

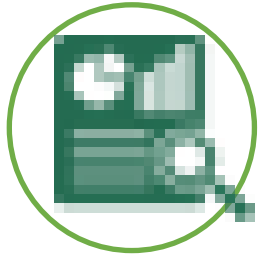
Transformation Through Performance Management System

A Case Study

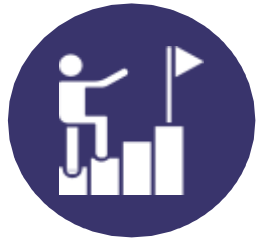




- The client is a Tier 1 Exporter, a mid-size promoter driven company, with INR 600 crore annual revenue. The promoters also have interests in other businesses however, their current focus is on export business.
- The management has an aspiration to grow 4 times to 2400 Cr in five years timelines.
- The company has a robust customer base in United states as well as in Europe. They also intend to expand their market reach in these two geographies as well as expand their base in South East Asia
- The promoters were struggling to translate this aspiration into action and hence are looking for solutions that can result in achieving this aspiration over the defined period



- The organization is a first generation promotor driven family organization with varied businesses.
- The promoters have grown the business in revenue almost 100 times to its current level in a span of about 15 years.
- Considering the opportunities that exist in the future growth of their sector, the promotor has envisioned to grow the company five times in the next 3-5 years with different product portfolios aided by newer technologies.
- The promoters also recognize that to manage the future scale; it will have to professionalize the organization, bring in competent leaders to join the team and build much needed leadership and functional competencies so that with an appropriate delegation the pace of growth will be accelerated.
- Promotors want to translate its vision to growth with the internal talent so that they can act like entrepreneurs to grow the business to the next level



- The promoters are driven by aspiration and believe that robustness in operations alone may take them closure to the five years goal. They also engaged a global consultant to help them establish/strengthen the overall operations.
- In their recent past however; the organization post pandemic, has not achieved their budgeted numbers and their margins have shrunk due to steep competition in the market as well as reasonable increase in input costs.
- The Human resource and talent management processes and systems are in the nascent stage
- The Leadership and the management bandwidth that lacked competence to translate the promoter's vision into action.
- The promoters and the executive management; after several discussions have come to an understanding to create robust performance management systems and processes that are easy to manage, effective & sustainable to ensure talent attraction, retention & growth to support company's vision for growth

As is review

- Review the existing processes and systems across locations and hierarchy of the organization
- Review the performance Management system and Policies as existing and implemented
- Review organization Structure, roles and responsibilities and the competence framework applied (if existing)
- Collect benchmark – information – relevant to the organization

Redefine the challenges and prepare for Change

- Identify the challenges vis-à-vis the desired state by working with the stakeholders teams
- Articulate the challenges and the themes that will drive the desired change
- Redefine the processes, competence framework, organization structure, roles and responsibilities and the policies
- Finalize the process going forward with clearly defined process elements, FPR's, timelines and costs
- Ensure alignment on the approach and agree on the implementation plan

