

RIED Rides People-centric Growth Of Rane Group

By T Murali



L. Ganesh

From a distributor of automobiles and auto components, to the winner of the most coveted quality awards for manufacturing, the Chennai headquartered, Rs 4,700-crore Rane Group has crossed many eventful milestones. It produces and supplies quality components to almost all the OEMs in India and to a few outside. Rane's manufacturing and marketing feat was accomplished with the active involvement of its people. The group's focus has been on its people, their development and career path. For this, the group-level Rane Institute for Employee Development (RIED), was established in 1995 with the mandate to conceptualise, design and deliver need-based and business-aligned training interventions and to build competencies through standardised modules. RIED moved to its own building in 2007.

"RIED's vision is to build core competencies of individuals for business excellence. Now, the focus is on high-impact, long-duration learning interventions with effectiveness being tracked both quantitatively and qualitatively. Examples are Leadership Development Architecture (LDA) to build leadership competencies of different levels of managers, and Rane Manufacturing Systems Professional (RMSP) to build manufacturing capability," L Ganesh, Chairman, Rane Group, told *AutoParts Asia*.

"RIED has taken certain steps to leverage technology. The driving force is the need to provide anytime learning opportunity and give flexibility for employees to learn at their own convenience and pace. The plan is to have an automated Learning Management System (LMS) with clear workflows and provision to introduce e-learning in a phased manner. However, an off-site experience for employees in a university atmosphere in RIED is also important," Ganesh said.

RIED is leveraging a host of disruptive technologies to deliver learning solutions. It has evolved in years. Started as a management



Rane Institute for Employee Development centre in Chennai

development institute for the group that was founded in 1929, the institute has transformed into a leadership development centre. It is now looking at behavioural and leadership competencies as well as technical acumen.

The Rane group, since long, had created an employer value proposition in terms of what a person coming into the group could look forward to as an employee. This process was initiated across the group companies at all levels, from workers to senior managers, based on a survey carried out years ago. The proposal was to build an organisation based on values, fairness and transparency. There was to be gains for the people through group learning and challenging assignments, which would lead to personal and professional growth. This forms the bedrock of the group's people philosophy.

R Venkatanarayanan, President, Corporate Services, Rane Corporate Centre said, "Learning could be traditional as in a classroom or leveraging technology. RIED focuses on the competency aspect of what people need; it helps deliver on the learning points. Its vision is to build core competencies of individuals to foster business excellence; essentially it is to stimulate and nurture the intrinsic urge in people to grow. The group's aspiration is to achieve profitable growth; all learning and development interventions are closely aligned to this. They

collaborate very closely with the group businesses and with everything that RIED envisages and delivers."

"At Rane we strongly believe in collaborating with all the stakeholders, that is our own employees, to ensure delivery of what is required by our customers," N Hari Babu, Advisor, Business Excellence and L&D, Rane Holdings, said. RIED is operating from its own building that was certified by the US Green Building Council. Situated in Perungudi, about 15km south of Chennai, the institute, from a management development centre, has become a leadership development centre. It is now looking at behavioural and leadership competencies as well as technical acumen, as "it is necessary to have a blend of all these including manufacturing capability," he said.

"We have evolved our own leadership development architecture that covers all levels starting from graduate engineers and management trainees who go through a series of intensive interventions -- from campus recruitment to corporate workshops. We give them challenging assignments that give learning opportunities and help them enhance career prospects. There are five levels including high potential and executive leadership programmes. To ensure proper implementation we have a Group-Level Leadership Development Council (GLDC) headed by our Chairman to ensure this endeavour is moving in the right direction. Course

corrections are made whenever required. Outcomes are tracked continuously because ultimately the right people would make all the difference for the industry to run properly," Hari Babu said.

Rane has collaborated with leading institutions to ensure that it gets the right inputs during the course of the programmes. The institute believes that hand-picking the right people and the right sources are of prime importance. To ascertain this, it has high impact interventions across all levels in the group using a framework called Rane Manufacturing Systems Professional (RMSP). This has two broad categories of manufacturing processes and manufacturing systems. It is an 18-month programme, unlike the leadership development architecture that has a 12-month horizon; it covers middle management and the junior technical cadre. Some short duration courses are also conducted but the main focus is on impacting leadership and manufacturing capability.

When asked whether programmes are conducted daily, Hari Babu said, "It's an 18-month programme comprising multiple pedagogical techniques that happen in our plants. It has an eight-day classroom session; about 30-40 percent of the time is spent in the classroom with 10 percent of the time on concepts and the rest on examples from Rane's working, after which participants would go to the assembly lines for on-the-job training for 24 weeks.



N Hari Babu and R Venkatanarayanan

They will then come back for classes on manufacturing systems for nine months which is the lapse time for both manufacturing and systems. We have to make certain that the learning we provide result in tangible and intangible benefits – there lies the challenge. We track performance through different matrices for leadership and manufacturing. In order to augment these interventions we also have regular short-duration programmes that supplement behavioural competencies and manufacturing systems.”

Core Competencies

The institute focuses on six core competencies: Business focus, Result focus, Customer focus, Building leadership, Innovation and intrapreneurship (BRCBI2). “We want to ensure that hand-picked employees are able to demonstrate their entrepreneurial abilities within the organisation. For manufacturing capability it focuses on processes. We also have a parallel intervention with CEOs of all group companies to find out how to increase productivity. Operational and manufacturing heads of our different companies come together to discuss and finalise means to boost production.”

