

Crompton Greaves: Preparing the Next Generation of Leaders for a Global Organization

A Global Leadership Development Programme for High Potentials

Crompton Greaves is part of the US\$3 billion Avantha Group, and is India's largest private sector electrical engineering company.

The wide range of products that the company offers is organized through its three business units - Power Systems, Industrial Systems and Consumer Products.



A substation installed by the MSE division (US).

Why Did Crompton Greaves Contact Management Centre Europe?

Crompton Greaves' corporate mission is to create value by providing integrated solutions and superior knowledge-based products and services for its global customers in the T&D (transmission & distribution of electricity) market.

Its strategy is to grow globally by offering total solutions, through organic growth and through mergers and acquisitions. In order to do this successfully, it knows that it has to develop the right skills and competences of its people to lead

and grow the company in the future. This is top priority for Crompton Greaves. As its Managing Director Sudhir Trehan said recently, "The main problem that Crompton Greaves is facing today due to these global acquisitions is a paucity of leadership. We lack a cadre of global managers who can deliver, irrespective of geographies." Sudhir Trehan also said "We will bring together all the potential global leaders and train them, give them hands-on experience, and make them aware of the cultural differences in various regions, which will help us in the long run."*

With the above in mind, Crompton Greaves had already identified high potentials who had shown that they could take on future leadership roles

in the company. To help develop them, Crompton Greaves contacted Management Centre Europe (MCE). As Jean Steensels, Corporate Secretary, Corporate HR, Member of Audit Committee commented, "We approached Management Centre Europe on the basis of its global capabilities, its ability to offer highly customer-specific solutions, and its use of business people to develop and deliver those solutions. We felt that they could provide the right global leadership programme that we had in mind".

The MCE Associate who was chosen to lead this project had relevant international business experience gained with a major global organization.

*Source: ET500, "Who Dares Wins...", 17/10/2008.

How Did Management Centre Europe Work With Crompton Greaves?

Understanding the Situation at Crompton Greaves

Initial discussions took place between MCE, Jean Steensels and Dileep Patil, CEO of Crompton Greaves – Power Systems, to know more about the sector in which Crompton Greaves operated, and to understand the organization itself, how it worked and its particular strategy. MCE also wanted to know about the activities, processes and procedures already in place, and the people issues related to implementing the company's strategy.

Understanding What Crompton Greaves Needed

Crompton Greaves' strategy is to grow globally by providing total solutions to its customers. This strategy implies the need to create a global, transnational mindset. It also implies that Crompton Greaves would be moving from a company with a product-based strategy to a Product+ Customer Specific Solutions provider, and this in turn would require its employees to have different skills, competences and behaviours.

To better understand the group of high potentials who had been selected, MCE spoke individually to all Vice Presidents who headed regions and functions. This helped to establish:

- Strengths and weaknesses, and what areas the high potentials needed to work on
- The skills that they would need to develop for future leadership roles

It became clear that the development should include:

- How the changing global world impacts strategy and goals
- Creating and managing global organizations
- Successfully integrating new businesses
- Managing change and leading global teams
- Multicultural and cross-cultural skills

Deciding on the Right Customer Specific Solution for Crompton Greaves

Both MCE and Crompton Greaves came to the agreement that the solution, named "Leading a Global Organization", should be divided into three separate modules:

- **Strategic leadership** – to translate the fast-changing global environment into strategic actions/initiatives
- **Operational excellence** – to ensure that processes, structure and infrastructure provide competitive advantage
- **Performance management** – to ensure that financial, operational, customer and people goals would lead to a performance-driven culture.

Each module would last 8 days, would be residential and would take

place in different global locations – namely Belgium, India and the US.

The proposal that was put together was supported by the Crompton Greaves global HR Council, and the council's recommendations were included in the solution's final design.

Development and Implementation of the Solution for Crompton Greaves

In line with MCE's approach the workshops would be active (i.e. not passive), practical and as "real-life" as possible. They would include:

- A case study on an area of strategic importance. For example, a strategy for a market space such as wind energy. Participants would work in teams of 4 throughout the 8 days, and present their findings on the final day to the CEO
- A CEO-level guest speaker with global leadership experience who would share his/her knowledge and expertise
- A key customer to discuss strategy and how Crompton Greaves could partner with that customer more effectively in the future
- Extensive pre-reading, preparation and insights from the latest business literature.
- Team-building and multicultural events

Each workshop would be opened by the local Vice President and closed on the last day by the CEO. This showed the senior team's commitment to the project.



BIO-SLIM ® transformer installed in Celtic Sea (Great Britain) for on off-shore wind farm.

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Jean Steensels, Corporate Secretary, Corporate HR, Member of Audit Committee, Crompton Greaves

Between modules, teams would work remotely on strategic projects such as how to enter an emerging market. The lead Associate would provide coaching for these teams through conference calls and monthly progress reviews.

The teams’ findings and recommendations would be presented to the CEO and top team at the subsequent module. If they made business sense, they would then be incorporated into future strategic thinking and plans for the company.

Module One: Strategic Leadership

The first module, on strategic leadership, took place in Belgium. It included participants from countries including India, Belgium, the US, Canada, Ireland, Hungary and Indonesia.

Three days of the module were presented by Associates other than the lead Associate. These people had specialist business experience

and expertise in the topic at hand. This brought extra quality to the development and provided specialist viewpoints on the issues and challenges that were dealt with.

The module covered the following areas:

- Strategic context
- Competitive strategy
- Blue Ocean Strategy and innovation
- Growth
- Global organizations
- Leading across cultures
- Strategy execution
- Leading change

Results and Benefits for Crompton Greaves

The feedback and evaluations from the participants on the strategic leadership were extremely positive.

What particularly stood out for Dileep Patil was the caliber of the presentations on the final day. As Dileep Patil said, “The very high

quality of the analysis, the strategic insights and the presentations from all five groups clearly demonstrates to me the drive to implement what was learned. We now have to continue to build on this solid platform.”

The same group of people would participate in the modules on operational excellence and performance management. The module on operational excellence was planned to take place in India, one year following the first module. The performance management module was scheduled to convene 6 months later in the US.

This program consisting of the above mentioned three modules was offered to 20 high potentials. The same program will be offered to other groups of 20 high potentials out of the global Crompton Greaves organization.

Crompton Greaves

Crompton Greaves has been synonymous with electricity since it started. Crompton Greaves’ India operations were established in 1937, and since then the company has retained its leadership position in the management and application of electrical energy.

Today, with several international acquisitions, Crompton Greaves is fast emerging as a first choice global supplier for high quality electrical equipment.

www.cgglobal.com



In-House Workshops for Strategic Alignment

Aligning your people to your strategy becomes even more urgent during times of rapid change. Shared corporate values drive people’s motivation and attitudes, and they are essential to get internal stakeholders to move in new directions. Ensuring that everyone knows and understands the shift in strategy—and what the

change means for each person in his or her daily activities—is essential for a successful transformation.

To learn how MCE can help your organization manage change that results from a shift in strategy, contact us to set up a meeting or to request more information. Let us show you how we can put together and roll out

an initiative that answers your specific needs.

In-House Workshops from MCE

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