

The banner features the 'play to potential' logo on the left. To its right are contact details: a WhatsApp icon with the number '+91 85914 52129*', a Twitter icon with '@PlayToPotential', and a globe icon with 'playtopotential.com'. Further right, under the heading 'Also available on:', are icons for Spotify, Apple Podcasts, and Google Podcasts. On the right side of the banner is a portrait of the host, Deepak Jayaraman, with the text 'Podcast Host' and his name 'Deepak Jayaraman' in a red box below it. At the bottom left of the banner, a small note reads: '*Just send us a Whatsapp with your name, number and email and we will add you to our distribution list.'

Context to the nugget conversation

Tarun speaks about how enduring families think of dealing with the question of the next generation entering the business. He speaks about how the more evolved families give the next generation an opportunity to actualize their potential and go on a process of self-discovery.

Transcription

DJ: Going back to the point you made about apprenticeship Tarun, when we look at some of these businesses as you reflect on how they get the next-gen, how they think about apprenticeship for the next-gen, once again, any structural themes that stand out for you in terms of what enduring families have done in getting the next-gen the right kind of exposure and immersion in the business?

TK EP2: So, I am reminded of Sanjay Lalbhai's interview of Arvind Mills, it's a very old business family, very story, great history, great tradition, very philanthropic. I did not do the interview but I remember my colleague who did and what struck me from that interview was the extent to which the previous generation from Sanjay's, I forget the gentleman's name went out of his way to make sure that every man and woman in the next generation was given a chance to actualise their own potential and that requires some process of self-discovery, and I suppose if you are fortunate enough to be from a well-off family then you have resources to engage in the process of self-discovery, which is not a luxury available to the vast majority of people in poor countries. That's the thing that stands out is this process of self-discovery for the next generation without ex ante judgment that not being in the business is a failure, which is often a sad thing that people say, I wish my son or daughter would be X and what a great... sorry, I think in Hindi, *itna bada karobaar banaya hai*, this huge enterprise and so it's a tragedy that so and so my next generation doesn't want to run it. But that's missing, it's more like what do you want to do and how can we be productive? And the thinking I think is very much that even if you are not participating, you can still participate in a governance and you can still be on the board, you can still have some stewardship, you can still be the custodian of values, and I think that's a very important thing for families to do. I am just reminded of the interview that one of my colleagues did with Sanjay Lalbhai. I was not present when the interview was done but I loved the interview because one of the things that Sanjay emphasised was how his predecessor or the head of the family before him really went out of his way to make sure that every man and woman in the next generation had an opportunity to what I would call engage in a process of self-discovery of interests because... and there wasn't really either the implicit or the explicit assumption that the "right or respectable thing to do" would be to take one's titular role as head of the enterprise and it was some kind of a maybe like a soft competition to see who it made sense to run. The ethos seemed to be as I read between the lines and if Sanjay hears this, he might want to correct me, when I read between the lines it's more what we like to see in so-called liberal arts universities in the United States with which I am familiar, which is whatever it is that you

do engage in it with passion and with dedication and with depth and find out if you like it. And if you don't like it then the world's a big place and there's lots of areas of intellectual endeavour and you can find something else. So, I think it's this giving free reign. Now, of course, this is a luxury, not everybody particularly in a poor country has the luxury to go on a voyage of self-discovery for years on end but I suppose if you have it you might as well use it and that allows people to find the right person to take on the family mantle so to speak. One thing I would say about families is that they really are the... it's kind of an obvious point that they really are the custodians of the values. And when I think about my good friend Jaime Ayala, who is I think the sixth or seventh generation of the Ayala family in the Philippines in Manila, and whose family has been credited with essentially building large parts of modern Manila, I think that they are very much as the Tatas of the Philippines so to speak for want of a better rough approximate comparator. But Jaime's conversations are all about stewardship; they are not about unicorns; they are about stewardship and doing the right thing for the society in which they are embedded. Of course, the Ayalas are very successful business people and want to be commercially successful and those are not at odds that commercial success I think can go hand-in-hand with societal progress, broad-based societal progress.

