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Organisational Culture and Management Style

Lessons from Infosys

by Ganesh Chella



It is extremely difficult not to think about and write about Infosys now, especially when something as “unusual” as NRN returning to an executive position with his son as his executive assistant happens.

I do not intend adding to the wide range of speculations and opinions from analysts, thinker of management, ex-employees, current employees and so on. Nor do I wish to add to the many lessons being drawn about leadership development and corporate strategy, particularly the 3.0 variety.

I believe that Infosys is a great organisation and it certainly will see better times. After all, it is not that it is losing money! It is just that it is faltering momentarily in an otherwise enviable journey of success.

So, the three lessons I have taken away are only on culture and management style. These might be invaluable lessons for individuals and organisations large and small.

1. Avoid making your personal and organisational values a part of your marketing spiel and absolutizing them.

Most human beings, groups and institutions cherish and live by a set of universal values. These values establish the means by which they choose to achieve their goals and ambitions. A vast majority of business organisations live by many of these universal values not because it makes a great marketing story but because they genuinely believe in it and it is foundational. Importantly, choosing to live by ones values does not qualify as an extraordinary act of greatness. In fact, when one begins to position ones values as vehicles for reputation building, one might be violating the universal value of humility.

Also, the truth is that upholding values is always a struggle and a journey filled with dilemmas. With values, there isn't always a black and white situation but many shades of grey and leaders make some difficult choices and even suffer those choices. Making a few less than perfect choices does not make an organisation bad. Therefore, in the process of upholding one's values, if one presents an absolute black and white view, one might have to withstand public scrutiny when one has to navigate those shades of grey.

Having proclaimed the value of merit and the commitment to a clear retirement date for all leaders, Infosys is now being called upon to explain its decision to bring back Mr NRN who retired. It also has to explain why his son had to join him as his assistant. Honestly, when I put myself in the situation, I think the decision is understandable though not perfect. For most Indian businesses, there would be nothing wrong in asking your son to help you out in a moment of difficulty, especially when you are old, you have been away from day to day management and you may benefit immensely from the help that your son can provide you, because he understands you so well and will quickly help you rebuild your office.

In fact, helping one's father is a great Indian value! Unfortunately, only when it is viewed through the self-imposed and absolutized image of Infosys does the decision look flawed! The truth is that values might have to be reinterpreted (not violated) for changing times and doing that is not easy when you have absolutized them.

2. It helps to present a balanced picture of organisational reality

As an HR professional, I have always valued the idea of **congruence** – the extent to which the popular view or the general public view of an organisation as evidenced by the stories that ordinary people involved with the organisation including its front-line employees tell you or report to other matches with what the leaders are proclaiming in public. If there is a reasonable match, I call it good congruence. For congruence to be present, we need to listen to balanced stories from the organisations and its leaders – that they are great but they have a lot more to do, that their leaders are terrific but recognise and acknowledge publically that they could do better. Leaders must also accept failures, at least occasionally. That gives us the sense that these are learning organisations, these are organisations with the intrinsic capacity for self-renewal and above all the openness to listen to the street view and live in congruence with it. There are many great organisations that constantly talk about their failures and what they are doing to fix it.

Unfortunately, the IT industry has had a huge problem with the idea of **congruence**. For years, many of the IT majors have presented a rather one-sided picture about themselves. The front-line employees were constantly told how great their company was and how infallible they were in anything they did. It was pretty much a one-sided picture of glory and success and as the bellwether of the industry, Infosys was outstanding at this. In recent years, this pristine image is unfortunately not matched by the publically held view, either at an industry level or for a company like Infosys. Be it the infamous irace policy for career development, its inability to maintain its position as a preferred employer in many of the rankings or the high levels of attrition, the current popular view is quite different from the proclamations made by the organisation over years.

This growing incongruence only makes employees and all others who have anything to do with the organisation cynical.

3. It is best not to personalise reasons for success or the capacity to turn around

In their book, *Preparing your family business for strategic change*, Drew S. Mendoza and John L. Ward talk about the five phases that family businesses go through. What they mention about phase II is particularly relevant here. They mention that the founder of the business must appreciate that success came from more than a flash of inspiration. He must identify and define the ingredients of his or her successful strategy and install structures and policies to support it. According to them, effective leaders recognize that it is the whole organisation that is responsible for success and not just the brilliance of the founder. Effective leaders deflect the credit and depersonalize the reasons for success, they maintain.

Similarly, many have been critical of the western view that one individual with the experience, knowledge, skill, charm, vision, decision-making ability, emotional intelligence, stature, power and so on can provide the needed leadership to lead any organisation out of its deep crisis and have referred to it as the John Wayne School of Leadership!

Is that possible? In a complex global business, can one person and in this case Mr Narayanamurthy come and lead the organisation out of its crisis? In the first place, there was need to depersonalise the reasons for success by figuring out what really helped the organisation get here. Now of course, there is an even stronger case for depersonalising the recipe for turnaround.

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HR
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#43, Bazullah Road, T.Nagar, Chennai 600 017
Tel: +91 44 28150 690 / 91 Fax: +91 44 4202 4154
tellus@totusconsulting.com www.totusconsulting.com