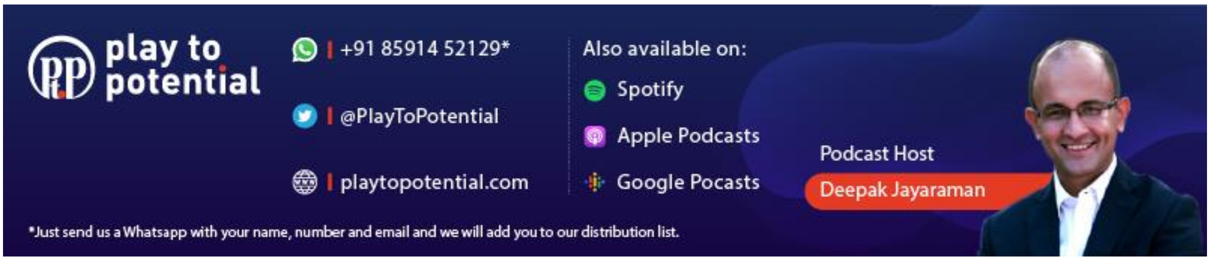

Guest

Mr Om Prakash Bhatt (OP Bhatt) is the Chairman of Tata Steel Limited and a Board Member at Oil and Natural Gas Corporation Limited (ONGC), Hindustan Unilever Limited (HUL) and Standard Chartered Bank. He started his career in State Bank of India (SBI) as a probationary officer in 1972 and retired as the Chairman of SBI in 2011. I had first met him when I was participating in the Director's Club programme conducted by Hunt Partners, designed to prepare individuals to be effective Board Members.

In our conversation, we spoke about how leaders should think about whether Board roles is something they should consider and his thoughts on what it takes to be an effective Board Member. More specifically, he talks about the distinction between the skillset and the mindset required to be an effective Board Member. He dwells on how leaders often need to build new muscles of influencing that their corporate career that they may not have built during their career. We also discuss the critical role of a Chairperson and how he/she can get the most out of the Board Members.

This conversation is likely to be of specific value to individuals who are considering getting onto Boards and are curious about whether it is the right thing for them and what it takes to be effective in a Board.

Context to the conversation

Welcome to the 36th conversation at the Play to Potential Podcast, a series of reflective conversations with leaders across disciplines on topics around Leadership, Transitions and Careers. I am Deepak Jayaraman, your host and curator of the podcast. I am an Executive Coach and work with leaders during high stakes transition – whether it is a role transition, leadership transition in a company or a career transition in an individual's life. To know more about the advisory work I do, you could visit www.transitioninsight.com

I believe that just like businesses need to be coherent about their answers to "where to play and how to win", we all need to be thoughtful about our responses to the 2 questions "where to go and how to grow". This is podcast is an attempt at exploring how some leaders across domains have grappled with these two questions as they have gone on their respective journeys.

My guest this time is Mr Om Prakash Bhatt, former Chairman of State Bank of India. He is on multiple prestigious boards today including ONGC, HUL, Standard Chartered Bank. He is the Chairperson of the Board at Tata Steel. I had the privilege of meeting him when I did the Director's Club programme a couple of years back. Director's club is run by Hunt Partners and Board Evaluations Limited (a UK based company). It equips individuals to become effective Non-Executive Directors by exposing them to best in class practices, perspectives from Industry leaders and academicians and by building a network of like-minded peers that can share ideas on Board related matters. I had an opportunity to experience Mr Bhatt's wit and wisdom as part of that programme. I would strongly recommend the programme for anybody who is keen to get a grounded and a nuanced understanding of what it takes to become a Board Member.

A quick thought on how you could consume the podcast. If you want to listen offline during a car-ride, plane travel, gym session or morning walk, you might want to use one of the popular podcast apps out there (Google and Apple have their podcast players, Spotify, Saavn, Stitcher and so on). If you are keen to get insights by them across speakers I would urge you to visit the Curated Playlists section of the website – playtopotential.com. If you want to be informed when I upload new content, you could sign up on the website. You have my word that you will receive less than 2 emails a month and your data will not be shared with any external organization.

Without further ado, over to my conversation with Mr OP Bhatt.

Transcription

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Deepak Jayaraman (DJ): What your pie chart of time looks like today? What do you do and more importantly why do you do what do you do today?

OP Bhatt (OP.B): So one thing about my time is that it is definitely not in my control. I engage with a bunch of companies mostly at the board level but even otherwise informally advisor, one to one mentoring some of it informal some of it are formal. So at least with the companies where I engage with their board level they decide when there is a meeting? Where there is a meeting and sometimes there is a conflict sometimes it is back to back sometimes chock up, one week I may have 20 meetings and again sometimes one week I have nothing to do, so one is that that my time is definitely not in my control, so whatever time I have I tend to spend with self and family and self would be reading doing things that you would do as a family and things like that. So there is of course some minimal engagements in Mumbai you can't avoid it but my instincts are to sort of butted now below the radar.

