

Volume 6 Issue 12

THE GLOBAL ANALYST

₹150 AN EXCLUSIVE MONTHLY ON BUSINESS & FINANCE December 2017



JUST WHAT THE DOCTOR ORDERED !

Torrent Pharma Acquires Unichem Lab's Branded Business

This could spawn similar deals involving home-grown Pharma Firms



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"My style is to strategize, collaborate, delegate and empower, with responsibility and accountability at every stage."

Rajesh Mokashi

Chief Executive Officer and Managing Director, Credit Analysis and Research Limited (CARE)

Rajesh Mokashi has been the Chief Executive Officer and Managing Director of Credit Analysis and Research Limited (CARE) since August 22, 2016. He also served as the Deputy Managing Director of CARE. He is instrumental in criteria development for ratings and improvement in policies and procedures at CARE. In addition, he is actively involved in international forays of CARE from time to time. Over the past 19 years, he has been associated with rating assignments covering a wide range of sectors like finance, commerce and credit risk, etc. He was associated with OTIS Elevators Company (India) Limited. He served as an Analyst of CARE. Prior to joining CARE, he held key positions in Otis Elevator Company India Ltd., DSP Financial Consultants Ltd. and Kotak Mahindra Finance Ltd. He is also Member of Empanelment Committee of NISM.

He holds Chartered Financial Analyst from the CFA Institute, USA as well as ICFAI Hyderabad. He has obtained a Diploma in Import and Export Management from Indian Institute of Materials Management.

In an exclusive conversation with *The Global Analyst*, he talks about the various challenges that pose a significant risk to global growth, while causing anxiety among businesses, the resulting challenging business environment that calls for more robust risk management mechanism, and his leadership style that empowers with responsibility and accountability at every stage. Read on.

■ **Rising geo-political tensions pose a significant risk to global growth, while causing anxiety among businesses. How do you react to it?**

Today we are living in a globalized world where to use the cliché, the world is flat and all of us are interconnected directly or indirectly by the economic forces. Hence, any geo-political conflict which does not involve India directly in any way can trigger ripple effects which travel faster than they ever did, say 10 years back. This is the power of globalization. These are felt through immediate changes in commodity prices, especially oil, which may not be related to the geography where there is conflict. Next it spreads to exchange rates which are

inexorably linked with one another. We have seen how a Fed rate pause can send all currencies in a specific direction, which can accelerate in case of such a disturbance. Hence, commodity prices, exchange rates and domestic interest rates get affected by such conflicts as inflation becomes a challenge when oil prices rise.

Further, countries are intertwined by the trade and investment flows which get distorted when there is any tension in, say, a country as distant as North Korea. The impact is then felt on stock markets, which affects every business market value. Thus, there is always anxiety when there is any kind of germination of geo-political tensions anywhere in the world.

■ **The saber rattling between America and North Korea could be a major cause of worry for multinational firms, in particular. How do you prepare your firm given that the challenges before businesses have only grown multifold?**

We are in the rating business and are cognizant of the fact that any escalation of such conflicts can affect the policy framework with regard to

interest rates, which in turn can affect the demand for credit which is the cornerstone of our business. We consider this to be an extraneous factor over which we have little control as we as a credit rating agency can rate as much as that comes on the table. The best that we can do is retain our customers through strong relationships.

This is one reason why our focus has been on diversification so that we are able to spread our business frontiers and reduce risk from concentration. Our recent forays into the areas of research, training and advisory services are steps in this direction as we are better prepared to counter even

the regular business cycles in the economy when the credit and debt markets get impacted by slower growth. While we could take GDP growth for granted in the past, the last five years have taught us that growth is never exponential or progressive in the economy and would be more likely in the form of waves with wider amplitudes.

