

[Address at SIESCOMS, Navi Mumbai on August 22, 2007](#)

Dr. Sengupta invited me to speak on 'Leadership' and I readily accepted the invitation. There were two reasons for it: Firstly, I am an alumnus of the SIES. Not of your institute but of SIES college of Science and Arts. And second reason is very personal: Dr. Sengupta had invited me to speak on this very subject last year or year before that. My talk was received well but deep down in my heart I felt that I had not done justice to the subject. I felt I did not speak about several aspects. I must thank you today, sir, for providing me another opportunity.

Leadership is a subject of interest to people of all ages and walk. Many books have been written on the subject of leadership. Most of these books will make you feel that leadership is what Nehru, Gandhi, Kennedy and Mandela practiced. These books made me feel that you can be called a leader if you have changed the course of events.

These books may be inspiring but they make you believe that great leaders are born. This is only half true. These books do not tell you that leaders can be made. I am not saying this but research in HR says it. And this is immensely reassuring. This means that it is possible for you and me to learn leadership and be good leaders. We can create great organisations; we can inspire a dozen people around us to be good leaders. It is not necessary that all leaders have to leave an indelible mark on world history. We can make quite an impact on the world around us.

So the first point I want to make is that leadership can be learnt. As I said earlier, research in HR is increasingly pointing out to that conclusion. I have been reading biographies of many leaders. Recently I read a book in Marathi called 'Kharkhure idols'. Translated in English the title means 'The real idols'. This book covers stories of many persons who are not at all in the limelight, but

who have made an impact in the world around them. Have you heard of Naseema Hurjuk? Naseema was a simple next door girl till she was about 15 or so. Then a tragedy struck. She was paralysed and had to move about in a wheel chair. This girl who loved to dance now had to be literally carried by others. But she was encouraged by another paraplegic who was working for others. She participated in the Mandwheel games in London. By now something inside Naseema had changed. She decided that she had to be independent and cannot be a burden to the family and the society. Naseema runs today an NGO called 'Helpers of the Handicapped' that has provided livelihood, independence and enormous pride to more than 550 disabled persons. She has so far been felicitated and given 32 awards.

How did this happen? Did Naseema have a big target in mind? It all began with a small organization, determination and effort. As she tasted success, she became increasingly ambitious. This seems to be the pattern in the case of many a leader. A defining moment kick-starts the leadership journey.

The transition from a common person to a leader is often gradual. There is a good amount of building up. The build up is of ambition, of ability to see new opportunities and of credibility. My understanding is that the process of developing a vision itself is fuelled by passion or what one feels strongly about. So Naseema Hurjuk felt that something must be done about the plight of disabled people. She began in a small way and created eventually a big enough organization to help 550 disabled persons. We seem to think that vision is something that happens to us, like enlightenment. I have always felt that biographers tend to be unrealistic in showering praise and attributing purpose to their subjects. And that gives us such wrong notions. Developing vision is not akin to enlightenment, it is more akin to building a structure; you build it brick by brick.

If we read biographies of Dhirubhai, Rahul Bajaj or anyone in the book Business Maharaja, it becomes clear that they too have followed this route.

There are, of course, those who are exceptionally gifted and they are outstandingly entrepreneurial. But then they are very few in number though more visible.

Vision, I am told, should be defined only in terms of intangibles. We unfortunately limit this to our professional life. We tend to think what kind of department I would like to create or what kind of institution I would like to create. How many of us pause to think what kind of family or culture at home I would like to create? I am sure that the number will not be large. The stark irony is that it matters to us more than anything else.

Be that as it may. Let me tell you some good news. Research is increasingly showing us a way of defining and attaining the intangible targets. In his recent book 'The HR value proposition' Dr Brockbank discusses a step by step process of envisioning the desired culture within an organization and creating it. So the leaders have a tool. And it is quite a participative tool. The book talks about a process in which a large number of people can be involved in defining and shaping culture. GE says their statement of organization culture is Speed, Simplicity and Self Confidence. Disney wants us to see their organisation as 'Friendly'. Deutsche bank prides in calling itself 'Disciplined Risk taking' organisation. This is how they wish to give their organizations a persona. If this is not vision what is it?