DJ: I want to talk about the transitions to board roles, but first is I think I wanted to understand having been a board member for several years now, what is the question people should ask themselves – Senior Executives to see if boards is an avenue through which they could contribute or to put it more bluntly who should not become a board member?

OP.B: So, board by definition is a bunch of people who bring diverse experiences, diverse backgrounds diverse competences and collectively maybe all that they bring is what the company requires at that point of time so, all board members are therefor to some extent quite different from each other and yet what I think is, at the board level, see any company, whether it is bank, whether it is steel, auto whatever, IT company any company has enough expertise within the company. Any good company chief executive, senior executive officers, senior officers they have lots of competencies within themselves. And what they don't have they can hire, they can get consultants, they can have people in contract and all kind of things, so I am not minimizing Domain competencies or specialist knowledge or whatever it is, but what I am saying is this is mainly one of the requirements or board member, there are other things which I think are more important to a board member, so that mindset whether everybody has or does not have is a bit of a question in my mind but in that mindset, you know that mindset comes or does not come because of where you were in the past, if it is a chief executive who becomes a board member. He is trained to be the boss, he is trained to be in command and control frame work, he is trained to get all credit and bask in all that glory and things that happened and now he is here one of many and whatever he contributes to the board even if it is the most important idea or most important intervention that is made in that company, it is the CEO, chairman or somebody else from the company who gets that glory out of it, so how much it disappoint him if not hurt him and therefore because of this he is not able to give his best to the board. So, to my mind it is apart from competencies for which you have been chosen to participate in a board, apart from that what is important is a contributory mindset or want if a better word maybe coach or mentor is also not the right thing. Can you enjoy giving of yourselves to the occasion, to the problem, to the person, to the company, in a manner that you actually enjoy doing it, you like doing that, you like doing because you have got so much in life you have so much, in terms of experience in terms of wisdom, what am I going to do with it if I am not going to give it ever for a better cause, so if you have that mindset you will become a very good board member, because you are giving away for the good of others, other people other executives, the company etc. and the pleasure that you get is to seek them succeed, to see the company's succeed, to see the company building great reputation or whatever it is, for all the things that you care for, it could be sustainability, it could be corporate social responsibility, it could be whatever right? But if you don't have that mindset that no matter what kind of competencies you have, there is a certain harshness around you or there is a certain reserve in giving and you may say all the right things at all the right time which others will also do or which the executives will also do but you may not bring about that little extra in your interactions, which makes the difference.

DJ: And for people, for senior executive who have transitioned from an executive to a non-executive kind of a role what are the few things they need to learn and unlearn, what are the new muscles that they build and plus what are the behaviours they need to stop?

OP.B: So, it's around this contributory mentality, for example they will be leading a team now they are a part of a team they have been giving instructions commanding people, now they have to use persuasion, influence through conversation sometimes it seems that it's a big change therefor, for some people this transition, once they are aware that this is the transition they have to make they can actually make it, it can take some time and effort but they can make it. Some people even after becoming aware that this is what needs to be done so that they are the right mindset for the board, some people actually cannot make it.

DJ: And why is that? What's the reason in those situations?

OP.B: I think its hard-coated psychology, it's too much of ME, I. you see a lot of speeches around with that language also you know every sentence or even across the tables. So, I think its psychology only and therefor these days there are a lot of psychometrics being done when you recruit people for an organization, any capacity, so I wonder if there should be some psychometric tastes for board members and there after give them some induction into some of these attributes which are required.

DJ: And again talking about maybe the first three to six months or let's say first two to three board meeting as the case might be again any wisdom for things that board members should do to settle well into a new board context?

