

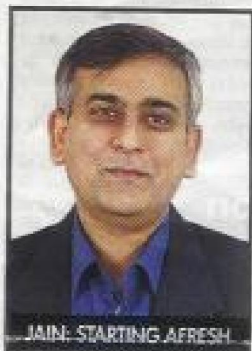
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CROSSOVER KINGS

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and Bhanu Pande

ELEVEN YEARS — that's the time Amit Jain spent in Coca Cola before he plunged into the entertainment industry, as head of MTV India and EVP MTV Asia, five weeks ago. This former regional VP for Coke in northern and eastern India wanted a change as he was running out of challenges in the MNC giant, especially after he came back to India from a foreign posting a year and a half back. "I like creating and building businesses," he says. "But when I came back to India, I got a steady state organisation. The building bit had gone away."



JAIN: STARTING AFRESH

From soaps to insurance, motorcycles to pharma, a new breed of executives are taking advantage of India Inc's war for talent to hop from industry to unlikely industry. CD explores

Nine years in automobiles didn't lead to inertia for Anil Sobti, the high-profile marketer who steered Hero Honda Motors from a Rs 1,000 crore company to a Rs 9,000 crore two-wheeler behemoth. Now, his card reads 'President-Asia, Middle East and Apac, Ranbaxy Lab'. Says Sobti, "In today's corporate world, it is critical to be able to work in different situations and manage diverse things. Driven by globalisation, the world of business is changing so fast that change has become a constant factor. So, top level executives' shedding years of inertia to get into alien sectors is nothing but responding to the environment."

It's not only Jain and Sobti — the average industry executive's readiness to take on radical assignment shifts is fast becoming the order of the day. The roster is full of names who have dared to venture into completely new industries and the number is on the rise — Aniruddh Choudhary, who moved from Bank of America

to BPO Progeon, Pramath Sinha, who shifted from consulting at McKinsey to the ABP group, Ravi Venkatesan (engineering to software), Vikram Kaushik (FMCG to broadcasting), Bajeev Gupta (investment banking to private equity), San-

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jiv Gupta (FMCG to private equity), Assem Handa (BPO to recruiting), Sanjay Kapoor (headhunting to private equity) are among scores of others.

The intensifying war for talent is one of the factors that has contributed to this emerging trend. At the same time, organisations are becoming more open to such crossovers. "If you look at critical leadership positions, today's organisations are much more open to a wider choice in their quest for the right skill sets. It doesn't matter if the person is from a completely different background. If his skills match the company's re-

quirements, he is in," says Sanjiv Sachar, managing partner, Egon Zehnder. At a macro level, one of the key drivers of cross-industry moves has been the emergence of new sectors, such as retail, aviation, and private equity. These industries gave rise to a talent vacuum, which other industries had to fill, hence the migration. One of the earliest examples of this large-scale inter-sector migration has been the movement of FMCG professionals to telecom and insurance. "Till the time the demand supply mismatch exists, and trained manpower is available, hiring from other sector will go on in growth sectors," says Sonal Agrawal, country director, Accord Group.

With no existing pool to dip into, new sectors usually turn to other industries for their talent hunt. Sometimes, a new sector can have such an allure that executives across industries rush in, like the current frenzy in private equity (PE). People from investment banking, consulting, consumer goods, and man-

ual funds, and even headhunting are joining PE firms. "It's also a function of attractiveness of an industry," says Anil Vohra, managing partner, Transsearch.

In many cases, when a company is looking for a specific skill set, the industry of a candidate is immaterial, and it's just the experience in handling a particular situation that becomes paramount. "Sometimes, a compe-



PURI: CREATIVE SOLUTION

ny has an overbearing case for hiring a person who has certain qualities a company needs, like managing acquisitions, turn-arounds, a JV, or even a particular country exposure," says R Suresh, CEO, Stanton Chase.

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BREAK ON THROUGH

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FOR INSTANCE, Microsoft India chairman Ravi Venkatesan, was brought in from Cummins to integrate different businesses. Arvind Nair, who turned around Domino's Pizza, was hired from air conditioner company Amtrac. Also, Ravi Kant who turned around LML initially, came from Titan watches. Moreover, at such levels, skills are transferable, and the industry really doesn't matter.

