

people and management

BEING PEOPLEWISE

EVOLVING PARADIGMS OF HR



tête-à-tête with
Shashi Ravichandran
Founder President, STAMPA

SPOTLIGHT
Happiness
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THE EVOLVING STYLES OF MANAGEMENT



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Management is a term that is often used interchangeably with Leadership. While Leadership is largely an individual's own ability to inspire a team of people into positive results; Management is the act or ability of getting things done at an organisation wide and hierarchy wide platform. The ideal situation should be that an organisations management approach and leadership capital is in sync with each other – two positives making a radical impact. It is, however, quite common to see some great leaders working in organisations where management is just a word; or a company with great management principles but very few leaders.

Let us look at some companies worldwide that are associated with distinct styles of running and managing their business and people:

Apple stands way ahead of its nearest competitors in its category by having built cult like consumer loyalty. This has been possible by a systemic thrust for ideas, technological improvements and pre-empting consumer needs, all in turn made possible by a management style that is both fiercely competitive and high on encouraging individual excellence and thought for company goals.

Google is not just the search engine leader but also a leader in encouraging employee creativity and personal passions. Its engineers spend 20 percent of their time on projects of their own choice leading to a constant buzz on how to create, improvise, compete and create profit.

Berkshire Hathaway's has a high sense of integrity and accountability associated with it, in no small measure because of the high personal credibility that Warren Buffet enjoys as a business leader. He is almost a sage like figure in the financial world due to his personal honesty, accountability, financial prudence and long term view of business. When the man on top displays such impregnable values and systematically creates a companywide seep, it resonates worldwide as management style.

Then there is **SAS**, the world's largest privately held technology company whose CEO has been in the seat for over 30 years now! This is a company that epitomises trust between company and employees with an attrition rate of 2 percent, the lowest in the industry. With a stunning

slew of employee benefits that have created a cult-like community in and around its headquarters in Cary, North Carolina, SAS epitomises a strong management style espoused by the CEO where employees have so much stake in the game that the sense of ownership and security is immense. They *are* the company!

Each of these companies has one thing in common – their eye on their consumer. If you exceed the expectations of your consumers, you can easily fulfil the obligations to your stakeholders. All this is made possible by some basic, time tested and fundamental principles of management. First, your product/service must be better than your own expectations. Only then will you be passionate about selling it. Second, Innovation must flourish not as a mandate but as a philosophy across the company. Innovation cannot be parenthesised into tech innovation. Every employee at every level must be sensitised to the cause, so that nothing is too small to innovate or improve upon. This leads to employees having their skin in the game and being personally responsible and accountable towards their work, office space, common areas and all things that encompass the company. Next, the company values must be non-negotiable and must be practiced daily, especially by the leadership. So, being accountable, respecting and debating contrary opinions, working with minimum supervision and felicitating great new ideas must be a norm, not an exception. Lastly, employees are Value Creators not just Assets. Assets guarantee returns while highly engaged and motivated employees guarantee longevity of customer value.

Here I'd like to cite a personal favourite. I once went to a leading Coffee Bar chain in Delhi and asked for regular coffee with milk on the side. I was told they did not make it – only Cappuccino was available. I found this bizarre that there should be a coffee bar without regular black coffee. When I prodded the barista a little, he told me "it was not company policy". I was horrified! What does company policy have to do with black coffee I wondered? However, I know I am not alone in such an experience. Many of us have heard "it is not company policy" from scores of customer interfacing staff

for simplest of things. Interestingly, I went to another of these chains' outlets a few days later and made the same request. This time the barista smiled and said he didn't get black coffee with milk on the side requests everyday but could I please take a seat and he would have it over in a jiffy. So what was the difference between the first barista and the second? The second barista took charge, became responsible for his conduct, guided both me and his staff vis-à-vis the request and administered a task without supervision and within 'company policy'. He was the Manager that day and his management style is what a young nation like ours is gravitating towards. The freshness of ideas, where no idea is silly, the ability to solve problems on the go, the care and concern for both your colleagues and customers and above all, taking actions and being accountable for them. Interestingly, this young man displayed the ability to think outside the box. I'm not sure if his employer encourages this but I suspect being in the QSR business it would be an invaluable trait. So, how is it that one barista 'gets it' and the other does not? It is personal 'management style'. It is pretty obvious that for a business like theirs, the second style is preferred. Management needs to jump in and create companywide institutionalisation of such a style. It is good for business and great for customer stickiness which in turn is even better for business in the long run. Out of the box thinking will then become a companywide sensitivity that will encourage daily innovation, growth and problem solving.

India is a young nation where more than 50 percent of its population is classified as 'young' or employable. Other than the fact that we are facing severe skill shortages in this large workforce, we have the disadvantage of an inherited management style that is largely cultural. It is top-down, more 'tell' than 'ask' and very hierarchy driven. Such a style stifles creativity, individualism and innovation. It is up to companies both public and private, to decide that they won't allow this and instead will create a management environment high on respect for individuals and their abilities by being vested in employee growth. ■