The group has developed the ‘Rane Business Excellence Model’ (RBEM) by benchmarking with other models such as Malcolm Baldrige, Mahindra Business Excellence

etc., after which it customised and developed its own model. This has given the group the requisite results on business, people, operations and customers. “All our businesses are evaluated against this framework; feedback is given on the areas to be improved. We have embraced the TQM philosophy for quality control; for management staff there is Kaizen and quality improvement teams (QIT) and cost functional teams. Each of the group companies has its own QC convention where different teams within the company participate and the best team from each company

comes to RIED for a group level QC meeting at which all business heads make presentations to an external jury that decides the winner who gets the Chairman’s trophy for excellence. This is another way of motivating the teams. Any learning envisaged and delivered at Rane is very closely linked to all the businesses so that they can add value to their individual companies; we ensure this happens through collaboration,” he said.

RIED has a tracking system in place to ensure that it is moving in the right direction. Course corrections are made when necessary. Everything is





Training session at the factory

outcome-based, both tangible and intangible. Intangible benefits are extremely crucial. "Take for example HPLD (High Potential Leadership Development) programme. One of the outcomes is the Individual Development Plan (IDP). After having gone through this high-impact intervention, it is important for anyone as a participant to develop himself by taking the help of resource persons and business heads so that he focuses on the areas where he needs to improve and tackle the pain-points that crop up," Hari Babu said.

When people are continuously

involved in meeting the targets of their customers without looking back to see what is happening, the pitfalls may not be evident. In which case, is there someone who can identify and help overcome such snags?" To this he said, "We take the help of external resource persons to make participants reflect on what needs to be done and how they can leverage their strengths, especially the top two, to build-up intrinsic abilities that enhance leadership potential. We don't focus too much on weaknesses but at the same time we don't ignore them. This is something we are trying to advocate now."

Talking about the failure rates during the past 23 years, Hari Babu said, "As part of our learning and development framework we have functional competencies; we want to ensure that individual functions like marketing, HR, etc get strengthened. Some time ago we had an intervention for all the marketing heads. We took the help of The Indian School of Business (ISB) to identify faculty and structure the programme. We had very intensive workshops based on specific marketing themes."

How does the institute ensure that the learnings are internalised and made use of by the marketers in discharging

their duties? "One of the ways was that three months after the workshop we had a follow-up programme where teams came and made presentations on how they were able to applicate these learnings in the marketing framework for strategic business planning. We made course corrections and had another follow-up workshop six months later; in-between some guiding sessions were also held by an individual CEO of one of our businesses. The second workshop was far better in terms of using the applicable framework and tools in the marketing horizon. In the third workshop we focused only on failures; teams across the businesses came and shared their failures. This was a runaway hit because there was a lot of learning from the failures," he said.

Venkatanarayanan said, "In fact TQM diagnoses itself to provide an analysis every year on things gone right and things gone wrong. There are always lessons for the future from things that go wrong; it gives an excellent learning opportunity. We encourage our employees to experiment."

There is a tendency among people not to express their feelings especially on negative experiences. So how does RIED identify and address those issues? Venkatanarayanan said, "The first part is the core technology where we know rejections are more in a particular area; this is easy to trace as it could be due to issues of





delivery, quality, PQCD (productivity, quality, cost & delivery), safety, etc. The second part is about the individual; if he fails we will know as the failure will show up. We can then identify the root cause and work on it to strengthen the concerned individual's competence. In such situations we provide coaching support at all levels to open the mind and build confidence. Of course it is difficult especially with seniors who have spent years with the company; there has to be a cultural shift in their mindset. So establishing a collaborative culture is of prime importance. We have had successes as well as failures where people have had to leave. Fortunately, we have the right architecture today with lot of support out there in the market. People do research continuously and come out with relevant insights to solve problems and help others develop competencies to sustain the team in achieving results. Of course it would continue to be a challenge; it is always ongoing and would never be hundred percent as human development runs at its own speed."

Regarding the training modules Hari Babu said, during the past 11 years, on an average RIED conducted 135 programmes a year with 5,500 man-days of relevant training. The group's policy is to have two percent of working hours which works out to six man-days (three days for the group and three that are company-specific) per person per year. Of

this 50 percent is expected to be delivered by RIED and the balance by the respective companies. Certain programmes are plant-specific but RIED looks at programmes that are relevant to the entire group. Support is extended to group companies as and when required.

Another important factor is that the group is transitioning. Earlier the focus was more on short duration programmes for two to three days. Now about 60-65 percent is on high-impact, long-duration interventions of nine to 18 months with regular periods of intervals. The total time would not exceed 6,000 man-days.

Scope for improvement depends on the additions to the programme architecture. In the last 12 years some links have been added.

"The latest to be incorporated is the Rane Manufacturing System Professional (RMSP). It was done during the last 12 to 18 months. We figured out that there are certain stand-alone programmes that happen, certain technical programmes that companies do and a number of leadership programmes done by us. One of the areas that came up for sharp attention was the shopfloor competencies for the people there. Whether they are from production, quality, engineering or maintenance, they needed the relevant technical specs. Our survey confirmed there was a crying need for this and it took us about six months of

hard work to design this very complex programme," Venkatanarayanan said.

When asked about what is coming up next, Hari Babu said, "The next step would be to leverage technology to deliver learning solutions and support people development. It's called 'anytime learning' which is a learning tab connected through IoT. It provides seamless integration through a digital platform between design, delivery and its impact on the system. To supplement classroom learning we have engaged with a US-based organisation to provide 'anytime learning' on certain technical subjects. These courses are available for 12 months so all the RMSP participants can access it at any time; it's a sort of blended learning."

For all these training programmes are the participants selected by RIED or can individuals express interest and join? He said, "Yes, they can. We have an online platform for performance appraisal. Needs are identified every year through discussions between the employee and the manager. People can volunteer for whatever they require; training modules are available for all levels. There are times when something new happens, for example, in marketing or changes in Intellectual Property Rights (IPR). We quickly design a programme and call in experts to address it." **APA**