## The Engine of Growth

A sustainable and effective business model is where goals are fairly rigid, but strategies flexible. The ability to change and yet keep values constant defines a

successful leader,' BY L. GANESH

poined the Rane Group in 1978 as a management trainee, then went on to become commercial manager, general manager and joint managing director, before taking on the responsibility as vice-chairman of the group in 1994 and finally, as chairman in 2006. In my career spanning over 25 years, there are a few milestones which still inspire me.

One was breaking the monopoly of a trade

union leader who almost caused closure of our business in early '80s by setting up Rane Group's first plant outside Tamil Nadu. This was a case where we were the only manufacturer for this product in India and therefore, any disruption meant that the entire engine production in the automotive industry coming to a grinding halt.

Knowing this weakness, a section of the workmen started an agitation and the entire operations came to a grinding halt for a period of 10 months.

I had just returned from the U.S.A. after finishing my MBA and had to take this decision about a second plant in a new state where we had little experience. Conceiving and executing this project was a great learning experience for me and

a milestone in our policy in dealing with industrial relations.

Getting a breakthrough with Volkswagen

Getting a breakthrough with Volkswagen (VW), Germany as the first and only supplier from India in 2003 was a memorable moment. The main challenge was creating confidence in a company like VW to procure a critical high-precision component like engine valve from India. We are very proud of this achievement and not only has the business grown

over the years, REVL was also awarded "Volkswagen Group Award" in the year 2008.

The Rane Group launched the Japanese TQM as a philosophy to improve our competitiveness in the year 2000.

The diligent drive of TQM in the group has resulted in four of the Rane companies winning the coveted Deming Application Prize. I firmly believe that this was an achievement for the entire top management team of the company, of which I was also a part.

## TIPS FOR ASPIRING ENTREPRENEURS:

- There is no substitute for starting at the grassroots and gaining experience over the years. Shortcuts cannot make an effective leader.
- Ethics and one's personal conduct are key to long term sustainability.
- 3. Perseverance is very important. Business is neither a rose garden nor a thorny bush but a continuum of both.
- 4. People make the difference. Successful leaders are those who can inspire people to perform by the correct balance between being demanding and supportive.

L. GANESH is the Chairman of the Rane Group. A Chartered Accountant, he completed his MBA from Pennsylvania State University. Starting out at Rane Engine Valves in 1979 as a management trainee, he later took over as its MD. He became involved in the management of the other group companies in 1990.

