



Developing Internal Leadership For Business Growth



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Most CEOs globally cite an inadequate pool of leadership talent as a business threat and yet organizations are not moving fast enough to address this.

Vedanta, a \$15.4 billion enterprise built a 600 strong internal leadership pool in a span of over two years, selecting young talent and providing them with ‘ahead of time’ opportunity to deliver superior results in the most challenging and exciting business situations!

Korn Ferry, a consulting firm was inducted in October 2018 for an independent study to gather objective feedback on various program parameters, such as satisfaction on the provision of higher responsibility, differentiated reward, better visibility with top leadership, etc. The study revealed resounding feedback from across stakeholder segments - employees, ecosystem (reporting managers, skip level) and top leadership this re-enforcing its effectiveness and impact.

Sandeep Bhalla, Partner, Korn Ferry Advisory India said the independent study to extract insights and trends pointed to the following key observations on the program:

1. 85 percent of Vedanta leaders are highly satisfied with higher responsibility/ wider exposure
2. 87 percent of Vedanta leaders are highly satisfied with top management interface & recognition
3. 86 percent of Vedanta leader showed an improved/ sustained high-performance post provision of higher responsibility
4. 70 percent of Vedanta leaders are highly satisfied with the increase in rewards provided post identification as internal growth leaders
5. 89 percent of Vedanta leaders are provided with high performing managers to guide them in the higher role
6. 75 percent of Vedanta leaders felt adequate support is provided on infra/ team/empowerment

7. 100 percent of Vedanta leaders are formally provided Anchor/ Mentors to support them in their career journey

In addition:

1. Less than 1 percent of Vedanta leaders attrited from the organisation who were identified as internal growth pool (which shows the immense retention power of a program of this nature)
2. 35 is the median age of a Vedanta leader in the internal growth pool (which reflects focus on young talent growth)
3. 25 percent is the gender diversity ratio – this shows the focus of Vedanta to be more gender-balanced even in the leadership talent pool

“Our in-depth study revealed very high satisfaction across the eco-system, all giving a resounding ‘Thumbs-up’, rarely an initiative of this scale receives such a feat!”

(Sandeep Bhalla, Partner, Korn Ferry Advisory, India)

Insights from the conversation with Madhu Srivastava, Group CHRO, Vedanta Limited

What made Vedanta decide to look at internal talent pool to identify future Leaders?

Vedanta has always valued people to be its biggest asset. As an organization, we have always believed in the philosophy of “Leadership from Within” as we lay major emphasis on identifying future leaders from the Group itself, across the business. For the past few years, we have been experiencing robust growth and positioning ourselves as the “Global Natural Resources Leader”. To realize this vision, it is imperative to have a bench strength of highly competent, committed and able leaders who can steer this growth.

To strengthen this philosophy and translate it into an industry-leading practice, the initiative known as “Chairman’s Internal Growth Workshop” was launched – directly anchored by our Group Chairman. The core principle was entrusting higher responsibility to high-quality talent through elevation and empowerment and enable them to drive transformational value.

What steps were taken by the organisation for building an internal talent pool for leadership roles?

We believe the key step towards this is paying attention to the People. Our focus was to design the best framework which is outcome-oriented with a due concentration on the right process. Stemming from the Group’s philosophy of risk-taking and of senior leadership’s view to encourage young talent to deliver superior results the structured initiative known as “Chairman’s Internal Growth Workshop” was launched which will be directly anchored by the Chairman.

The key steps involved in this initiative – a) Identifying the Core Business Need/ Imperatives; b) Designing the Agenda and list of Participants; c) Pre-workshop alignment with the Senior Leaders and the Chairman; d) Determining Evaluation Criteria – Key Competencies/ Metrics for assessment; e) Workshop Session with Senior Leaders; f) Deliverables Workshop and Announcement.

How did the senior management support/take part in this initiative?

The Internal Growth Workshop program has been directly anchored by our Group Chairman who personally invested over 900+ Hours in the program. Also for each workshop, we have a Senior Leadership Panel which comprises on Cross Business, Cross Function Leaders – CEOs, CFOs, CMOs, CHROs, etc. from the Group companies.

What was the end result of the “Leaders from Within “initiative?

Over the past 2 years, the Group has conducted over 100 Workshops across functions and business that enabled us to create an impressive bench-strength of 600 Workshop Leaders, who have taken up elevated and enhanced roles across the organization. This pool of leaders has an average age of 35 years and a gender diversity of 25 percent. Over 3000 participants were met and engaged with as part of this high impact initiative.

How has the initiative helped Vedanta to prepare itself for future growth?

To steer the rapid growth pace to increase our business exponentially, it is important to have able future leadership in the pipeline who can take the wheel and steer us towards this vision. This industry-leading initiative has helped in churning our best quality 600 leaders across the Group, which has made us future-ready and has enabled us into transforming to a world-class, forward-looking organization.

Sandeep Bhalla, Partner, Korn Ferry Advisory India explains three key factors for the success of this program at Vedanta:

Resounding Top Management focus and support: The personal investment of approx. 900 hours by Navin Agarwal himself shows the focus and support this program received from the top management. More than 100 workshops with 3000 and each workshop had a cross-section of senior leaders from across Vedanta group companies to identify, select and groom the next generation of leaders – provided the high focus and impetus for its success

Speed of Action to Empower the Talent: Upon identifying the talent, it was not left on paper or to bureaucratic processes which usually take longer to action and empower the talent. The decisions were taken on an immediate basis and with a few days, the organisational announcements were completed to award the identified talent with a

higher role / higher reward/transfer for a cross-functional exposure, etc. The mantra at Vedanta has been speed and agility which meant that even if the person was 70 percent ready – the top management would take a bet and provide the young talent with higher/ more challenging role & responsibility.

Linkage of the program to business issues: Many facets of this programs are linked directly to the business i.e. be it the workshop design wherein actual business problems were discussed and solved OR be it the end outcome wherein identified leaders were given higher responsibility portfolios to meet challenging business needs. This ensured that the program was not a one-off HR program but more a program which helped directly solved business problems – this got the senior business leaders very engaged and entrenched into the program success.

Companies which are embarking on such a journey should focus on making the internal talent growth program a business agenda by ensuring it directly connects in solving the business issues and putting the right talent at the right place with right empowerment.

Many programs fail since the actions which are required to be taken for the identified young talent to be groomed into seasoned leaders are often never actioned and left on the paper. Hence swift action is key to move, motivate and mentor talent to see real changes on the ground.