

Leading the Way

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A leader sets an example for others to emulate, and hence must be a high-level performer. He's also respected by subordinates and colleagues, alike. He must embody honesty, integrity and trustworthiness.

A leader is knowledgeable and well read and must guide and empower his subordinates to perform their best.

He must also be supportive to his subordinates and fair at his workplace, at all times. He must be sympathetic, yet firm when required. A leader is one who enthuses people by giving credit when it's due, whom it's due to, gracefully and quietly.

A leader is a builder of performance-oriented teams. He builds on people's strengths and helps overcome their weaknesses. A leader is one who is whole-heartedly committed to the organisational goals and aspirations. A leader is the organisation, in essence.

These are points from the speech I made at a management conference 10 years ago, and these simple management truths are still relevant in running Bajaj Electricals today.

Since the past 25 years that I have worked in Bajaj Electricals, I have seen many ups and downs — some that challenged my ideals and others that inspired me to continue.

One of the most important things for a leader is that he should be aware that he is the pillar in unfavourable times and the sole motivator for his employees when the ship starts to sink.

He shouldn't be demoralised when things aren't going as expected, nor should he be jubilant when things are going well. He's the one to support and motivate his team to tackle the impossible and find solutions to the most complex problems.

It's more valuable to take decisions fast, even with a few mistakes rather than delay decisions.

Around three years back, we were going through a downturn, I realised that unless we reduced our costs and make ourselves trimmer and take other corrective actions, the company wouldn't be able to turn around.

Therefore, we instated a five-pronged strategy through the theme 'War for Profits', where all members of Team Bajaj were involved in controlling fixed costs, reducing

working capital, improving margins, increasing volumes and getting out of loss-making businesses.

Restructuring must be done easily only during a downturn, as everybody feels the need to change and are open to taking risks.

For any organisation, people are the key assets and therefore communication is vital.

Effective communication during bad times is imperative as opposed to suppressing information. I have learned that a pat on the back can go a long way, reaping more benefits than just financial rewards.

Our focus on achieving a turnaround bore fruit when the company improved its market share in our restructured five business units. We extended and added value to our portfolio of products and solutions to meet differing customer needs.

In addition to our aggressive marketing activities we explored strategic alliances with business partners around the globe. Quality is important but soon it will be taken as given.

What is going to differentiate different companies are innovation, service and distribution.

Every individual has the potential to perform if he or she gets the proper motivation, the right opportunity and the freedom to work. In the long run, success is achieved when ordinary people perform extraordinarily.

It's important to keep an open mind rather than drawing pre-conceived impressions about people. More often than not, such impressions will be proven wrong.

A majority of labour problems arise because of improper management rather than the easily blamed labour attitude.

Mahatma Gandhi succeeded in uniting multi-lingual Indians against the British rule (in an era of no technological communications) because he could relate to the masses — as he understood their problems because he lived with them, like them, and empathised with them.

Our strategy is to capture the bottom of the pyramid. India's population of 100 crore — from a liability can be converted into an opportunity for growth and profitability.

I would like to end with a quotation by Lau-tzu — the founder of Taoism:

A leader is best when people barely know that he exists. When his work is done, his aim fulfilled, they'll all say, "We did it ourselves".