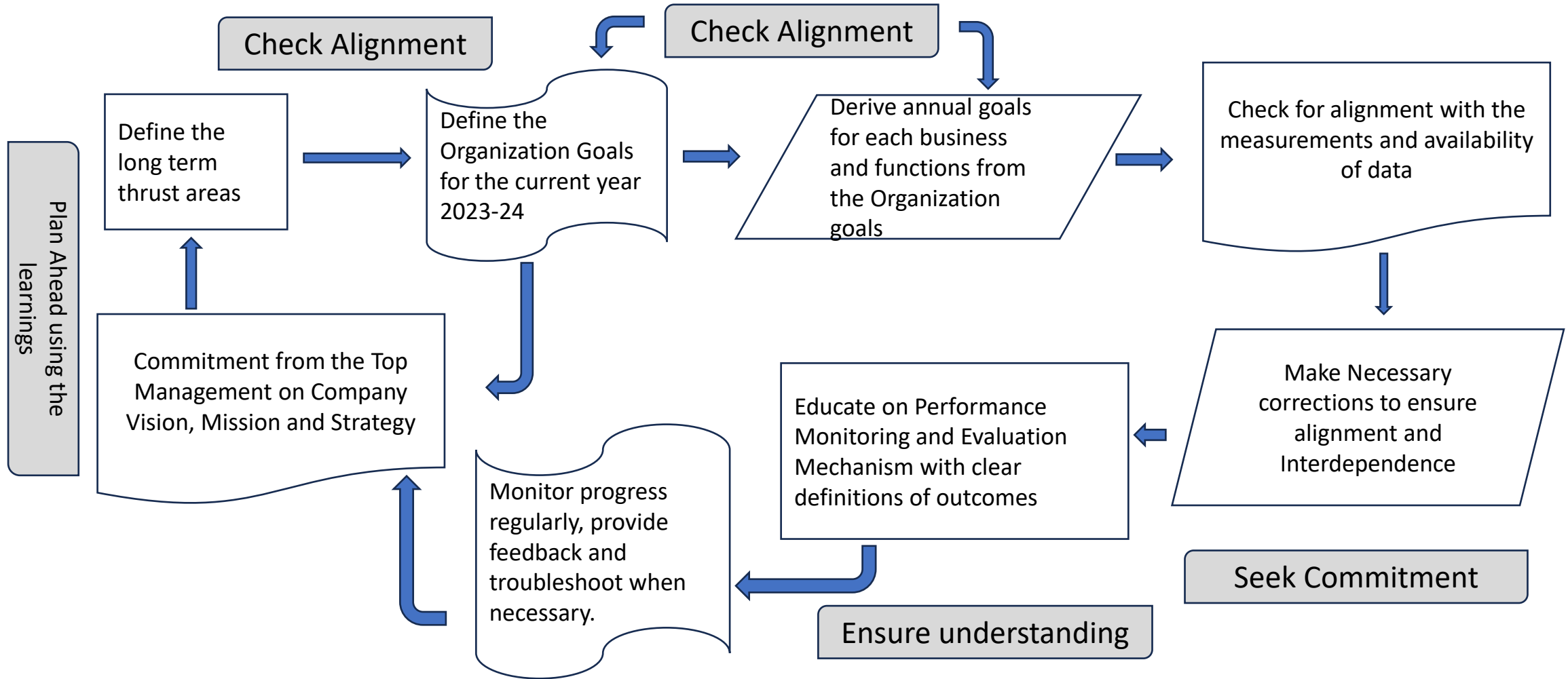
Support in driving the change through on ground implementation

- Educate the defined universe for change
- Communicate the process and show a bigger picture
- Communicate the benefits of Change to the organization and to the individuals
- Rollout change schedules with clear actions, FPR's, deliverables and timelines
- Implement a pilot with the stakeholders and with the identified set of employees to ensure a smooth transition from the existing to the desired one
- Support in scaleup to the defined universe with implementation of change levers including the processes, policies and structure
- Review periodically



- Considering the aspiration of the organization and the business strategy, defined the long term thrust areas with the members of the Top Management team to provide clear direction.
- Defined the Organization Goals for the current year 2023-24
- The Annual goals for 2023-24 are defined for each business and functional heads from the Organization goals for the same year
- Along with all functional heads and the business heads, the defined goals are validated and ensured alignment with clear measurements
- Necessary corrections are made to ensure alignment and Interdependence
- Ensured necessary data availability for each function in the form it is required.
- Created framework for MIS to ensure that the progress of the goals for each function gets measured and reviewed on a monthly basis.
- Methods to deal with variance in performance and keeping it realistic is institutionalized.
- Learnings captured to sharpen the process and review skills that can act as an input for the next year's goal setting process

Steps taken to solve the problems





- Generated commitment, alignment & focus on thrust areas that delivers business growth
- Created goal clarity, aligned processes and systems that have improved business performance
- Improved functional efficiencies and organization readiness to deliver changes in business
- Institutionalizing overall business performance method with clear measurables that give appropriate weightages to performance & competencies
- Enabled data-based decision making
- Institutionalization of talent & competencies framework across hierarchy of the organization
- Clearly defined MIS matrices that help keep note of business performance on an ongoing basis and therefore helping timely course corrections required to mitigate variances arising out of dynamic business environment
- A sense of achievement for employees thereby building confidence in the system to do more with less



About Strategea

- Strategea is a trusted management consulting firm with a focus on improving overall business performance. We bring expertise in Business Strategy, Operations and People under one umbrella; thereby providing a compelling solution to solving business issues, specifically in the space of scaleup and growth.
- With more than 200+ years of collective experience in the corporates across globe, viz South East Asia, Singapore, United States, Canada, Latin America and Africa, we bring deeper understanding of global practices having worked and helped various types of industries viz: Pharma, FMCG, Infrastructure, Textiles and Garments Manufacturing, Auto components, Chemical, Dietary Supplements & BFSI to name a few
- We can help you with our customized solutions to exceed your expectations and create a meaningful experience of working together in making transformation happen. In this process, we transfer the necessary skills and knowledge to your teams!



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