OP.B: So there are something which the company should be doing so one which I have been advocating very strongly is that the company should prepare a kind of an induction program may be 5 sessions 10 sessions 20 sessions whatever it is, with senior executives on different subjects, maybe visits to plants and offices and things like that so that is something what company needs to do so it exposes to new director to the innards of the company so that whatever comes to the board subsequently agenda papers etc. he is … at home, also he know some of these people, senior executives, in addition to the board member the people who are immediately below the board as executives etc. he gets to know some of them either personally or the otherwise so that is I think that company needs to take this step and to take it in a very structured thoughtful way, the person who joins the board also has to be very thoughtful, I mean if I get 10 people, when you get invited to join a board, you must think why do you want to join this company? Do you like the domain in which they work? Do you like the chairman? Do you like the company's reputation as the market? Do you know any board members? What do you think of them? Are you going there for your ego satisfaction? Are you going there because you have got spare time? Or are you going there because you think you can make a positive difference? What is the difference you think you can make it to this company, so it's important for them to think about some of these things before they say yes to joining a board but even after joining a board for example on a few companies on a board level so supposing I am in company which deals with auto you mean there is any news item not only about his company but about the auto sector I am sort of drawn to it, I want to read what it is about, what it is this that and the other. So how do you keep yourself hungry to get all knowledge not information but knowledge around this company and how do you sort of become such that automatically you subconscious is processing it against this company, against some old agenda paper, again therefor something you are willing to talk in the next meeting or ring up and tell the CEO something about it, will your involvement and engagement come to this level where it becomes lagenas, if it becomes lagenas and you are constantly doing things to remain relevant knowledgeable, because you know in a board whatever agenda paper comes someone there is a presentation of 10 slides for those 10 slides those people would have gone from thousands of pages, they would have spent days, weeks, months in preparing that, right? You get only those ten sheets of paper if you are going to participate in an intellectual discussion based on just that then you are completely inadequate the asymmetry is huge and you are not in the organization, you are not part of the organization, you don't have access of many of this, you can if you want to but then you should know what to ask, so if your board member wants to meet so and so and discuss so and so topic, nobody is going to say no to him, no company will say no to him, so therefore how do you keep abreast, what do you read who are your friends? Who do you meet? What do you talk about? In the context of board meeting and it is sort of you know are most continuous so if you don't have that mindset, you are in only switch on and switch off board meeting is, so you do something then maybe you will not be good board member.

DJ: And you briefly spoke about this, in terms of selecting which board do you want to get on to and you also spoke about some criteria but what are some of the mistakes you see people make when in terms of selection of boards that they get on to.

OP.B: So I think the first mistake that people make is that they don't select, they say yes to the first board that they are invited to, I don't think people select, most of people do not select. See most board positions are such that they are not available all the time, not many of them available, rarely it comes 1 2 3 4 its by word of mouth or somebody your friend or your old boss or somebody maybe just call you or a head hunter call you. One at a time, next come out of three months or one year or whatever it is may not come also, so when it comes I don't think people give themselves a luxury of selection, they say yes, and this is what I tell everybody, I said the first time you get invited to join I would always say no. if they have really done research on you and they really want you for all the rise, they will come back they will persuade you, they will want to have a conversation with you at least. Meanwhile you do your research, so when the conversation takes place it will be more meaningful, it will tell you more things, things that you do not know, things which will help you take a decision, yes or no whatever it is but you can't say yes. In this most people do not go unless they are over bodied, they don't have time, this that and the other, but the person who is transiting from an executive or some other level, academician bureaucrat or whatever it is and now wants to transition into board most people take the first things that come.

Reflections from Deepak Jayaraman

DJ: Figuring out which Boards to get onto can be a tricky problem indeed. One of my earlier guests, Vinita Bali, for instance, spoke about how she thought about the Boards she picked.

VB: *"Board serves the purpose of a continuous learning and development plan for a non-exec. You learning about different domains how they look at opportunities and businesses and so on so certainly for me global board are critical and important because I do like a global perspective in fact I got of a lot of Indian boards and I wanted to restrict them really A only because there are so many boards you can do if you want to be a productive board member, so again I joined the board of Crisil which is very much an analytical company it does a bunch of other different things ratings is only part of their business it has again ability to interact with executives from SNP and McGraw-Hill who are on the board so in my case I have chosen boards that will expand my horizon both from a domain perspective as well as a geographic perspective"*

DJ: I guess there is no one right answer but we need to be true to our experiences, our skillsets and mind-sets as we make the choice.

To know more, you might find the nugget 16.09 with Vinita Bali relevant. You can find that at www.playtopotential.com. If you find the podcast of value, I would really appreciate you rating or writing a review on iTunes. It will help others discover the content. Now let's get back to the conversation with Mr OP Bhatt.

DJ: How have you chosen the boards you are on?

OP.B: So, actually I got invited to all those boards, I didn't have to choose, I just got invited and the kinds of boards that time I was invited to as you are saying yourself, it is very little reason to say no except you don't have enough time

DJ: I want to talk about the transition from being a board member to being a chairperson of the board, I am curious about again what are some of the new muscles the need to be built you know something that a board member doesn't prepare you for? In your experience what's the delta in terms of capability again if you could from your experience?