There are others who follow what they call the 'Obituary Exercise'. In this exercise you write down how you would like your obituary to be written. This exercise brings many questions to our mind. What is it that I would like to achieve? And remembered for? You are never remembered only for your achievements. You are also remembered because you stand for something and

you do not stand for some other things. These are what we call values. This summation of you dream about yourself as a champion of certain values and your goals is what vision is. When we talk of vision I am tempted to quote Helen Keller. You will recall that Helen was a blind person. She asked 'Is there anything worse than being blind?' And she answered 'Yes, a person with sight and no vision.'

Is leadership individual in nature or is it collective process? Many of us think "I am the leader, and these are some of my followers." We often tend to think of leadership as an individual performance. This again perhaps is borne out of the manner in which our leaders are portrayed. We think Military leaders who fight wars have often no time for elaborate consultation process. War films glorify this angle of individual leadership. All this goes to shape the image of a leader in our mind as a passion-charged individual who has been able to direct a group of followers. There is no denial that there are situations in which individual performance has a place.

Trouble starts when you enter industry and carry that picture in your mind. In industry, the nature of process is more often collective and not really individual. Decisions must be made after allowing an elaborate process of consultation, an opportunity to influence others and finally by gaining the 'buy-in' of the majority. When my department works on any policy, many employees are spoken to, many managers are consulted and their views are incorporated on the proposal before it is announced as a policy. This is essential because the best decision is the best implemented decision. But a newcomer to industry discovers that the flamboyance of 'I say and they will follow' is non-existent.

We must reflect therefore as to how we understand leadership. For it has a profound effect on how we practice it. If you view leadership in the conventional way, as a set of characteristics, or behaviours, that you need in

order to influence people to follow you, then you will probably focus on your own individual resources when confronted with an organizational challenge.

If, however, you think leadership as a collective process, one that individuals with particular skills can facilitate, but that must fundamentally involve many members of the organization then you may well be able to access far greater resources.

In this fast changing world, organizations are becoming increasingly transnational and complex. Consequently, understanding leadership as a collective process is likely to be of greater value in today's corporate world.

Koestenbaum, a great philosopher and thinker, says that leaders operate in four dimensions - The first is vision which we have discussed. The others are reality, ethics and courage. These are four forms of perceiving that are required to deliver meaningful result. A leader envisions, but the realist in him tells him the 'as is' situation and the distance to be travelled to realise the vision. He must show a great understanding of ethical behaviour. Many corporate managers fall when they do not realise that their short cuts to glory are damaging to both themselves as well as the organisation. And he requires courage and conviction to carry his team and influence people around him.

We have discussed vision. The 'reality' part looks at hard facts, numbers etc. It is in that sense exactly opposite of vision. A realist knows what can be achieved, and has no illusions, is not speculative about anything.

Asian Paints was established in 1942. All the major paint companies then had foreign collaboration. They marketed their products in cities neglecting smaller towns and villages. The leaders at Asian Paints realised that there was a big opportunity for business by moving to that neglected area. So Asian Paints built a strong distribution network to reach there. In twenty five years, in 1967, the

competitors realised that they had lost the numero uno status to Asian Paints. Nobody has been able to reclaim it from us so far. All this appears simple and obvious in retrospect, but it takes a realistic leader to make such a decision and to break away from the mould.

While on this subject don't you think President Musharraf got his assessment of reality wrong when he sacked the Chief Justice of Pakistan?

This game of having a vision and also facing the reality actually tears leaders between two extremes. It is like keeping one eye on telescope and the other on microscope. Many a great leaders have lost their jobs because they bungled up this aspect. Hitler is one of them. You have to read a book called 'Until the Final Hour' by Hitler's personal secretary Traud Jung to understand the extent to which leaders can lose sight of reality. Some people believe that when Indiraji declared elections in 1977, two years after declaration of emergency, which she lost so hopelessly, she had misjudged reality.

