheless they impact how they view things and how they make their decisions.

They should also be impervious to halos, that is the recency effect something good has happened because of this in recent times therefore, that could happen again, so, the halo effect. So, a good leader is equidistant from people events and outcomes. And, makes his decisions and undertakes his leadership tasks with openness, objectivity and clarity.

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Leaders Need to Be Philosophical Too

Leadership is about taking successes and failures in one's stride, motivating and inspiring oneself and the teams regardless of successes and failures. A philosophical bent of mind does help leaders manage emotional volatility.

• Staying on-course or correcting course as appropriate in times of adversity; connecting and communicating with teams in good as well as bad times.

• Listening to admirers and critics alike for discerning and constructive feedback; discouraging sycophancy and encouraging objectivity.

• Receiving success with humility and prospective diligence.

• Accepting failure with equanimity and with introspection.

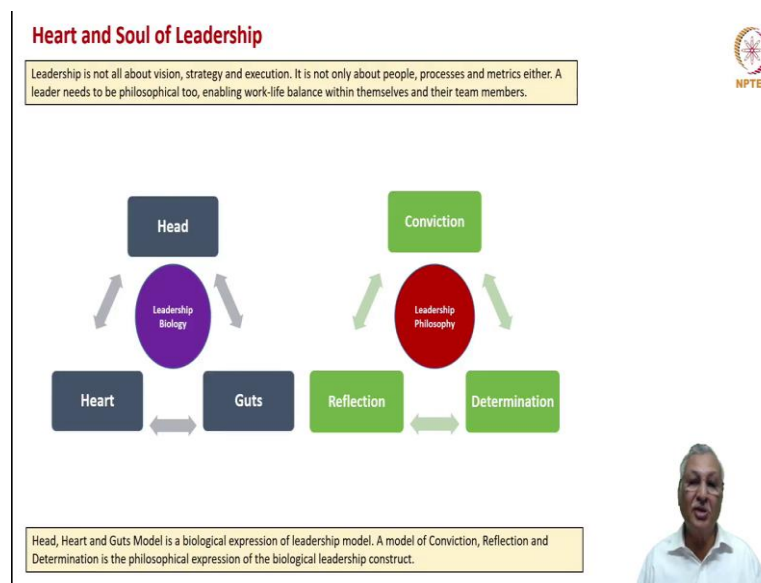
A good leader learns equally from successes as well as failures. He or she will also stay on the chosen course or course-correct based on results and feedback. Such wisdom comes from a philosophical approach.

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Having said that, I must also emphasize that leaders need to be philosophical too. They should have the courage and conviction to stay on course, and be open to receiving feedback and correcting the course if required. They should also be empathetic towards their team members; they should also be open to receiving empathetic treatment with respect to the encompassing ecosystem.

That is, they should be courageous and full of conviction, but at the same time they should be flexible, open and empathetic. In success they should have humility and in failure they should have equanimity. So, a leader who has this kind of philosophical bent of mind would be successful.

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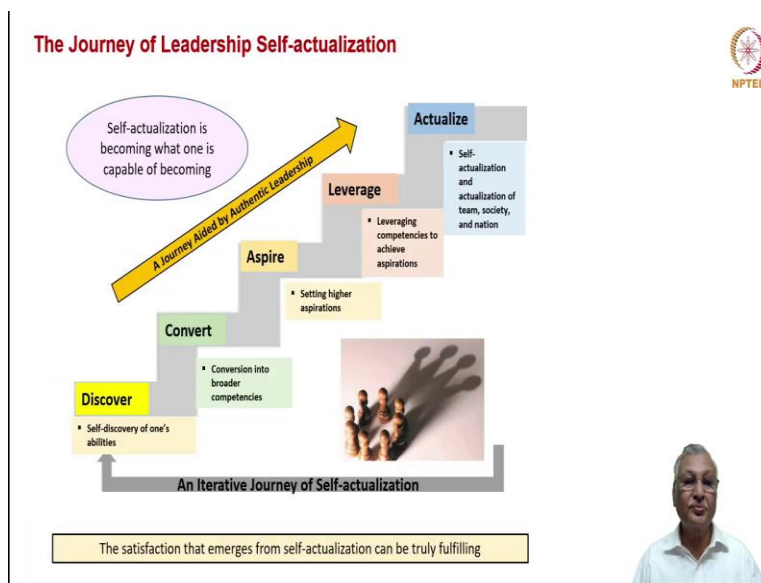
I propose two simple models to describe the heart and soul of leadership. Most of our leadership actions are determined by our head, that is the rationality, logic, the conceptualization, the analysis. However, there is a strong emotive element in leadership.

You should be able to appeal to people, you should be able to make people align to yourself and to your team, and you should be able to promote ownership of the ideas. Similarly, you should be able to understand what the team members are saying, the how and why of what they are saying and try to absorb, appropriate insights from the team members as well.