■ **Do you think today's challenging business environment calls for more robust risk management mechanism/strategy as far as global businesses are concerned?**

Most certainly as mentioned earlier, one need not have a global imprint to be affected by developments in the

world economy as the inter-linkages are stronger than ever. Therefore, risk management is always necessary in this context, which means not just in terms of a diverse mix of portfolio within the business where we operate—like size and industry concentration—but also across business lines. This is where we have to work to get the matrix right, which of course does take time and involve some element of experimentation. We have seen in other businesses too that one can never be sure whether a product or service will work and hence innovation and diversification should get ingrained in our business genes so that it is a continuous process.

Extremely Successful CEOs: Seven Daily Habits

The most successful men and women in business have more to juggle every day than most of us do in a week. Many make it by working themselves into the ground, but a select few are able to balance responsibilities, family and good ole' fashioned fun. How do they do it? Here are seven insights from some of the most successful CEOs in recent years.

- **Make the most of drive time:** Ever feel like you could use an extra hour in the day? Make the most of your morning commute by taking care of important phone calls, appointments and prioritizing the "must do's" for the day.

I like to schedule some of my most important calls during my morning drive to the office. While it can be frustrating at times to have a long commute, not to mention often getting stuck in traffic, I find this time very useful for scheduling calls that are uninterrupted. It also allows me to accomplish a lot more for the day when I get into the office, knowing these important conversations have already taken place and I can focus on other matters.

David Goldin, CEO and founder of Capify

- **Make time in your life for fiction:** Whether from a good book or movie, fiction gives your mind a break and helps the creative juices get going. Bring your favorite novel to work and take a few breaks throughout the day to let your mind wander and unwind.

It emboldens your imagination, gives your mind respite, and arms you with tactics on creating motivating, inspiring messaging. Do not be afraid to take time out to free your mind from the strictures of reality.

Alicia Navarro, CEO of Skimlinks

- **Structure, structure, structure:** Structure can seem unexciting, but it is what gives us the chance to innovate with the limited time we have.

I have been having the same breakfast of a protein shake with healthy fats, a fresh pressed juice full of vegetables, and a double espresso for as long as I can remember. While I press the juice, I recite the three things I am most appreciative of that morning. Thinking on the things that are most important in my life helps me take down the kale and beet juice with a smile.

Michael McDevitt, CEO of Terra's Kitchen

- **Organize the details:** Set aside a short portion of your day to organize the small details in life that can distract you from priorities.

Danny Meyer, CEO of Union Square Hospitality Group, has a memo system that helps him keep up with small details during one short chunk of the day. Of this streamlined system, he says, We started the memos only last year, and I don't know how we managed without them. I care about the details. This way, I don't worry that I'm missing anything.

Danny Meyer, CEO of Union Square Hospitality Group

- **Cultivate creativity:** Steve Jobs had the innate ability to look at everyday items and innovate incredible products out of that existing need.

He did not invent the cellphone, personal computer or wrist watch, but look what he has done with a measure of creativity. Creativity is just connecting things. When you ask creative people how they did something, they feel a little guilty because they didn't really do it; they just say something. It seemed obvious to them after awhile.

Steve Jobs, Former CEO of Apple Inc.



- **Unplug your life:** Sleep is vital for every task throughout the day – makes sure you are getting your seven hours!

I was successful by all standards, but I was clearly not successful if I was lying in a pool of blood in the floor

Arianna Huffington, Founder of The Huffington Post

- **There's no such thing as a "bad day":** Positivity is a mindset you choose. Things will not always stack up in your favor, but how you respond and move forward makes all the difference.

I am a huge fan of Mike Bloomberg and recently saw him speak in a conversation with Alan Patricof at an event. At one point, he turned to Patricof and said something to the effect of, 'Alan, I'm 73 years old, I don't do doubt and I don't do bad days.' That really stuck with me. Running a company is really hard, and every day is different, but having a bad day is a choice.

Dan Teran, CEO of Managed By Q

■ How do you define your leadership style?

I do believe that I have the right people in the organization and once this is done, then the leadership style can be well defined. As a leader I take responsibility for the company and its performance and am answerable to the shareholders who are represented by the board of directors. As a leader is the person who translates such conversation with the shareholders to the team, the primary function is to strategize and take a macro picture. Often people at top get down to the micros and falter as they get bogged down by the daily chores which can be major distractions.