We are able to perceive the reality if we keep our minds open. And that is not easy when you taste success. Because success leads to forming hard, unchangeable views on 'What Works here'. Then we base our action on such views irrespective of changing context. What otherwise can explain rise of Nirma and loss of market share by Hindustan Levers? How do you explain the loss of market share by Godrej in refrigerator segment to a host of new companies?

Why does this happen? Why do men in leadership positions who are well educated ignore facts staring at them? When people ignore the facts it is very often not intentional. People have a deeply ingrained habit of starting with the facts they want to believe, and then working backwards to find the evidence to support them. I have heard a social scientist say that half of the research is unreliable for this reason! There is a kind of carelessness associated with

disregarding facts. And this carelessness is directed often at increasing one's personal prestige, at proving that he knew best. This then is the problem to overcome- the sheer voracity of our appetite for recognition and self esteem.

It is not as if the leaders in the multinational paints companies, in Godrej, in Hindustan Levers were not aware of their market. They, at that point of time, misinterpreted the data and facts with carelessness. They could not perceive that their number one status was seriously challenged probably because 'how can they be not number one'?

I am sure that you would have read about the parable of the boiled frog. It holds the same message.

We have so far discussed two dimensions: Vision and Reality. The third dimension is 'Ethics'. This dimension is one about which many would wax eloquent but very few realise its true meaning. When we say we are ethical, we are talking about being driven by principles, not by expediencies.

When we talk of ethics the immediate thought is that of corruption. These days people also remember the Enron case. But ethics should not only tell us what not to do, it should also tell what to do. In that sense a leader must have a view about how he is going to achieve the result, he must have a clear view about how he is going to deal with people, whether they are his followers or customers or even members of public.

Our factory at Bhandup had a major accident in which the entire building housing paint making facility was lost to fire. About 150 workmen used to work there. There was no question of giving them any job as the factory itself did not exist. We applied for permission to retrench from the Government and got it. It would have fetched a compensation of about a crore of rupees to those workers. These were dues as payable by law and they could not have asked for

anything more. After a discussion with the workers, our leadership paid a compensation of five crores. About five times the legal dues. In case you would like to verify, this is documented in that year's annual report. Why? Because the leadership believed that though separation was inevitable, we owed them a better compensation; our workers' hardship had to be mitigated to the extent possible. Our leadership felt that their responsibility towards workmen extends beyond what is defined by law. The response was ethical in the sense we made a choice of what was the right thing for us to do.

Do you remember that when Mumbai had torrential rains on 26th July, dozens of families were distributing eatables, tea, and coffee to the stranded people. Mind you, they were not selling it. It is believed that in spite of being in a completely disorganized state, leadership rose in pockets everywhere in Mumbai to handle the crisis. Imagine a large number of people making the same decision: they felt they ought to be helping people in distress and not making money. Such incidents show the true character of the people.

On that fateful day, we moved from our office to Grand Hyatt hotel which is situated just opposite my office. Office staff of the neighbouring building also joined for two days. We were then a motley crowd of 400 stayed at Grand Hyatt, not in their cosy rooms but in the reception lounge. I must say to the credit of Grand Hyatt that they gave us, lunch, dinner, breakfast, and tea. Nobody was charged. It is a different matter that organizations paid a good amount based on some guesstimates. But what got highlighted was a certain ethical way of handling the situation that spoke of valuing dignity of people. It was a correct ethical response to an unusual situation. This would not have been possible without a leadership at work, however invisible it may be.

The fourth dimension is that of Courage. Aristotle believed that courage is the first of the human virtues because it makes the other possible. Script writers usually rely heavily on this aspect to create dramatic situations in films.

Amitabh Bachhan perhaps symbolizes this best in films like Zanjeer. Jaya Bhaduri is an eyewitness to an accident in which school boys die, but refuses to identify the culprit. Remember the scene when an angry Amitabh drags her to the morgue, shows her dead bodies of those children and then tells her to go away? She turns up at the identification parade and identifies the criminal. It is not at all an uncommon tendency to run away from police. And it is also not at all an uncommon tendency on the part of police to give up. In spite of that, acts such as the one in the film happen in actual life too.