DJ: I would love to come to this point about how institutions think about preserving values, but going back to the self-discovery point Tarun, I just wanted to stay with that for a minute or two to really say what do they... if you could break down a little more tactically what some of these organisations do with the next-gen to help them with self-discovery, could you give us a little more granular sense of the kinds of things they do to drive that?

TK EP2: I am trying to think if I would be so bold as to attempt a taxonomic answer. I am not sure I really can, but let me give it a shot. I think it seems to start from a pretty early age when people are encouraged to think about what motivates them by early age I would say well before someone enters into college and when people start getting exposed. Of course, these families have the luxury that their next generations can be exposed to a variety of stimuli. If you were not exposed to a variety of stimuli, it's hard to know what you like and what you don't like so that's certainly a benefit. They tend to have had experiences outside of the family business so as to be exposed to a different way of doing things. It's almost in modern terminology we might say they are the families' crowdsourcing insight for the next generation. I am reminded of a friend of mine who is Andrónico Luksic who is someone who should be in the book but I don't think is, a Chilean mining and construction businessman, and I remember a conversation with him in New York some 10 years ago when he said, I am sending one of my children to Beijing and one of my children to Bangalore, because I think that both these economies are going to be large economies; I am from Chile, Chile is a small economy and I think it's good for them and for me Andrónico Luksic and for the Luksic family for the next generation to have a variety of exposures. So, it's interesting that it is and he did that, he had a partner in Beijing for 10 years.

DJ: Sounds like a geopolitical strategy for the family.

TK EP2: Yeah, but it's not that unusual, I mean, if you look even in ancient Indian families, they would have one person in the Army, one person in the government services, one in private. So, it's not that uncommon for the steward of the family to be thinking about who's the right person to take his or her role usually his and most of these traditional society, but also thinking how do you diversify the asset exposures of the family as in toto and that's just one small example of it, but you see it all over. The other thing that you see is the sort of patriarch or the matriarch of the family is trying to, and part of this self-discovery process is also to create mutually separated spheres of influence for the next generations, right? So, somebody might say, okay, you are in manufacturing, the other person is in financial services, the other one is in life sciences, the other one is in something which is

another very common thing that you see. I have seen that so often, of course in India also, and in Korea, and in Indonesia, and in Africa again. So, these seem like the universal patterns.

Reflections from Deepak Jayaraman

DJ: I like the phrase Tarun uses. Each person is given an opportunity to actualize their potential and go on a process of self-discovery.

Something similar came up in my conversation with Meher Pudumjee (MP), Chairperson of Thermax.

MP: *"I have always believed and Firoz and I both, I have partnered each other in believing that our children really should decide what they want to do in terms of what they genuinely interested in, what they are passionate about what makes them happy, I don't ever want my children to feel that Thermax is a burden and that they have to takeover or any such thing, I think they need to be responsible owners, they need not to be in day to day management, if they want to do something else with their life, it's entirely up to them, I don't think it's fair for me to prescribe in terms of you shall do engineering so that then you can come and you can join the company and then you can work up the ranks and NO, luckily for us our son is interested in joining the organization at the same time, I have share with him, in terms of that it would, I have a regret of not joining somebody else before joining Thermax, so if you feel that, that's the right thing to do, I think you might be happy to get inputs elsewhere before you come and join the company so he is in that stage of thinking it through, he started off with engineering and then moved to economics thinking in between that oh if I give up engineering my parents will be really unhappy and we have honestly stuck to our belief of saying really do what you enjoy doing and I would say that my parents said the same thing to Kurush and me, they never ever made us feel that you have to join Thermax having said that of course subtle pressures are always there and of course people came in as we were growing up people would come in from Thermax, come home and sit with my parents chat and we would be hovering around, so you are constantly hearing I would go to the factory at some stage on a Saturday."*

DJ: While Meher speaks about this in the context of Family Business, I guess enabling the kids go through the process of self-discovery to actualize the potential has gotten to become part of the Job Description of every parent.