OP.B: So actually, I am chairman of a board before I became a board member. Then the other year there was this State bank of India and all the time telling now about board how they should behave and how other chairman of other people should behave. I didn't know any of that, so how I have behaved then verses you know. I guess some of them either now I am talking about

So, for me I was chairman first and I became board member much later I was there for 5 years, State Bank Board. And at that point of time how I have behaved as a chairman would be completely different from what I think how chairman or a board member should behave because that is mean by learning post that and it struck to my old point that people are not trained people do not know neither the company know people themselves do something about it so therefore in some sense it an opportunity lost. So, building from that if you want to become chairman from being a board member. So, if you look at the board as a place where we have dialogues and discussion around a topic or many topics for the good of the company. The role of the chair person to my mind is how to draw the best from everyone. Now in a board I have seen that everybody doesn't talk sometime it is not derisory for everybody should talk but their people who talk more and their people who talk less and just because somebody is talking less doesn't mean that he doesn't have anything to conclude maybe he has but the board room dynamic its own personal diffidence or shyness or variety of other factors inhabiting prospecting. Likewise the guys got most of the talking it is not necessary that they me be making the best contribution, maybe they are but me be they are missing out on the something on the other. So, these two things are happening simultaneously in the board discussion and nothing is done about it then I think it is the company and the board which is the loser. So, the chairman has to be wise to this that this is a talk shop you get wisdom out of dialogues how can you tease words out of people's mouth, how can you provoke people to talk more and more sense. You know you will find many of the dialogue "Whatever your stake is saying in the first instance, when 2 3 4 people start talking about same thing the sense changes, the meaning changes, the concept changes, your understanding changes, everything changes and can happen very gentle very wise way or can happen in very confrontational way. So, if either a chairman to make it very gentle, make it very wise and make it continuing so that no egos are hurt yet everybody is able to have their point of view, everybody is able to unburden themselves of their wisdom for the benefit of the collective around which they are sitting. Everybody can do it in spirit of contribution and the chairman he was calling out to somebody "hey! Can I hear what you want to say about this or even stopping somebody from saying more because of he has hogged a lot of space already but how to do it gently without causing any offence making it natural or when the conversation going in a wrong direction or the conversation is going nowhere or he feels that not enough has come out. How does he tease meaning out of people, how does he tease sense out of people? This I think is at the board when the board is in action is the most attribute of the chairman. If you do this you know wonders can happen. So, there are many things that need to do it before and after that is the different thing right. But I think what is visible and what to me is more important is this part of the chairman's job.

DJ: You spoke about setting the right climate or setting the right tone for the conversation for people to listen to each other and have a constructive conversation, anything from your conversation that you have done to set the right tone? What does it go to ensure that…?

OP.B: So again, it will depend upon personality your own thought processes for example though I have said that I became chairman first and maybe I made many mistakes. But some of the things I would do talk to many if the board members one to one you know just myself and then before a board meeting after a board meeting. Now this is not people wise I don't know what people will I think everybody must be doing that but so one is to get your comfort level with this board member high and vice versa right he does not know who you are and where are you coming from what this is kind of what can be intimidating for him. What also exchange views. Exchange with in general say about the company or in particular about the kind of issues the company is grappling at this point of time or to be very specific about something which is very important for whatever reason it's a large balance sheet item, it's a fraud, it's a technology investment it's a customer that there is a… you can talk about this thing also right so some of this conversation cannot take place in the board level because, the magic of the one to one will go away. What happens, so some people may not to do one to one, they may feel they should not do it but I used to do it. You know so that is one of the things we used to do right and it could be as many people as it was possible or available or willing to do that was necessary so this is one of the things outside the board meeting. The other thing is that sometimes board members they don't know enough about the company. They want to know about something or they want to go somewhere, travel, and meet somebody there. You know to make the company's working information around the company, people etc. available to the board members not to the company doing by the favour but it's their right to know about their company they have rights to know about the people in the company, they the rights to know about process taking place of the company. So that they can serve for the company better so how do you make it so that its easy and natural for people to ask questions, ask for information or ask for engagement, want an hour meeting with the HR head because I think. So how do you facilitate this entire thing so that it's a friendly club?

Reflections from Deepak Jayaraman

DJ: This is your host Deepak Jayaraman here. This segment reminded me of the podcast conversation I had with Ravi Venkatesan (RV) a few months back. Ravi sits on several Boards and is also the Chairperson for Bank of Baroda. He spoke about the criticality of listening and forming a nuanced picture of the context in these situations.

