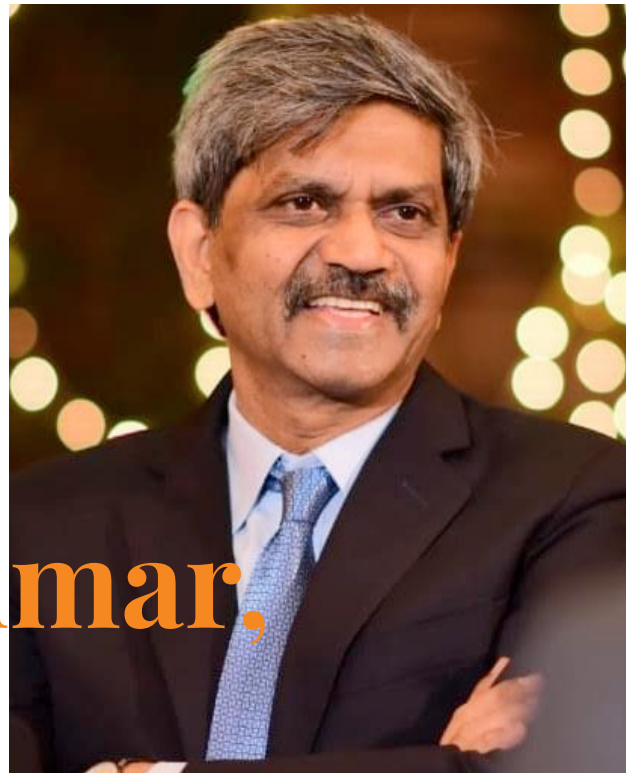


The world will
not be the same again:

Shiv Shivakumar,

ABG



In this exclusive interaction, Shiv Shivakumar, Group Exec. President – Corporate Strategy & Business Development, Aditya Birla Group talks about some leadership lessons he learnt during these tough times of COVID-19 and how this time will see a new breed of leaders who will put up their hand and be counted in this crisis.

————— By Yasmin Taj

What does leadership mean in these times of crisis? What are those qualities that make leaders heroes in tough times? While the world is battling the deadly COVID-19 pandemic, leaders across industries and geographies are fighting a battle of their own. They are struggling to keep the wheel of business running while also ensuring that they do not lose out on being human. In times of crisis, a new avatar of leaders emerges; tough situations sometimes bring out the best in people. And the leaders who will lead the way today, will be remembered throughout history as heroes of COVID-19.

In this exclusive interaction People Matters, Shiv Shivakumar, Group Exec. President- Corporate Strategy & Business Development, Aditya Birla Group talks about some leadership lessons he learnt during these tough times of COVID-19 and how this time will see a new breed of leaders who will put up their hand and be counted in this crisis. He also talks about what essential qualities make a leader effective in time of crisis.

Shivakumar is currently the Group Executive President- Corporate Strategy & Business Development, Aditya Birla Group. He joined the Group in January 2018. Before that, he served as Chairman and CEO of PepsiCo for four years. He also worked with Nokia as CEO for India and later emerging markets for a decade. Shivakumar has been awarded many times in his career – Best CEO, Best brand builder, for leadership, for turnaround, etc. The awards most dear to him are the two distinguished Alumnus awards he got from IIT Madras and IIM Calcutta. He is one of twenty people in India to have distinguished alumnus awards from both IIT and IIM.

Shivakumar writes and teaches regularly on Innovation, Leadership, Followership, Business Models, Digitization etc. across the leading business schools in the world.

01

First things first, as a leader, what is keeping you awake at night?

The safety of family, employees, and the ecosystem partners is paramount. I just pray and wish that everyone is safe, will stay safe and healthy and will follow the prescribed rules. Business comes and goes but once health is lost, it is difficult to get it back. A crisis like this happens once in a century, the last being the Spanish flu in 1918-1919. So, people's safety it is.

02

What are some of the leadership lessons that have guided you in the current times of crisis?

I think a few:



The world will not be the same again, one has to pivot or perish in a future world.



Employees have fear, uncertainty and doubt, tend to get confused in this phase; we need to engage them and ensure that their minds are steered to a positive state of mind. We have to do that through intensive learning and development. In one of the businesses I am involved with, we have run 33 training programs in 40 days.



Leaders need to be calm and cool and they themselves need friends to lean on. I try to keep in touch with friends.



The office place is more than a workplace; it is a place for camaraderie which everyone is missing on the video calls. It is not the same. People will value the coffee machine gossip, the lunch room gossip even more when they get back to work.



In the first two days of the lockdown, everyone was down and were narrating their own doom and gloom story. It is the leader's job to pull up their spirits and make them look ahead at the longer term. Getting that timing and message is critical.



03

Are there certain traits that can make leaders more effective in times of crisis? What would be the “new normal” for leadership now?



Calm, cool
and collected



Keeping the focus
on the right things



Empathetic,
supportive



Challenge and stretch
team to think bigger and
broader than where they
are.

In a crisis like this, people observe the leader very very closely, they see how his/her energy is and the words he/she is using.

COVID-19 is a tragic event but is not the end of the world. There is a bright tomorrow for all of us.



04

According to a survey, 93% of high-performing organizations believe crisis uncovers talented leaders. In your experience of managing crises, how relatable are these results?

This is a time to think what we should do, what we should not do and what we should do differently and what is the strength worth continuing.