A lot of people say that the world of careers is not an 8 lane highway but more like a maze. To stretch that metaphor further, if we were an automobile, the steering wheel has become a lot more important than the engine to navigate the maze. And that steering wheel, I believe is self-awareness.

Thank you for listening.

End of nugget transcription

Nugget from Meher Pudumjee that is referenced: [Business continuity across generations](#).

RELATED PLAYLISTS YOU MIGHT LIKE

Self awareness: Insights around what it takes to build a better understanding of self. This includes perspectives around how we can deepen our picture of ourselves through a combination of inner work, mindfulness practices and by gathering meaningful feedback from the world around us. You can access the playlist [here](#).

Pursuing your passion: “Follow your heart” is an advice that is commonly doled out to individuals that are trying to make career choices. However, the reality is little more nuanced. People who have followed their heart talk about how they have weaved it into their lives or in some cases, how they have been pragmatic about taking the plunge. You can access the playlist [here](#).

Entrepreneurship: We are seeing a renaissance when it comes to entrepreneurship in this country. But it is not an easy ride. Leaders speak about how individuals should think about taking the plunge to entrepreneurship, how they could pick co-founders, their approach to scaling up their leadership muscle and more. You can access the playlist [here](#).

Inter-generational transition: Insights around how businesses think about transitioning effectively right across generations. You can access the playlist [here](#).

SIGN UP TO OUR COMMUNICATION

Podcast Newsletter: Join 1000s of leaders who benefit from the Podcast newsletter. Not more than 1-2 emails a month including keeping you posted on the new content that comes up at the podcast. High on signal, low on noise. Sign up for the podcast newsletter [here](#).

Nuggets on Whatsapp: We also have a [Podcast Whatsapp distribution group \(+91 85914 52129\)](#) where we share 2-3 nuggets a week from the Podcast archives to provoke reflection. If that is of interest, please click [here](#) and send a message stating “INTERESTED”. Do also add this number to your Phone Contacts so that we can broadcast our messages to you when we share a nugget.

Tarun Khanna EP2 - Nuggets

- 94.01 Tarun Khanna EP2 - Leaders that build to last
- 94.02 Tarun Khanna EP2 - Playing the long game
- 94.03 Tarun Khanna EP2 - Passing the Baton
- 94.04 Tarun Khanna EP2 - Driving self-discovery with Next-gen
- 94.05 Tarun Khanna EP2 - Professional CEOs in Family Businesses
- 94.06 Tarun Khanna EP2 - Compassionate Capitalism
- 94.07 Tarun Khanna EP2 - Growing thoughtfully
- 94.08 Tarun Khanna EP2 - In Summary - Playing to Potential

About Deepak Jayaraman

Deepak seeks to unlock the 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](#).

Disclaimer and clarification of intent behind the transcripts

This written transcript of the conversation is being made available to make it easier for some people to digest the content in the podcast. Several listeners felt that the written format would be helpful. This may not make sense as an independent document. Very often spoken word does not necessarily read well. Several of the guests have published books and the language in their books might be quite different from the way they speak. We request the readers to appreciate that this transcript is being offered as a service to derive greater value from the podcast content. We request you not to apply journalistic standards to this document.

This document is a transcription obtained through a third party/voice recognition software. There is no claim to accuracy on the content provided in this document, and occasional divergence from the audio file are to be expected. As a transcription, this is not a legal document in itself, and should not be considered binding to advice intelligence, but merely a convenience for reference.

The tags that are used to organize the nuggets in the podcast are evolving and work in progress. You might find that there could be a discrepancy between the nuggets as referenced here and in the actual podcast given this is a static document.

All rights reserved. No part of this document may be reproduced or transmitted in any form or by any means, or stored in any retrieval system of any nature without prior written permission.