RV: *"So, as you know about 18 months ago I took on a completely new role as the chairman of a public sector bank, now I know nothing about banking and I know even less about public sector, but yet Raghuram Rajan and Jayant Sinha felt that it was important that I take it on so I did, now what you do in this situation? And you know that the place is filled with landmines and you can step on anything without realizing it and get blown up, so what you have to do in is listen intently and I did I made it very conscious effort to listen to a bunch of people retired chairman of a bank of Baroda so it helped me understand from your perspective, what I should do what the issues are? How would you handle them? And you get a certain perspective, I went and spoke to Waghul of ICICI and P.J. Nayak of axis Bank because they had, they have been around and seen revolution of banking sector, I met a lot of our own employees and so forth, so from this you begin to piece together first the situation and then out of that emerges a theory of change which is, what interventions are really going to Make a difference and who are going to be an important alliances if you don't listen and you start to imide you are coming with the point of view you starts jumping into action right away you going to make a lot of mistakes because you hadn't built this nuance and reasonably accurate picture of the landscape"*

DJ: While Ravi says this in the context of a new Board role, listening widely and deeply to understand the nuanced context is paramount before one embarks on a journey of change. Now let's get back to the conversation with Mr OP Bhatt.

DJ: I am talking about decision making I am curious about the notion of making decisions typically most things that come to the board are not yes verses no decisions they are reasonably complex problem where the board has to take a call? So, as a chairman how do you see the role of the chairman ensuring that you take make a robust decision?

OP.B: so again, my sense is most of the things that come to the board is easy to take decision around there it's of the nuance which can get difficult or may be there could be always an item or two which there is small because many items are routine. In many things where the executives bring to the board say to make huge investment somewhere. They have actually anguished over it for weeks, for months and days they got everything right in terms of argument, in terms of presentation, in terms of their math's etc. what happen they bring it to the board is the board members may not understand it fully may have a lot of fill I the blanks in their minds, may have a lot of curiosity around it and for some people on the board they may have a point that will depending on their own experience and their background. What they know, it could be through prior roles, it could be through newspaper, friends, gossip whatever it is but if they fell that there is disconnect between what have been presented to the board and what they know from multiple sources then they will ruin it up. Now usually it is the executive who is able to explain this thing fill in the information gap or data gap or whatever it is. For some time, these things will go back because you know enough.

DJ: You are not ready to make a decision now.

OP.B: No, the executive may not have enough information or you don't want to make a decision pending this information, this clarification this study sometime hard but it is rarely you know that the executive wants this decision to be taken the board doesn't want to be taken or within the boards that there is a sharp divide. It is usually lack of information, lack of understanding. It's never should do it, nobody should not do it, it's very rare. Whenever these things are there the two people will feel differently which they do which happens quite often I would say. This is where the chairman role comes in you know so those people are thinking differently. He has to have a sense of where he is coming from and where he is coming from and he has to ask the right question to encourage the conversation either between the two of them or through the 3rd, 4th ,5th parties so that this issue which is troubling them gets more nuanced, gets more embellished. You have more information more light shed around it and then it is possible that either of them realizes that they were talking about the same thing but they were looking at it from different angles or one says ya ya I think you are right. So, this is where the chairman role comes but board is not a battle ground it never happens there are this entire thing. Sometime there is a fraud if there are a malpractice all those rare occurrences that are possible. But business is usual even it is big business, big issues, big questions, and big decisions. It's not like that in the board there might be a lot of discussion, heated discussion.

DJ: In what ways is leading a group of board members as a chairman different from leading a group of CXO'S as a CEO of the company?

OP.B: So it is something that I have said earlier as a chairman who is leading the executives they are supposed to deliver, they are supposed to perform. They are sort of quote unquote in your line of hierarchy, decision making line so the entire psychology is completely different. To board member is a board member you can't even ask to do anything and if you him then he may. What are you going to ask a board member to do actually there is no task that you can ask him to do you can ask for information, you can ask for wisdom, you can ask for discussion, you can ask for if you got some issues in that department. I think some ethical issues or some risk not be manageable and you may want the board member because of who he is and where he come from to visit that department or to have a conversation with the senior group around that or whatever it is. It may be done in a meeting, it can do on dinner, it can do formally something like that he will ask there is no task that he can that he can ask the board members. It is always about building bridges, it is always about sharing information, and it is always about making things easier because of relationship, connections, and networks. There is no such task as such where as to his own executive he can ask for anything that his role require. I mean there is a set of KPIs, score card and all kind of things on the performance matrix. So the relationships are quite different.

Reflections from Deepak Jayaraman

DJ: This is your host Deepak Jayaraman here. The other point to mention here is that while Mr Bhatt talks about changing from controlling to influencing, the other nuance that people often miss out is that we bring our biases from the past to the role sometimes unconsciously.

