

The Anatomy of Rebuilding & Recovery

A CEO LOUNGE INITIATIVE

Reset, reimagine or remain?

In conversation with



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TATA CHEMICALS



Reset, reimagine or remain?



"There are decades where nothing happens and there are weeks where decades happen."

— Vladimir Ilyich Lenin

If the year 2020 has been a rollercoaster ride, it hasn't stopped taking us through the peaks and valleys yet. While economies around the world are staring at some of the worst times ever in history, Covid has been a humanitarian challenge that has been the hardest on businesses. In the bleakest of times, five of India's brightest leaders come together and brainstorm what this means for businesses

Words by **Priyanca Vaishnav**

While a lot has happened during the last few decades, it is undeniable that decades have happened in a few weeks. Despite looming uncertainty, structural economic damages, forced alterations in the workforce, wavering regulatory impositions, and a muddy demand-supply curve — a different normal emerges each day, metamorphosing from the normal of yesterday. Everyone is nostalgic about pre-Covid times and wants things to go back to normal. But, we might never go back to them. There are certain things these testing times have taught us — valuably so. While it is debatable if these changes are permanent or a result of the explosion of the shut-in economy, it is almost Darwinian how a few businesses emerged while setting an example for the rest.

REVIEW & RESET

One of the most successful responses to the crisis has been a review and reset approach. "The challenge lies in adaptability; every day is a new challenge forcing us to adapt quickly. We have

used this crisis as an opportunity for resilience-building, both at a personal and organisational level. This resilience is what automatically translates into productivity," informs Varun Berry, Managing Director, Britannia Industries.

With things as unpredictable as a game of Jumanji, adaptive leadership has emerged as the norm — where organisations move like a well-oiled, coordinated organism — continuously assessing their actions and outcomes, and constantly operating in a feedback loop mode, where they adapt their next decision based on the effectiveness of the previous outcome.

Every contingency strategy and BCP has gone for a toss (with the exception of Wimbledon, of course), and each business is on its own journey, yet bound by the force of the pandemic being the single disruptor across industries.

"It is an event that is a great leveller. All assumptions are being smashed and new assumptions are being made each day. We are learning to avoid hindsight bias and are embracing uncertainty," adds Berry.

REASSURANCE = RESPITE

Organisations are faced with the dilemma between staying afloat or plain survival, and innovating or converting these testing times into feasible opportunities. Pressed for cash and liquidity, organisations are hibernating or simply closing down. "A study by Avonly of listed companies revealed that 68 per cent have no cash cover beyond 2-3 months," appries Marzin R Shroff, MD and CEO, Eureka Forbes. "However, my favourite line has always been, what cannot kill you only makes you stronger," he says.

That said, the need of the hour is reassuring all stakeholders, especially clients and employees. The response to working from home, for example, is mixed — while few people took to it immediately, and institutions had circumstances to cut costs, other organisations simply did not have the digital capabilities to meet demands, or issues like digital fatigue as seen in students and homes not being conducive workspaces cropped up.

"People are desperate to come to work. Things are not going to be hunky-dory. We have to be honest with people and tell them where we stand. There is

an underlying optimism as well. We try and convey that it is not unique to this company, there is not all good news, but we will do something — the key is to be sensitive," says Shroff.

Berry has a slightly different view about his employees working from home, "There is an increased spike in productivity. Meetings start on time and end on time. We have adopted technology and made it a tool to help us do things faster, and better," he says.

"Despite all the adversity, it is refreshing how everyone is looking to seek positivity and happiness. Covids will come, and Covids will go, but we have found an opportunity to convert this crisis to come closer and forge relationships in the family, in the organisation," puts across Ajay Kaul, Senior Director, Everstone Capital.

In companies where work from home capabilities previously existed, but were



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Marzin R Shroff
MD and CEO, Eureka Forbes





The one thing I've learned is that we must figure out 'how we are going to do more with less.' This is a theme I'm getting right across the organisation. It has worked really well"

Hari Menon
Co-founder & CEO, Big Basket

limited to around 20-30 per cent of the staff were now forced to abruptly accept new work routines with 100 per cent staff having to work from home. "We have looked at innovative methods to keep up employee morale, given their constricted physical movements, and a sense of threatened employee autonomy like zero-hours where video mashups of Googlers and Googlets — children of employees come together and showcase talent," expresses Karan Bajwa, Managing Director, Google Cloud India.

Organisations are also showing their support by conveying that they can help employees navigate turbulences when informed of their unique needs, with liberal deadlines, extended health benefits, financial aid and shielding them by the top management taking pay cuts themselves.

"Delivery personnel and employees on the front line are all provided with extra Covid insurance cover, and there is no compromise on safety whatsoever," states Hari Menon, Founder & CEO, Big Basket. The sentiment is to not paint

dreams about the future but, letting them know that everyone is in it together.

RECLAIM OR REIMAGINE?

The pandemic has been an eye-opener of sorts, exposing fault lines and economic vulnerabilities. It could be a black swan event, like Nasim Nicholas Taleb propounds, or an occurrence that could have been predicted through carefully constructed machine learning models. Nevertheless, the pandemic has been a massive behaviour-building exercise for individuals, organisations and even governments. Regulations will be and have to rightly be more liberal and business-friendly. Disaster management, which previously meant delivering relief and providing lifelines, has now taken a new form of reimagining stronger, building resilient economic metrics while simultaneously addressing the exposed vulnerabilities and breaking silos.

