

Business Leaders in India on Navigation Disruption & defining New Horizons



ODGERS BERNDTSON

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Introduction

A ‘black swan’ event refers to a moment of crisis which appears to be unpredictable and unprecedented while they are occurring, but on subsequent analysis of preceding events, are found to be entirely predictable. The COVID-19 pandemic was one of the greatest ‘black swan’ events ever to occur in modern history, perhaps even more devastating than the Influenza outbreak of the early 1900s, with its repercussions still being felt across the globe today.

In the wake of the pandemic, the global situation remains uncertain. Leaders are operating in a volatile market situation with a tremendous impact on inflation and supply chain due to the ongoing war crisis.

Through a roundtable, Odgers Berndtson brought together leaders across industries to discuss the findings of

the “The Odgers Berndtson Leadership Confidence Index 2022 report”¹, released in collaboration with Forrester. The aim was to discuss the theme **“Confidence in Business Leadership to Navigate Disruption”** including the confidence in an organization’s leadership to deal with a ‘black swan’ event like the pandemic.

The roundtable was attended by leaders from different sectors including Aerospace, Technology, Consumer & Retail and Media. The topics discussed at the roundtable included the key findings of the report, the role of technology as an enabler or a disruptor, how diversity & inclusion and sustainability have become hallmarks of organizations who have been successful in navigating disruption, and the leadership qualities necessary for operating in a VUCA world.



¹ Odgers Berndtson et al. (2022). Leadership Confidence Index. https://www.odgersberndtson.com/media/11623/odgers-berndtson_leadership-confidence-index-2022_web-report.pdf

Leadership Confidence

One of the key factors responsible for the higher confidence in leaders is the increased concern for the well-being of employees, greater empathy & consistent communication by the leaders during the pandemic.

The pandemic has forced organizations to evolve into more inclusive and empathic structures, with greater transparency and communication between the upper and lower hierarchies of the organization. This has further contributed to the increased confidence in leadership.

“ During the last two years, the chief priority for leaders has been the health of their employees. There has been a renewed focus on employee well-being. This has changed how an employee sees their leader, resulting in an increased confidence in leadership overall. ”

Venkataraman SV
Managing Director, ANZ.

“ It was during the pandemic that we really saw the leaders’ EQ at play. Across organizations, irrespective of the sector, it was a people-first approach. As leaders, we are now truly listening. ”

**Amit Kalra, Managing Director,
Swiss Re; Head Global Business
Solution Centres India.**

In times of crisis, people come together to strive against a common threat, putting aside their differences for the shared benefit of survival. Leaders were tested in their abilities during the crisis. Those leaders who were able to successfully navigate this period of crisis and ameliorate its impact on their organization and its employees, demonstrated both the strength of their leadership as well as the necessity of their position in the eyes of the employees. Thus, gaining the goodwill and confidence of their employees in the process.

The Great Resignation Story

The increased confidence in leaders is undercut by the severe rise in resignations, with companies witnessing an all-time high attrition rate in their talent pool.

Quarantine restrictions during the COVID-19 pandemic necessitated a digital, work-from-home environment that significantly reduced the level of interaction employees had with the wider employee network of their company. This further led to a decrease in the sense of community and loyalty towards organizations, which coincided with the austerity measures necessitated by the pandemic, leading to a rise in employee attrition.

“Half the economy was already distressed when the pandemic started. Leaders in hard-hit sectors, like hospitality, were forced to innovate and compromise to keep their organizations functioning. Others, in less distressed sectors, didn't need a trade-off and were able to keep their employees happy. So, the 'great resignation' is essentially about successful companies vis-à-vis distressed ones.”

Vishal Dhupar, Managing Director Asia South, NVIDIA.

Among the key factors responsible for the 'great resignation' are the significant changes brought upon by the pandemic, both in the marketplace as well as in individual and community priorities. The pandemic created a seismic shift in the marketplace, which not only created new opportunities for those looking beyond the traditional workplace for their livelihood, where they have greater control over work hours and conditions but also fostered a new focus on job satisfaction. This has shifted the balance between organizations and employees in favor of the latter, leading to a situation where they can set their expectations in front of prospective employers.

Additionally, people are also being forced to re-evaluate their priorities in the wake of the trauma they underwent during the crisis period. This has led to an increased reluctance in up-and-coming talent to just settle for any role in any organization.