One of my earlier guests, Rama Bijapurkar spoke about this in her conversation

RB: *"So board role is nose in and fingers out and executive role is fingers in and nose in and everything in and that's why I think consultants make the transition more easily because they are quite happy to have a fingers out of things so that's the one thing I think executives, so you have to really understand that this is jury duty more than actually being the protagonists that's hard but the other thing is also that I noticed that the executive leaders who transition to non-executive. So when you are going to NED board position we find that there is a lot of sympathy for the executive management so we usually find that the board divides up when there are issues and the executives guys who have been executives have that old empathy and sympathy and so they think their job is to sort of make up for the fact that they won't protected in their tenure and to be the protector and that what, our job is not to disappoint the management here, what is I am saying, if you want an acquisition desperately I still don't have to give it to you and if you are going to get demoralized, I mean grew up let's talk about why this is important? But my loyalty is somewhere else it is notch to you I am not here to be cheer leader, nurse, maid, nanny, coach. I think that's the stuff that executive managers tend to get into and then therefore you are the coach and you are the this person and so on as compared to saying that all of us in boards are call to make judgement calls so whatever is your background, you are doing your background to make the judgement call and that's all you should do. And you just make judgment calls for everything that put in front of you and these are since of commissions, since of omissions, Plans whatever it is that's what you have to do. That's what executive management is"*

DJ: At some level, I guess this is a bit like Method Acting. You need to ensure that you are slipping into the shoes of the right Character. For more please visit Nugget 18.09 at www.playtopotential.com. Now let's get back to the conversation with Mr OP Bhatt.

DJ: How do you determine if you are adding value the sense I get is as a board member sometime you make a few participate in a few discussions here and there and you make a few statements net when you go back home when you are an executive you know you add a KPI you meant the KPI and you have taken the box. But a board member…

OP.B: So this is really important there are two things around this so one is again its chairman role so I have seen Boards where the chairmen takes time to spent some of it with you it could be a couple of days could be just walking down the corridor or something like that and to make some very helpful suggestions so the intent is to tell something about your value or a contribution as a board member or it could come about by talking about something which happened or some topics. It depends upon how wise the chairman is. So, most good chairman will find an opportunity and a way sometime they do it blindly what is necessary but mostly it will be done very tactfully so whether they are giving positive feedback or negative feedback. Most chairmen's find time, find way and find the person to tell him certain things and they will and if the policies they will really say look great I really value your support and I am so delighted that you are on the board. So that is very easy but if you are saying something different or you want to so he is not condemning someone but he is trying to build up where he things there is weakness or a deficiency. So again, it depends upon topic, tack, twister and all those so that is one so that the chairman's role. The chairman's role is to get the best of all his people. So, its cannot be only dialogue around that table it has to be dialogue away from the table also. So, one is the dialogue which I talked about that issue based and get to know each other but the other is this also you know "feedback" and how do you give feedback this are all senior people and some and surprisingly the most senior or sometimes you get hurt very quickly. The other is this board evaluation now board where is it when is done in-house by the board itself. The board members may not get any feedback on themselves because in most boards I have find that every board will be giving to every board member five out of five. End of story right you don't get anything. But sometime or at least every alternate year this evaluation can and it should be done in my opinion by an outside expert firm SWAT evaluation right. so, this people quite an extension job they seat in meeting, they seat in boards they interview people one to one, they ask all kind of question, regrettable questions they interview each and every board member and the purpose of this entire exercise it depends upon how good is this firm is. The purpose of this entire exercise to be helpful to the board, to the board committees to the board directors to observe what is happening so interpersonal dynamics, usefulness of a committee out comes they look at everything ring and they can take a month or two or three it doesn't happen overnight. Then the feedback that they give so one they give feedback to every individual they will give some feedback to every individual. Then they give feedback about each individual to the chairman now these two feedbacks can be different because there are certain things which an outside company will not tell to every individual director. But whatever they have gleaned as result of this exercise they are bound to tell everything to the chairman so they will give feedback to individual, they will give feedback to committees, and they will give feedback to the board. They will actually come to the board and spend an hour or two telling them what they have discover during that month or two that they have been with the company. The individual feedback is giving to the chairman again it is for the chairman. How does he use it individual feedback if there is something important or something where the director needs to build more? How we use the feedback for an outside agency about a director in his board to the director how, when, this, there. So therefore, you should at it the chairman's role actually is very important and it's a role which is difficult to define and it's a role where you know, how well he is doing his role there is very little visibility except it the everything function so well. So, these are the two things.

DJ: And back to the earlier point you made Mr Bhatt being tactful again decode that for us as a chairman giving sensitive feedback, developmental feedback to board member. What are the two three things?