Such acts like the one in the film happen because we believe that's the right thing to do. We have to recognize that there are many situations in which we can turn the proverbial Nelson's eye to events.

On 26th July, a driver of our company, an ordinary non-descript person saved lives of 20 children rescuing them. And he drowned and died while saving the last one. A couple of years earlier in this very city of Mumbai, a helpless young girl got raped in a running train and there were five other passengers who looked the other way. It is such contrasting situations that make you understand that we are what we have chosen to be from the depth of our being. We are a product of our will.

A leader is constantly under watch by people with whom he works. They also notice the lack of coherence in knowing and doing. We discussed vision, reality, ethics and courage. I would now like to talk about a leader's ability to influence. Much has been written about charisma, about leader's oratory skills. There are many writers who think that Mahatma Gandhi was neither a charismatic leader, nor a great orator. But his influence over people could not be called anything but exceptional. His influence came from his vision, ethics, courage and his authenticity. Today the world is thinking in terms of 'authenticity'. There is no better example of authenticity than Mahatma Gandhi. He did what he said. And he said what he thought. Complete

congruence! The knowing - doing gap which is also described as the distinction between espoused and enacted values is what sets an authentic leader apart from those otherwise.

Dr. Zakir Hussain, our illustrious President was distributing prizes to school children when his peon rushed to him. The peon whispered to Dr. Zakir Hussain an urgent message. Dr Zakir Hussain's daughter, perhaps of the age of schoolgirls in front of him, was ailing and she had just passed away. Dr. Zakir Hussain continued to give away presents till that job was done. 'The children would have been disappointed if I were to walk away' he said. Biographer of Dr Hussain records that for several mornings thereafter the housekeeper used to discover very wet pillow covers.

So this is what authenticity is all about. You accept yourself as you are. And you declare to the world what you are. And this requires self awareness. Awareness comes out of reflection; reflecting on one's own experiences. If we want to be a good leader we must develop this habit of reflection.

This also means that you reflect on your roles. Each one of us plays multiple roles. With changing times and growing age these roles change. Think of our parents' expectations from us when they are in their forties and we are in the teens. Think of their expectations from us when we are in our forties and they are in their seventies. This changing expectation is felt in our professional roles too. Thinking about our multiple roles makes us more effective in those roles. It helps us practice the values consistently in those roles. And that makes us authentic.

I began by saying that research is indicating that you and I can be leader. For leadership is now being viewed as a process. Please do not think of this process like the one you get in a six sigma exercise. Broad steps are known, but practice involves development of a person. This is not mechanical but it is very

organic. And that is precisely the reason why coaching helps. Knowing oneself, constantly increasing self awareness, espousing and practicing values, and moving courageously towards the goal are important steps in that process. But it is a bit like swimming. Knowing the steps is just not adequate, mastering the process is important.

Nobody asked Naseema to work for the disabled, but she did. Nobody asked Chandrashekhar to transform the way Thane city looks, nobody asked him to repeat that splendid transformational performance in Nagpur. Nobody asked Dr. Madhav Chavan to return to India and launch the NGO 'Pratham' when he had everything going for him in USA.

Naseema, Chandrashekhar, and Chavan decided to take charge of their life. They created for themselves a purpose to live. They held themselves accountable for making their dream come true. Nobody imposed it on them, it was their choice.

Some people realised what they missed in life only when they had a near death experience. There are a number of stories of cancer patients or heart patients who discovered a purpose to live. We need not wait for a visit to the hospital to discover our purpose!

Koestenbaum says it well. 'Unless the distant goals of meaning, greatness and destiny are addressed, we can't make an intelligent decision about what to do tomorrow morning'.

My young friends, you have just begun the leadership journey. I hope this talk will help you in that process. I wish you good luck.

Vivek Patwardhan