In golf, where a tournament is played over four days, Thursday to Sunday, the commentators always say that the cream (the best players) rise to the top on Saturday. The same is true in a crisis.

A crisis shines the spotlight on great leaders and many people in the organization surprise themselves and the organization with their courage and heroics. We will see a new breed of leaders who will put up their hand and be counted in this crisis.

Sport and war have many examples for us. Ben Stokes of the English cricket team battled his demons in his head and his father's health in shaping the World Cup win and also the Ashes recovery.

05

It takes a while before one can switch one's perspective and look at crisis as an opportunity. How can leaders guide their teams to accelerate this transition?

In a crisis, every company is an underdog; you have to start with that feeling and build from there. A crisis is a great opportunity for well-run companies. Well-run companies have better processes, better crisis management systems and simply better people. When I say better people, I don't mean capability or degrees, I mean resilience, having the mental strength to fight a tough day. When a company has a high proportion of these resilient people, it will win big.

The role of leadership is to spark that resilience, stoke that fighting spirit. It comes from a combination of safety and trust in the leader and the company.

06

How can leaders deal with the fear, uncertainty and doubt that their employees are going through?

The first is to recognize that every family is impacted in a different way. There are many factors impacting them and, in this crisis, I have seen that whole families have sat down and watched my webinars with employees. That placed a dramatically different responsibility on me.

Everything you say is important for the family, and one has to balance the messages.

I think one needs to clear the air on the issues that are confronting employees' minds regarding salaries, job cuts, bonus, promotion, the future, etc. This cannot be done in one call; it is an ongoing dialogue with all the employees. Once you create a safe atmosphere, then slowly move ahead with a plan.

07

In this time of crisis, what has worked for you and what hasn't?

This lockdown has given me the ability to see the business from a distance, look at it differently from what we have been doing. The ability to step back in this time has been a huge help.

What has worked is continuous communication. I message my direct reports and the next level every morning between 5 and 6 am, just checking how they are. Then I have calls with them every day. In the global textiles team calls, we get an update from Germany to Indonesia within 30 minutes every day. The strategy team is looking at every sector and what this pandemic means to that sector; we are all learning every day. We have regular sessions with some of our valued partners like McKinsey, BCG, Oliver Wyman, etc.

I speak with a number of our key customers. This has helped me understand them better. It made me realize that everyone is searching for their own answer.

I was touched with the number of people enquiring about my health and safety, people who worked with me twenty years ago, etc. So, it felt nice to connect with ex colleagues.

Keeping in touch with family and friends has helped a lot. That has given me balance and a sense of energy. Gratitude is something I have experienced in the lockdown. I am keeping a gratitude diary to thank people when this lockdown lifts.

What hasn't worked is that one is not able to return every call, every day. Despite my best efforts, I am not able to close all activity for the day on the same day. What hasn't worked is not having the physical newspaper and reading it online.

At a personal level, I am running 8 to 10 kms on the treadmill every day, this has helped me stay fit and healthy. I rediscovered listening to music, a habit I had lost for many years.

08

What is your immediate focus area? How are you managing business continuity and people strategy simultaneously?

I would say, look at 2020 not as a 10-month year, but a 10-month slow year. That could mean a 3-month year if you are in travel, tourism; can be a 6-month year if it is restaurants; and could be a 12-month year if you are in health and hygiene. Most businesses will be challenged. Handling a slow year is different from a bullish year.

In a slow year, conserve cash, keep employees engaged and stay in touch with customers. This is not the time to add fixed costs, so try and keep costs as variable as you can.

A slow year is a good time to launch innovation, but you have to find the resources and the energy to support innovation.

A slow year is the time to forge stronger partnerships that will last for many years.

09

You have spoken about the criticality of 'trust' in organizations? What can be the cost of not having radical trust within your organization, especially in these testing times?

High trust is a huge multiplier in an organization. Past studies have shown that high trust is as good as big salary hikes in building momentum in an organization.

High trust makes people believe and more importantly, makes them dream big.

Low trust on the other hand is a cost and it is a significant cost. This is a cost because the organization works in a siloed way and that slows down the company. Many leaders do not compute the cost of low trust in their organization. People do not stretch in a low trust company; everyone does the bare minimum to keep his/her job. A low trust company is one where employees have mentally quit the job but stay in the company.

The role of a leaders is to sense the trust and ensure that he personally steps up to build trust in the organization.

10

Can you name a leader who you consider an inspiration when it comes to dealing with a crisis?

I personally thought that President Obama was brilliant in managing the financial crisis. His decision to bail out the auto industry was widely panned but history has shown that to be the correct decision.

I have great respect for New York Governor Cuomo. I watch his briefing every night. I find his honesty so refreshing in a world of political spin.

I am enormously impressed by Jacinda Ardern, the New Zealand Prime Minister in the way she handled the Christchurch shooting crisis. She is doing a great job even with the COVID-19 pandemic.

Women leaders in Taiwan, Germany, Finland, Denmark, Iceland have done a remarkable job in the COVID-19 crisis; maybe it is time for male leaders to reflect as to what they can learn from these wonderful women!

Let's not look at others; I think every individual in a company, every team, every leader can step up and create his own legacy in this situation.

Many case studies will be written a year from now, about companies that got it right and companies that got it wrong.

In which list, do you desperately want to belong? That will set the tone for inspiring leadership!