OP.B: So, may be tact is not the right word, you know while being full respectful of your colleague who is on your board and serving your board, your company's interests. Still there is something more that you want him to do or something different that you want him to do and you are mindful of the fact that by giving this feedback you are not sure how it will be taken or whether there is any emotional quotient around it. There may be none but you have to be might full that could be one and you don't want to hurt anybody. I mean I am assuming that all board members that are doing their best according their likes but according to the likes of the chairman, according to the likes of the colleague, according to the likes of the outside agency may there is some, all of us can do something because I keep learning even now everyday something or the other is somebody tells me or I realize by myself. So how do you create that atmosphere and how do you find that language, that opportunity.

DJ: And actually, some I ask a mirror image question as a chairman how did you get feedback on yourself from the board members? How do you approach that?

OP.B: So again, good chairman, so again this is good that you are asking this question because chairman role is very important. So good chairman asks for feedback so they will ask for it, so they might not ask everybody board member what I have known many chairmen asking me they want to know either it will be, again either it will be either in the context of something that has happened or they may even ask something in general and I have always feel that it is my duty to tell the chairman things just like the chairman has to tell the board members things good for the individual, good for the board. So, I think it is the duty of that director also, if you feel strong enough to find time and tell the chairman or as even the chairman invites because most good chairman they may not take feedback from every board member but they might they will say let me ask him, let me ask him. So, they will also find an opportunity over a cup of tea may be a glass of wine something like that. Again, they will put it in context with something that has happened and all that you know so how do you think it happened. I was thinking I'll do that but do you think I did the right thing. Ok so in general it should not be doing this, it should be. They will find some language but a good chairman has to be very conscious of the fact how he is doing, how he is coming across because he may be damaging the entire board he should know that. The good ones among them do try to find this out.

DJ: Just a couple of questions to wrap up Mr Bhatt one is I think if you have to be immodest about your trajectory and accomplishment? I am curious about principals and attitude which has help them grow and achieve great things? So, if you had to be really, if you had to look at yourselves objectively what about you, you think as enabled you to come this far if you really look at your growth in SBI and your roles in boards. Talk to us about something that is close to your heart which has helped you in this journey?

OP.B: So, the what I think I have that is that I have ever had driven to deliver on my role always I have that driver which ever task has been given somehow this is come up again and again this conversation that I have not felt up to the task and I have always look ways image and then usually I have delivered or whatever delivered that is one. The other is this one of the "*MANTRAS*" that I have used when I was leading State Bank of India that everybody has a role and if you your role fine but what so great about it what is the plus in the role. So, everybody must have role plus. So, you have a role and that plus you decide for yourselves it could be quotient your colleague, it could be getting a PHD. It could be finance 100 cars, you finance 110 cars you decide but there has to be plus in your role and it is that plus that makes you different from others and it is that plus which defines the direction and the quality of your growth because people will have a different plus. Some people may want to do Yoga one hour every morning its fine with me as long as there is plus to it. So, one is this thing around drive and this coming not from the sense of achievement but actually from the sense of duty you know "*MERA KAAM HAI MUJHE KARNNA HAI ISKO*" not that "*MAINE KAR LIYA*" not from that perceptive but you know it's my job, it's my duty I mean I have to do that whether its obligation duty whatever it is so that is one very strong drive that I had everywhere. The other is maybe it could, may be this is you know built up over time or because I work in a bank which is service industry. You know many of the things that you do is realer a great pleasure to work in a service industry or in a bank like that. I mean you find that by doing things you are making so many people happy right it may not happen in other manufacturing or you are in a sales job or something like that. So many people become aware of it I can become aware of that or thing like that but your colleague you can make them aware of it so when I was in Guwahati a circle CGM must use to tell to many people that you know when you are a counter clerk as for example he is a teller counter and says somebody has to you to purchase a draft right. He is a draft because could be school admission, hospital whatever it is. At that time, you are the most important person in the whole world for him not even god is important you are important and you are having a cup of tea, you are having cigarette you are chatting what nonsense. But if you want to realize this then suddenly you know your demeanour, your behaviour everything will change for you. Therefore, everything changes for him and it becomes some kind of beneficial circle all around it. So, some of this joy in the job so to say maybe it is because it was the service sector also. When I was in school the motto of my school was in Hindi it was "*UDDHYAMEN HI PARA POOJA*" you know work is worship or service is worship or whatever it is. So, partly it was may be subconsciously instead partly because if I have got may be if I have got in the IAS won't have thought like that. So, some of this thing I would say.

DJ: In summary Mr Bhatt this podcasts title Play to Potential which is about individuals discovering what their plus is or what is their potential to use a language and really playing the best game so in summary what the one or two things you want to leave the listener with for them to play to their potential.

