

Leadership Development for a Large Public Sector Bank

Developing the Leadership Pipeline

The year was 2009 and the largest public bank in India was facing both internal and external challenges. The leadership position that it had enjoyed for decades was threatened with the advent of private and foreign banks and customers had become more demanding. Many of the senior leaders were due for retirement which meant that the next generation leaders needed to make a quick transition.

For a 100 year old state-run institution, dealing with this changing environment meant a major overhaul in the skills and mindset of its people. If it had to reach the goal of being in the top 20 banks globally, a very different set of competencies and outlook were needed from the leaders of tomorrow.

Since the Chairman & MD (CMD) of the bank had himself participated in an ISB executive education open programme, he was convinced about the value that ISB can bring to the table as the learning partner. ISB was approached with the mandate to design a learning solution to facilitate the transition of its leaders from a regional mindset to a more customer-centric global mindset. Specifically, the programme was to be aligned to the strategic focus of the bank – to grow, expand and to be counted amongst the globally recognized financial organisations. The internal focus was to create a pool of leaders with a strategic vision of the bank, who were able to motivate and lead others and leverage the pride in the bank to help it in becoming a truly customer focused company.

Programme Design

“We needed to do a detailed needs analysis to come up with the design for this programme”-says Dr. Pramod Mantravadi, Director, custom programmes, who was personally involved in the diagnostic study. “This was done in two phases. First, we extensively studied the organization structure, role responsibility and strategic goals of various departments of the bank. Extensive analysis was done on using available information (policy guidelines, financial performance, organizational structure, and other details of the various Departments). Second, we interviewed the top and senior management team and some of the target participants for the programme to determine the roles and responsibilities in their current and future roles”.

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CLIENT

A Fortune 500 listed top public sector Indian bank with more than 18,000 branches and over \$350 billion of asset base

PROGRAMME CONTEXT

Develop the next generation leaders and align them with the strategic vision of the company who can then lead and motivate others to transform the bank into a truly customer-focused organization

PARTICIPANT PROFILE

Senior executives - Deputy General Managers (DGM) and above - with more than 20 years of experience in the organization with consistently good career performance

LEARNING SOLUTION

15 day programme in 3 phases delivered over a period of 6 months covering modules on Strategy, Operational Excellence, Sales & Marketing, Finance and Leadership

IMPACT

Participants developed strong general management competencies that complemented their domain knowledge. They became change agents within the company who could align others to embark on a journey of transformation making the bank a customer-centric

The interviews captured multiple perspectives on the strategic challenges facing the bank, the desired competencies to meet the challenges, and expectations from the programme.

“Our senior managers have experience mostly in line functions. But now they need to develop complete awareness of the bank’s strategic plan - a big picture perspective of our business and learn how to deal with size and complexity and not get overwhelmed by the details” – says one of the directors of the bank interviewed by the diagnostic team.

With the key competency requirements in mind, and understanding of the key strengths and weaknesses of the current DGMs, the design team came up with the following themes that would be the core of the programme. They were:

- Strategic vision – Ability to see overarching interlinks between functions of the bank and economy

“The programme design has successfully integrated the different areas of general management to give participants a holistic perspective on effective management”

L&D Head

- Customer-focused mindset – Being customer oriented in thought and action
- Enhanced people leadership – Being a better leader and be able to create more leaders
- Change leadership - Ability to manage change and being ready to adapt change.
- Operational excellence – Ability to create process a culture of process innovation and improvement on a regular basis

Business and commercial acumen - Demonstrating a keen understanding of business operations and the organizational levers that drive profitable growth

While deciding on the participant profile for the programme, emphasis was given not only on consistent good career performance but also to those who had more than 10 years of service left in the bank so that the participants would get time to implement what they have learnt in the programme.

Programme Delivery and Its Impact

Given the number and level of topics to be addressed, ISB proposed a 3-phase programme, each of 5 days delivered over a period of 8 months. It would cover Strategy, Operational Excellence, Sales and Marketing, Finance and Leadership.

The programme was conducted by faculty selected from ISB’s global faculty pool, with relevant research experience & exposure in executive education & consulting to the banking sector. In addition to class-room based discussions, there were industry guest speaker sessions, on key topics of importance to the target audience.

“Most importantly, Cross Functional Group Action Learning Projects were intertwined into the programme in each phase” explains Dr. Mantravadi. These “Action Learning Projects” were based on specific challenges of various verticals in the bank - identified by the CMD.