"Governments will have to stop putting barriers around things, and take stock of how fast things are changing around the world. People will

centre their lives around technology more radically. Adoption cannot be minimalistic. We have to learn from each other and rapidly scale up the entire ecosystem,” analyses Bajwa.

We are looking at a future where businesses invest more in technology to boost revenue. It has sunk in that systems which were earlier tech-averse, like governments and legacy businesses, can no longer ignore technology, and the process of digital transformation is equal parts digital and transformational. “There will be a dramatic shift in the mindset CapEx to OpEx rapidly,” predicts Shroff.

We could be looking at fully synchronised, living innovation in the DNA models where businesses constantly disrupt their own business model over and over again. A wonderful example of this is Netflix, which went from delivering DVDs through mail to one of the largest internet entertainment platforms to a nimble artificial intelligence-based international entertainment content provider.

RE-ARRANGE + REBOOT

Technology has taken the reins and clearly steered the business during the

Covid show. It is also here to stay. While there is absolutely no replacement for engagement and outreach, it is pertinent that there is a solid digital transformation plan.

“Google alone has seen a 30X surge in usage across platforms for business needs. Our mission statement has been to serve, not to sell during these times. We look at it as democratising technology. We have worked on removing barriers, and opening up the highest tier of technology to everyone,” remarked Bajwa.

Rearranging priorities, reorganising workflows, and bringing together platforms has been helpful. Technology will be viewed differently, biases shattered, and organisations with slower digital transformation plans are now faced with a need to ramp up capabilities.

“Another challenge we encountered, with over 90 per cent of the population staying at home during the lockdown, was curbing misinformation. Working closely with governmental agencies, we brought to bare all our assets and made sure all information was being clustered, so that a user with multiple access points still had a single source of information,” concurred Bajwa.



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The concept of Agile, once restricted to software, is now extended across domains and industries. Organisations are rearranging what they have, developing leaner models, and increasing operational efficiency with existing resources.

Our media feeds are flush with stories of adapting to change — in the short term with the local distillery producing hand sanitisers, to stepping into the more permanent and long-term decisions like expanding into the e-commerce space.

"Our idea was centred on how we build for scale when we move something like grocery online. The grocery business in India generates \$700-800 billion, out of which online grocery platforms constitute just 1 per cent, and modern trades like Big Bazaar, DMart, Metro and big supermarket chains constitute about 4 per cent. Once the lockdown was imposed, we saw this 1 per cent suddenly shoot up to 20 per cent of the market share, which was challenging to cater to at multiple levels," details Menon.

RENEW

Disruption has been a buzzword for quite some time now and has just gained the spotlight in its own right against the backdrop of the pandemic. The implications of diverse precedents like new technologies, digitalisation, AI, political landscapes, climate change are now being viewed in a renewed light.

"It will be a lost opportunity if we go back to the old ways. We have always had barriers around tele-health or education. Suddenly, all those reasons have vanished, and we have embraced technology like never before. Scale is always possible provided the right tools are used in the right way. We were not ready, yet we are doing it. Imagine if we had the infrastructure in place, and were prepared for it, we could create wonders," evaluates Bajwa.

It is very important that we do not gravitate back to the old and make use of this event positively, helps us break traditions we have been struggling to wiggle out of, and shun old excuses. Finding and pursuing new avenues that

will drive change, serving new customers and moving out of comfort zones is the call of the day.

RESPONSIBILITY BEYOND GROWTH

The Covid crisis is a glaring reminder of why institutional culture is a discerning factor. Is it fair and feasible for businesses in these critical times to look beyond survival and profit? How important is a meaningful social programme, and what is the priority of giving back to the community?

"This is a time when we are to be guided by a north star. Purpose-driven organisations will stand out. Social responsibility is not just good to have but a must-have. The underlying familial spirit has to be extended to the whole society," emphasises Shroff.

The pandemic has been an event that went beyond the mandated CSR, and introduced us to heart-warming stories of unknown heroes — people doing their bit at their own personal level, and

institutions creating responsible cultures.

"We have seen heart-wrenching visuals and heart-warming responses to them. Some noble acts may not have surfaced, but it has been a time when everyone took charge and responded however they could — personally or institutionally," says Berry.

The world has had innumerable defining moments, and it is changing again. "Uncertainty is the only thing certain, as each one of us adapts to new work lives, social lives and forging relationships. Each crisis comes and leaves the world with intellectuals predicting life will never be the same again," Kaul wisely summarises. The pandemic is no different on that front — many things will see seismic shifts in the way we view it given that the lockdown was a huge behaviour-building exercise, or we may give in to the surprisingly strong pull of old habits. Only businesses that have change and innovation ingrained in their DNA have withstood time and are likely to do better.



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TAKEAWAYS



We learn a few things only in a storm:

The Covid crisis has been an equaliser of sorts — exposing insufficiencies and unforeseen vulnerabilities and should be viewed as a chance to review and reset priorities and redesign resource allocation.

Culture eats strategy for breakfast:

Building a resilient, augmented workforce is key. It is also important to reassure employees in this time of crisis.

We always have two choices, evolve or repeat:

The future must be thought of in different terms, there may not be a "back to normal".

Let us invent tomorrow, today:

We can no longer put off digital transformation. Have a solid plan, that is equally digital and transformational. Choose the right technology, and platform in line with long term business goals.

Doing agile, being agile:

Keep your business lean, mobile, and agile. This is not the first disruptor, and will not be the last.

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