

## The 'bad words' of business

AESHA DATTA

**H**aving sleepless nights over the employee churn in your company? Have heart, it is not such a bad thing, says Ronesh Puri, Managing Director of head-hunting company Executive Access.

Puri, whose company is involved with spotting talent for top-rung management positions, feels that diversity, conflict and attrition are not words to be scared of.

He is an avowed believer of diversity, and explains, "It helps an organisation when there is diversity because each one (in a team) has a different perspective and the more angles you see, the better would be your decision-making. If you have people who are all thinking the same way, you'll never get out-of-the-box ideas." He adds that when new blood challenge the systems and processes in place, it can give new energy to the organisation.

### RESIST CHANGE AT OWN PERIL

Giving the example of Nokia, which has become a favourite example of a company at the height of its glory spiralling to near-extinction, Puri adds that each year, one-third of the top 500 companies decay because they are resistant to change. This degeneration, he feels, could be avoided if new people, with new ideas, come into the company.

But what about the dangers of conflict that come with a vast field of ideas?

"Conflict is not necessarily bad, just as attrition is not necessarily bad. We think if your attrition is low you are better off, but not really.

You need infusion of new ideas, new blood to challenge the old order," Puri adds.

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### FRESH PERSPECTIVE

He believes that it is more beneficial when heads of companies do not have prior experience of the sector.

"If the person is from the same industry, he or she hits the ground running a little faster. So, in the short-run it may be good. But if you have the larger picture in mind, in the long-term, it is better to have someone from outside who looks at everything from a fresh perspective. Companies grow when they innovate and that, sometimes, comes faster when the person at the helm is able to think differently," he says.

Puri gives the example of Om Manchanda, Chief Executive Officer of Dr Lalpath Labs, who worked in Hindustan Unilever, Monsanto and Ranbaxy before joining the pathology lab chain in 2005.

"Om would be one of the top-performing CEOs of India today. You would not get a CEO who has been able to register a growth of more than 10 times in the top-line and more than 20 times in the bottom-line," Puri says.

### HARNESSING ENERGY

Manchanda also gives credit to Puri for encouraging him to join a sector in which he had not worked previously. Manchanda says that his own zest to do new things was the driving factor in his job as the head of Dr Lalpaths, a position he has occupied since 2005.

However, Manchanda sounds a warning note and says that while diversity is one of the significant factors that drive growth in an organization, and conflict is often productive, the key lies in how that diversity is handled. He said that the head of a group — the CEO or the team leader on a project — needs to manage conflict and rein in the debate to give a direction to the discussions and avoid derailing the organisation.

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