“The pandemic was a litmus test which forced everyone to really question the higher purpose of life, about community and society, looking beyond individual progress, development, enterprise, and profit. The great resignation is a consequence of all this.”

Shrinivas Chebbi, Global Head of Himel International



Technology: A Complex Factor

Technology is a complex factor that has both positive and negative impacts on the economy, depending on the sector.

On the one hand, technology brought about a distance between the upper and lower hierarchies of organizations, which remains a contributing factor in the 'great resignation' trend. Some leaders also expressed that technology benefited consumers more than organizations.

On the other hand, technology remains a positive tool, which provides companies with the necessary instruments to navigate crises and mitigate its impact with increased efficiency. The increased technological dependence in the post-pandemic world has benefited the Indian tech sector significantly, with more than 220 billion dollars of the global IT sector already represented by Indian companies.¹

The growth and emphasis on digital services in the wake of the pandemic have provided opportunities for companies to interact with emerging technological trends, such as cloud storage,

cryptocurrency, NFT, AR & VR, and artificial intelligence, which have helped transform supply chains and opened up new avenues of trade.

Technological advancements, such as AI-based algorithms & software tools used within the HR industry, have supported establishing greater transparency and promoting diverse talent by measuring performance, which has helped progress D&I within the organization.

“Digitization will help create ‘spurs of sufficiency’ which will allow further recovery from the ripple effects of the pandemic, i.e., by as much as 25-30% from where we are at present.”

Gopi Hanumanthappa, Managing Director, Thyssenkrupp Aerospace India.



¹Forbes. (2022). The Global 2000

VUCA or New Horizons?

Further disruptions in a post-pandemic world defined by Volatile, Uncertain, Complex & Ambiguous (VUCA) traits and how to navigate through such disruptions in order to 'sustain & succeed' while retaining their employees was a common concern expressed by leaders in the discussion.

In essence, the confidence and ability to adapt and innovate in the face of uncertain situations are qualities that are crucial for a leader to successfully navigate disruption in a VUCA world. Being able to find opportunities in disruptions and having a positive outlook is vital for navigating such volatile times.

“ VUCA world is here to stay. Leaders must first accept and embrace this reality. Leaders should be honest, transparent and willing to expose their vulnerabilities. This will help them gain employee confidence and commitment in difficult situations and make the organization cohesive, adaptive and resilient. ”

Vikas Kulkarni, Managing Director, Bostik India.

“ I prefer to say 'New Horizons' rather than a VUCA world, and 'New Horizons' need new solutions. Strategy and Execution Plans in a 'New Horizons' world should be very flexible, with a focus on empathy, people, and innovation across the value chain. ”

Sunil Sethi, Executive Chairman, Modenik Lifestyle.

Transparency, honesty, and communication are key to engendering trust in leaders, which will help create resilience, improve confidence, and build a strong sense of teamwork within an organization, allowing leaders to navigate through challenges efficiently together with their teams.

Conclusion

The disruption of the global supply chain revealed its vulnerabilities in the face of the pandemic. This is particularly concerning, given the continued crisis in Ukraine, as well as rising tensions in other parts of the globe.

The nature of globalization, the impact of emerging technologies, the continued climate crisis and our response to it remain some of the key challenges that leaders in diverse industries will have to urgently address in the immediate future.

The roundtable discussion clearly establishes that while challenges remain, leaders continue to have the determination and the capability to adapt and redefine themselves in accordance with the dynamic global situation and its uncertainties.

“Confidence in Leadership will remain at the heart of attracting, engaging, and retaining the best talent. Leaders need to continue to remain agile & display their commitment to Diversity, Equity & Inclusion and Sustainability if they wish to attract the best minds.”

Dr. Prasad Medury, Managing Director India, Odgers Berndtson.

