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## Leadership in a time of turbulence

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## Turbulent times

- Great financial turbulence and uncertainty
- Extremes of volatility
- A totally novel situation in known memory

‘Turbulence’ – a word we hear in flight...

## The stricken airplane

- Once upon a time...

## Three elements of leadership in turbulence

- Direction and governance
- Authenticity in action
- Creativity and flexibility

HR challenge and response in the new paradigm



## Section 1

# Direction and governance

- Some key roles of the board
- How boards perform these roles
- How to improve board processes
- The unspoken glass ceiling

## Some key roles of the board

- Selecting and appointing the CEO
- Setting CEO goals
- Appraising performance
- Oversight and guidance
- CEO reward and punishment
- Mentoring the CEO
- Succession and continuity

## How boards perform these roles

- One-third of CEOs last less than two years in Asia Pacific
- Less than 50 percent of boards formally appraise CEOs
- CEO remuneration – the less said the better!

Clearly, there is room for improvement – why is it not happening?

## How to improve board processes

- Self appraisal by the board: Agenda, time utilization, meeting effectiveness, access to information, participation, openness, depth, coverage....
  - Executive sessions by independent directors
  - Two-way structured feedback between board and CEO/executive directors
  - A program to assess management depth
  - Mentoring and monitoring a CEO development plan
  - The board's own action plan for itself
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- Barring the last, these are all well recognized HR practices
  - *So why are they not happening?*

## The unspoken glass ceiling

- We are familiar with 'glass ceilings' with regard to women or minorities
- But how familiar are boards with the essence of HR approaches that could influence their processes and inform their decisions?
- Is there a way for the boardroom not to be *terra incognita* for HR knowledge?



## Section 2

# Authenticity in Action

- The essentials of authenticity
- ‘How to make a perfect cup of tea’
- The key value addition of HR as seen by CEOs
- The seduction of false numeracy: What HR needs to do

## The essentials of authenticity

- Authenticity is the fullest expression of the excellence and intention that is inherent in a person
- Confucius and the nature of man
- Confucius said: “Let the prince be prince, the minister be minister, the father father and the son son”. “Excellent!” said the duke, “Indeed if the prince is not prince, the minister not minister, the father not father and the son not son, then with all the grain in my possession, shall I ever get to eat any?”
- The Indian concept of ‘Swadharma’
- The right livelihood and the right nature of man uniquely tied to each other

## 'How to make a perfect cup of tea'

- A story that Rai Bahadur M.S.Oberoi, father of India's hotel industry, told me over a period of time, until, finally, I *got* it!
  - The product
  - The surrounds
  - The person

## Make the perfect cup of tea, and then:

- “There was never the thought of going after money. The compulsion was to think big, offer the best, and let it happen. The profits would automatically come in.”
- (This is the reply he gave to a journalist who asked him, on his 100th birthday, about the secret of his success)

## The CEO's view of the key value addition of HR

- The learning lessons from the award-winning luxury 'Vilas' hotels
- Developing and managing the leadership pipeline
- Talent spotting and matching the 'right person' with the 'right livelihood'
- To enable the fullest of potential to be actualized. This is what creates the highest value

## The seduction of false numeracy

- Numeracy is necessary but not sufficient
- Never be shy of the intuitive assessment you can offer in good faith, but know also that on occasion you will be wrong, and how!
- The judicious blend of measurement and feel, judgment and assessment – think of HR as a biological not physical system



### Section 3

## Creativity and flexibility

- Insights and learnings
- HR agenda in the new paradigm

## Insights and learnings from ITC's hotels venture

- Ajit Haksar and his story
- “The kitchens of India”
- “...rooted in the soil of India...”
- “The best means of growth come from within”
- “We enjoy people”

## HR agenda in the new paradigm

- Novel methods of recognition, reward, motivation and retention of key 'artisans and craftsmen'
- Transplanting relevant experience and skills across corporate barriers
- Creating a new and vibrant culture from the meeting of two strong and unyielding traditions
- Creating not just a business but an institution

## And now, back to the airplane in turbulence.....

- What happens?



**Questions?**

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