And finally, you should have the guts to implement what you have decided as the right strategy or the execution map, this is the leadership biology. The head heart guts model of leadership biology. In terms of the philosophical model, you should have conviction of purpose, ability to reflect on your purpose based on the events time to time, and a determination to move ahead on the purpose with due reflection as long as it is objective and is going to be beneficial for the organization as well as for the nation.

So, head, heart and guts model is a biological expression of a leadership model. Similarly, the model of conviction, reflection, determination is the philosophical expression of the biological leadership construct.

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So, summing up all of these things, I would bring to your attention that leadership is not a simple subject it is a very complex subject. And, we have only seen a few facets of leadership in this introductory lecture. But, to be a successful leader, to be a great leader, we have to aim at self-actualization. Self-actualization is a concept of becoming what one is capable of becoming. That is if you are having the ability to become an outstanding singer or a writer, you must self-actualize yourself by becoming that.

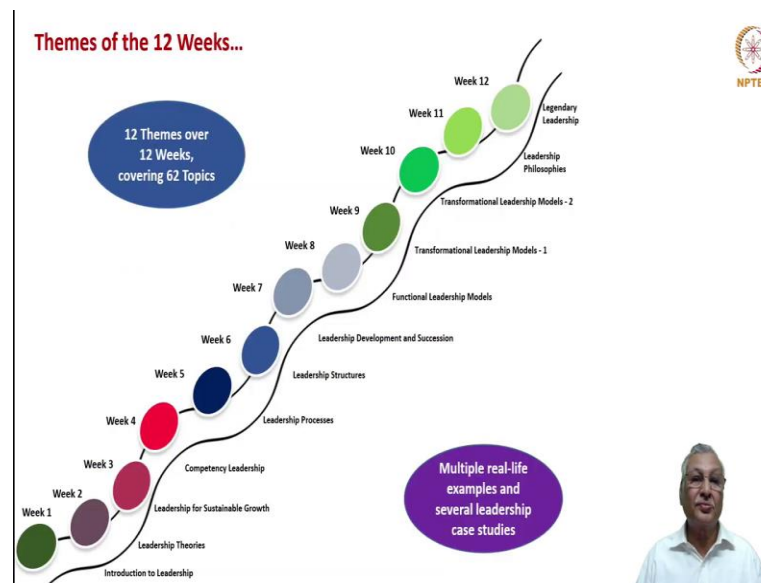
Similarly, if you are capable of becoming an outstanding leader, you should aim to become one through certain important, but critical steps. The first step of that journey is discovery, self-discovery of one's abilities. The second step is converting those abilities into broader competencies. The third step is setting aspirations; aspirations that are not easy to achieve, but difficult to achieve, but could nevertheless be achieved with stretch performance.

And, fourth step is leveraging competencies extending the competencies to achieve those aspirations. And, finally, as a result of all of these things actualizing oneself as a fully fulfilled leader, but this self-actualization journey is not a one phase journey, it is a continuous iterative journey. If you have set upon yourself the task of becoming a very successful and reputed manager, when you started your career through this journey of self-actualization.

Once you achieve your managerial position the next cycle of self-actualization starts, how to be a great leader. And, once you become a great leader. Again another journey of self-actualization starts how you could be a role model nationally as well as internationally.

The satisfaction that emerges from self-actualization can be truly fulfilling. And, everybody must try to self-actualize themselves not once, not twice, but many times as long as the person the individual is able to function as an effective individual manager or leader.

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So, coming to the end of this lecture, I would recall that we will have 12 themes over these 12 weeks. Week 1, we have covered the first lecture in week 1, this focus on introduction to leadership. In week 2, we will cover various leadership theories. In week 3, we will understand the implications of leadership, in terms of ensuring not merely business sustainability, but also the overall planetary sustainability.

In week 4, we will understand the leadership competencies that are required for effective leadership. In week 5, we will understand the leadership process that could be used for the development of others as leaders and also self-development as a leader. In week 6, we will try to understand, how the existing leadership structures can be utilized or new structures devise to make sure that leadership is developed on an equitable and high performance basis.

In week 7, we will focus on the important topic of leadership succession. In week 8, we will talk about functional leadership models focusing on 5 critical functions of the organization. In week 9 and 10, we will focus on 10 transformational leadership models which are very relevant for the Indian experience, five of them are developmental and five of them are performance oriented. But, very much interlinked.

Week 11 will focus on leadership philosophies. And, week 12 will focus on legendary leadership as I said from five different fields and capping the course with a study of the amazing personality of Mahatma Gandhi. There will be multiple real life examples and several leadership case studies throughout.

I am hopeful that as part of this journey of leadership, as I tried to disseminate my knowledge and experience. I will also keep discovering more subtle nuances of leadership and I will be able to share with you all of these. So, that your journey of leadership can be fulfilling and firms you are situated in and the industries you are connected with and overall social economic fabric can be strengthened.

Thank you.