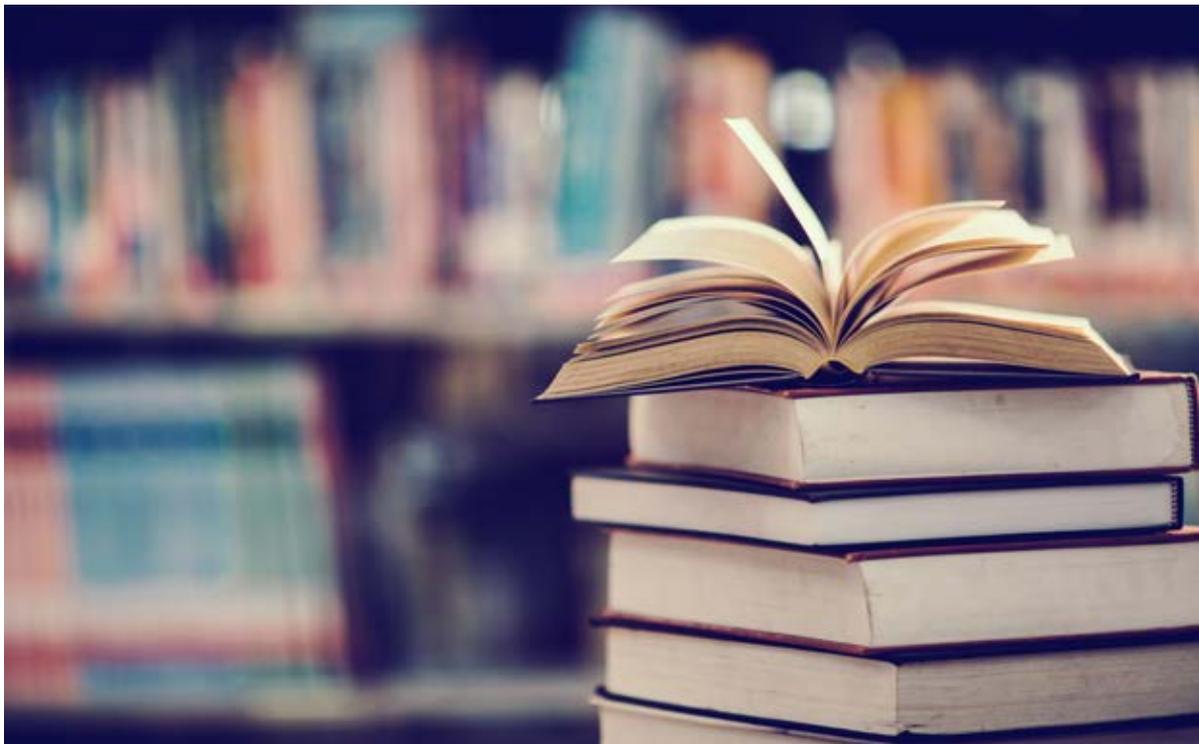
“Change is the only constant. Rising inflation, disruptions in supply chains, wars and other distress situations will continue to emerge, unlike a single black swan event that hit us all at once. Leaders will have to continue to chart uncertain waters for the next few years.”

Sitaraman Shankar, CEO, The Printers Mysore Pvt Ltd & Editor, Deccan Herald.



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About Odgers Berndtson

Organizations of every size and sector depend on talented individuals, teams and leaders to realize their success. Odgers Berndtson's strength lies in the partnerships we develop to address that need. We form strong relationships with the most talented people, with those seeking them and between our own teams globally to bring both sides together. It is because of our deep, non-transactional and lasting partnerships, that our clients can acquire, develop and retain their strongest leaders. We combine deep sectoral insight with an analysis of the specific context in which the organization is operating. This entails evaluating existing board and management dynamics to ensure we consider every brief from all perspectives. We use our understanding to support clients to secure innovative leadership and board appointments capable of leading their businesses through disruptive times and towards success. With offices in 33 countries, and through global collaboration between them, our consultants combine their industry and functional expertise with cultural and geographic knowledge to ensure our clients have a strong and diverse selection of candidates to choose from. We guide organizations towards appointments that will transform their business and secure its future. And we stay with our clients, and those we place, beyond each successful search, to support their continued joint future success.

Thanks to all the eminent participants of the roundtable:

- Amit Kalra, Managing Director, Swiss Re; Head Global Business Solution Centres India
- Gopi Hanumanthappa, Managing Director, ThyssenKrupp Aerospace India
- Shrinivas Chebbi, Global Head of Himel International
- Sitaraman Shankar, CEO, The Printers Mysore Pvt Ltd & Editor, Deccan Herald
- Sunil Sethi, Executive Chairman, Modenik Lifestyle
- Venkataraman SV, Managing Director, ANZ
- Vikas Kulkarni, Managing Director, Bostik India
- Vishal Dhupar, Managing Director Asia South, NVIDIA

**in alphabetical order*