OP.B: Most people don't know what is their potential that the problem most people don't know what is their potential even I didn't know for a long time. So, I can say all the things which people say you know sincerity, hard work this that and the other. I thing two things if people do it would help them realize their potential. One is every morning just spend 5 minutes just listening what you have forgotten all this this and you have to do it could it be making a phone call saying thank you for something. Whatever it is random mundane things just write it down anywhere. And in the evening just spend another 5 minutes thinking about how the day went and what is it that you could have done different not necessarily better what different. I think within a week or month somehow clarity will come around a lot of issues including potential. It seems completely unrelated, disconnected these two things two different things 5 5 minutes. It has shed a lot of clarity because as things happen you will find that you are more focused. It used to happen to me right sometimes I have not responded an email a week around because you have just forgotten about it or forgot bringing up my daughter or something like that these are important. Now you forget and you have not dome it but your subconscious got forgotten it is creating some you know some disturbing energy there all the time. Not allowing you to work to your full potential throughout the day. So, if you do this for 10 days 15 days that negative energy goes away out of your system. Like-wise in the evening when you spend time that that how could you have done so for example if I want to spend time today evening how I could have given you slightly different answer. Next time if you not you somebody else wants to talk to me it would be better thing right. So over time it reduces disturbance in the conscious and subconscious. It improves focus and will somehow help you realize you know where you should do and use the word potential for this.

Reflections from Deepak Jayaraman

DJ: I hope you found the conversation purposeful. There were five big take-away for me in this conversation.

- First thing that struck me was the point Mr Bhatt makes about having a Plus in every role beyond what is expected of you. I guess, that is such a simple point but something we forget so often. Nobody became great by following the job description that was given to them.

- The second thing that stayed with me was the point he made about Board Member effectiveness possibly having a stronger correlation with a contributory mindset than the competencies of the individual. In most professional roles this mindset versus skill-set dichotomy exists and it shows up differently in each situation:

- Commercial acumen versus Finance toolkit

- People orientation versus HR capability

- Giving mindset versus Social Work degree

I guess the key is that when you are on the margin, the skill-set can often be taught but it is often much harder to rewire a mindset especially when somebody is at the tenure of a Chief Exec looking to become a Board member. So, it's worth having an honest look in the mirror to see if you have that mindset and whether you are getting on to Boards for the right reasons.

- The third thing that stuck with me was that a Board role requires a very different style of getting things done as compared to leading a company; most people don't quite appreciate the gravity of this transition. This can be extremely tricky for people who have been successful leaders in a "command and control" paradigm; Recognising this shift and seeking external help like having a Coach could be of value to leaders that are looking to be effective Board Members. As Marshall Goldsmith says, this is one of those points in time where the notion of what got you here, won't get you there holds.

- The fourth piece I took away was how Mr Bhatt talks about the feedback process as a Chairperson and the Board. While he talks about this in the context of the Board, I feel, the principles apply to CEOs when they look at their leadership teams. There are three pieces of feedback to be given

- A) Feedback to the Leader on
    - How the team members stack up as individuals and as a contributing leadership team member
    - How the leader is performing the Leadership role

- B) Feedback to each of the team members on their effectiveness in their roles

- C) Feedback to the team as a collective on what is working well and where the opportunities are
    - Leaders sometimes don't look at all the three facets of feedback when they take stock of their leadership teams

The fifth and the final thing that stuck with me was what Mr Bhatt says in the end. 5 mins in the beginning of the day to think about the key priorities and action and 5 minutes in the end to take stock of not just what you could have done differently but what different things could have been done but never got done.

Thank you for your listening. Signing off this is your Host Deepak Jayaraman. To know more about the Coaching and the Transition Advisory work I do, please visit transitioninsight.com. Bye now.

End of transcription

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Nugget from Vinita Bali that is referenced: Being an effective Board member.

Nugget from Ravi Venkatesan that is referenced: Listening intently during Transitions.

Nugget from Rama Bijapurkar that is referenced: Transitioning from Executive to NED.

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OP Bhatt - Nuggets

- 36.00 OP Bhatt - The Full Conversation
- 36.01 OP Bhatt - Transitioning to becoming a Board Member
- 36.02 OP Bhatt - Being an effective Chairperson
- 36.03 OP Bhatt - Making good Board decisions
- 36.04 OP Bhatt - Chairperson versus CEO - Leadership nuances

- 36.05 OP Bhatt - Ensuring Board members add value
- 36.06 OP Bhatt - Seeking and giving feedback
- 36.07 OP Bhatt - Attitudes that have driven career
- 36.08 OP Bhatt - In Summary - Playing to Potential

About Deepak Jayaraman

Deepak seeks to unlock human potential of senior executive's / leadership teams by working with them as an Executive Coach / Sounding Board / Transition Advisor. You can know more about his work here.

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