

“Encounter” – Strategic challenges faced by HR

Aparna Sharma—Former Country Head- HR, Lafarge India, has worked across sectors in large companies like Monsanto, Novartis, UCB (a biopharma company) and the Deutsche Bank Group, helping them to grow profitably as well as maneuvering them through the rough waters of mergers and acquisitions. In this 2nd Excerpt of her interview, she discusses the Strategic Challenges faced by HRs of large MNCs.



Can you explain the key strategic challenges in the various industries you have worked in?

Most of these industries had patented products which needed regulatory approvals in the countries to launch and commercialize them.

1) New product: In an existing business, we only need to focus on growing the top line and bottom line. But a new product's introduction has a gestation period for testing in the market; a lot of trial research reports have to be submitted to the government which requires a different skill set. The people who commercialize a product may be different from those in an existing business. **The challenge lies in running and growing the existing business, expanding the product base and improving the profitability of the organization**, especially in the manufacturing sector that I have been associated for most part of my career so far. It is a business challenge with people dimensions. HR's skill is to tap the talent pool. Either hire readily available people or hire and train them on technology, products and services. Mapping, acquisition, development and management of talent are strategic initiatives, so as not to end up losing talent to competition during business growth.

2) Being MNCs, we needed to **Think Global and Act Local**. The most critical need is to ensure a balance between the organization's overall global philosophy and its local culture.

3) Transformational work: My forte has been Change Management in all the roles that I took up. For instance in the Philippines, we had to make decisions to run the business with external environmental changes coupled with people challenges. During mergers or acquisitions, the biggest challenge is to retain the core culture while adapting to the organization's new culture.

4) Structural transformations: Sometimes, the management may decide to decentralize an already centralized organization to make the countries more accountable and responsible. This requires a lot of delayering along with understanding and experience of how the company would gear up to manage its people, operations and culture locally.

These are the specific challenges apart from the regular HR deliverables

What are the challenges you have dealt with during mergers and acquisitions?

One of my roles as the head of HR has been to **retain the organization's culture**. Not everyone gets to retain their job during mergers and acquisitions and we may have to break the bad news after the selection process. Apart from designing and administering the selection processes, we also have to **announce and design packages for people who have**

to move out. It is a very sensitive process from an HR perspective but fortunately, I've always had a solid partnership with business leaders and their involvement in the entire process. **Then, it becomes a joint ownership rather than a sole functional intervention.**

Another challenge is the communication. Though usually it exists as a separate function in most organizations; during mergers and acquisitions, communication is key and it becomes HR centric. Although we cannot offer any guarantee or definite answers, we still need to **keep listening and talking to employees; assuring them without making any promises.** To maintain a delicate balance during these times, **HR has to act as the lynchpin.** We need to exhibit utmost professionalism by rising above our own insecurities and deal with people which requires a lot of maturity. It has been a huge learning and evolution process for me requiring a lot of leadership and resilience to play the role of an anchor. It also requires **empathy and a strong ability to work with business leaders** when everyone is groping in the dark.

Yes Aparna, HR's role calls for a lot of maturity, empathy and leadership apart from a good understanding of the business. Thank you for bringing this out so vividly.