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A typical instance where outsiders are preferred is when a company is looking for exponential growth, and needs to be shaken up. Someone like Lou Gerstner, who came from a tobacco company and transformed IBM into the world's leading IT services company. "When somebody comes from a new industry, he challenges the old order, and encourages creativity and innovation," says Ramesh Puri, CEO, Executive Access.

There are some reasons on the personal front as well. The much touted argument is that of boredom, and the quest for new challenges. There have

been cases where executives have even taken a salary cut to join another industry. MTV's Jain says, "I wanted to rediscover the excitement of building an industry, and also connect with the youth." Jain was turning 40 when he made the move, and he jokingly says that the choice was between

stage," says Agrawal. The daredevil spirit to venture into alien territory is not just limited to top level movements. Second and third rung executives, too, are increasingly experimenting too. Most recently, Deba Ghoshal, head of product marketing (DDM), LG Electronics India, is mov-



taking flying lessons and joining MTV, and he choose latter. It's exactly this urge of doing something exciting that convinces many to jump.

Many of those crossing over sectors believe it's the right time to enter a new industry as the chances of becoming a front-runner in a new industry are much more. "There is a thinking that the chances of assuming leadership position in a new industry are better if you join it at the nascent

ing to an automobile company, which he declines to name, for the time being. Last year, Hyundai general manager Pradeep Saxena, who was also a former Hero Honda honcho, moved to TNS, a research firm.

HR departments in companies are also becoming more comfortable with the idea. One of the biggest success stories is that of Bharti, which is a company made entirely from outsiders. And then there are

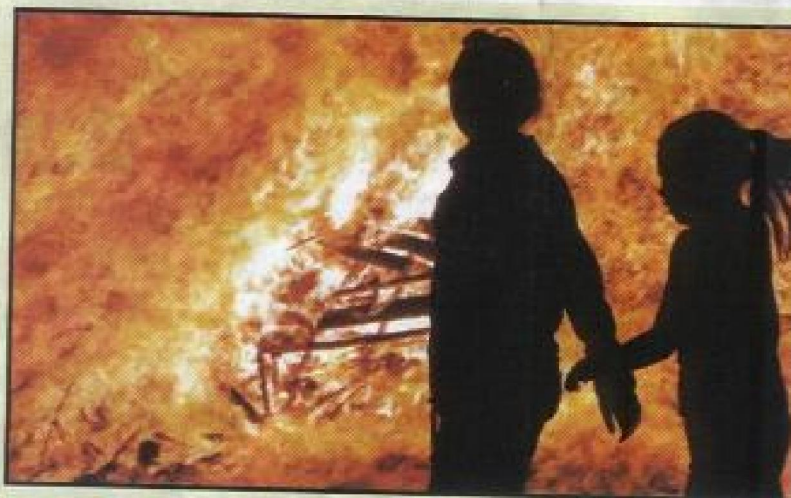
some areas like consulting, which provide talent to many industries. In the last few months, consultants have been moving to industry roles with regularity. McKinsey saw senior consultants like Pramath Sinha, Jayant Sinha and Michael Fernandes move recently, and every consulting firm is facing a similar situation. "Industry is lapping up consultants because they are a great help in strategising, and can handle the increasing complexity of business," says Suresh. Nicholas Piramal and Star TV have successfully hired consultants as employees to run their businesses. However, all is not hunky dory — there are cases when the outsider is unable to get a hang of an industry, and the company may lose critical time while he or she comes to grips with the new circumstances. "The learning curve is a bit longer for some candidates," says Vohra. In some cases, the outsider may tend to be a bit experimental, and may fail to abide by an industry's unsaid rules.

But these cases, though they exist and are not hard to find, aren't deterring the new breed looking to make the crossover. So don't be surprised if your company's next CEO is from a sector you never imagined could cross yours.

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STILL, old habits are hard to break. Even the insurance industry, which specializes in assessing risk, falls prey to silo thinking. Doherty notes. On one side are the people who deal with liabilities, such as the act of having to pay insurance claims. On the other are those who deal with assets, such as firm's holdings in real estate and securities. Each side has to address its unique set of issues independently. It is not surprising that the siloed approach to risk management is still more the norm than the rule, as most of the instruments for transferring risk are relatively new. Most derivatives involve interest rates, currencies,



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