I believe that as a leader I do see the big picture and take the onus of formulating the strategy. While driving result-based-strategy, I do follow a collaborative approach of having brainstorming sessions with the top management regularly so that the same ideas when crystallized can be put into action. The next steps are easy, as I believe in delegating to the top management and make every person responsible for his or her actions and hence in a way behave like a mini-CEO of the concerned domain. The crux is to empower the team members, and when we select the right people it becomes easier to implement.

Hence, in short, I would say that my style is to strategize, collaborate, delegate and empower, with responsibility and accountability at every stage.

■ Kindly tell us about the incidents that helped you become a better leader?

Becoming a leader is a challenging task. Because we all start off as what can be called workers at the lowest level when we embark on our careers. From this point of time, the work that we get involved with as well as the interest shown guides you to perfecting yourself with the job. Along the course of the career, I have had the opportunity to work with some very learned and effective seniors as well as colleagues which have helped me to crystallize my own ideas about how things should work in a rating company. Add to this the continuous

interaction with our clients in a customer-centric business like ours, and I have benefited from the views, ideology and experiences of several top leaders from other organizations. Being a fairly voracious reader, I have been inspired to read some leading books on leadership, strategy and organization. All this has helped to cultivate and build ideas on leadership which I am trying earnestly to implement in the best possible manner.

■ Do you believe leaders are not born but made?

If I have to use the 80-20 rules, I would say that 80% are made and only 20% are born. As human beings, we are all different in strengths and temperament, but do have it in us to become leaders if we want and have the hunger for the same. Once you have decided to reach the topmost position of a leader, I think any capable person can work towards its achievement. There would be inherent challenges in personality and temperament that have to be overcome or altered to suit the organization one is associated with. Hence, it is ultimately entirely up to the individual to carve a niche for himself in this domain. The field is quite congested with too many talented people and hence one has to work really hard to ensure that you become the preferred choice for the shareholders.

■ What efforts your company has taken to groom future leaders?

I do believe in grooming the next generation of leaders and hence have already created a pyramid structure with two EDs followed by several very senior CGMs who will have to take the baton. The jobs or responsibilities are well defined for everyone along with the necessary freedom to execute their plans. All these potential leaders are being watched closely by not just I as the MD and CEO, but also the board of directors so that we are able to shortlist and cherry-pick the best from this talented lot. We do give freedom to express views and execute actions so that the company benefits and the

entire process is meritorious as there is a level playing field with no preconceived bias or judgments about anyone. I must also point out that we are aware that the best in a particular field of business development or ratings may not necessarily be the leader to drive the company because to achieve this one has to go beyond domain expertise and also be good at handling stakeholders and delivering the best results for all.

■ What do you think are the traits a good leader should possess in his/her journey to attain greatness?

The most important thing is humility because while the company's success or failure in a year is not person-dependent, the sustainability of the business is built by the leader. How one tackles people, shareholders and financial numbers are some of the things that one has to contend with all the time. Attracting talent and retaining the same is the key to having good people. Being in touch with people is also important because the personal proximity makes it easier for subordinates to work in a comfortable environment. Therefore, besides thorough understanding of the business, the leader should be able to deal with the stakeholders and resolve conflict along the way and ensure seamless functioning of the organization.

■ What would be your message to aspiring business leaders?

Dream, aspire and hard work. These three words sort of sum it up. First you need to dream of being a leader, and if this is not possible, then you are out of the race. Once you have the desire, then you should aspire for it and do all that is necessary to sit on the chair of responsibility. This will involve learning a lot to be a potential leader. After that it is pure hard work along the way where one essentially fills in the lacunae consciously and keeps learning from mistakes so that one becomes qualified to be a leader. And of course, at the end of the day, chance plays a role as there are several such potential leaders in the running in any company. ■

(Interviewed by N Janardhan Rao)

Reference # 20M-2017-12-06-06