

## 'Keeping the opportunity pipeline flowing'



That warm, fuzzy, caring space that denotes a good HR function is being enabled through the use of emerging technologies and mathematical tools that help optimise the organisation-employee relationship. Tata Power's chief HR officer, **Chetan Tolia**, explains to *Gayatri Kamath* how the HR function is changing to map the future employee with the future organisation and how the company is working to become a meritocracy with highly engaged people.

### What are the focus points of the HR practice in your company?

The HR emphasis at Tata Power is on growing our people and filling our opportunity pipeline with

talent from within. This is one of the reasons our employee engagement levels have consistently been high, in fact among the best in the industry.

Traditionally, the HR function has focused on managing the talent flow. At Tata Power we view every role as an opportunity for individual growth and, thereby, the organisation's growth. If the pipeline gets clogged (with permanent residents), the movement of people through the organisation gets impaired. This can stress the talent pool and possibly result in people feeling disengaged. That's why we look at the issue from the perspective of growth opportunities.

What we are beginning to do is a rigorous and regular review of the entire organisational design vis-à-vis the needs of the business. You cannot have an unchanging structure; it must continuously adapt to business needs. This helps open up spaces where talent can flow, and thus enhances overall talent productivity.

Another big change is that HR is redefining its boundaries of operation. A new target group is the contract workforce, employees who are not on Tata Power's permanent payroll but are very much a part of the business. Core activities and processes are retained in-house, while certain specialised services are outsourced, such as handling fly-ash or coal, special services during an outage and specialised turbine maintenance.

The changing business environment has resulted in the number of contract employees growing and typically there are three contract employees to every permanent employee. These figures imply that HR has to play a more active role in contract workforce management. We need to weigh in on entry standards, minimum educational qualifications, training needs, desirable behaviour and so on. The people culture of the external agencies bringing in the contract employees needs to be synergised with ours. We are now re-establishing these service contracts as productivity-linked, performance-based ones. This will create an incentive for service providers to invest in improving their efficiencies, benefiting all concerned.

Another impact is that, internally, we need to reconsider what skill sets the company needs, especially with its permanent employees. The

## About Tata Power

- ▶ Tata Power is an integrated, independent power producer, with a presence in power generation, trading, mining, transmission and distribution.
- ▶ It is a 100-year-old company headquartered in Mumbai, with plants and facilities across India and a presence in Indonesia, South Africa, Bhutan and Singapore.
- ▶ Consolidated revenues of ₹260 billion in the financial year 2011-12.
- ▶ Number of employees: 4,300 plus.

HR evolution at Tata Power is being led by the business evolution, and we need to focus on those issues that have a great business impact.

### What are the HR challenges specific to your company?

Among our big challenges is the matching of the talent pool and people expectations with the volatility of the business environment, even as we build capability for the future. The mix of legacy and new business models and the demographics of our people combine to make this a uniquely challenging time from an HR perspective.

Another big challenge is to balance our gender ratio. We want to attract and retain female talent. We need to provide an environment where women are supported in the workplace; they should feel confident that their careers will grow at Tata Power. We are in the process of reviewing policies for maternity support, childcare, etc, and are considering different ways to bring women back into the company after a parenting break. There is a lot of careful planning that's going into this.

### How does your company approach the issue of leadership development?

We have several leadership development schemes but we are also looking at new



technologies that enable live or real-time executive coaching, with 360-degree feedback tools to help manage problems almost as soon as they occur. Leadership effectiveness discussions are conducted with top management (and facilitated by HR) to understand people's career aspirations, the support they need from management, and the options available for developing their careers. These systems are not for performance appraisal but for performance enhancement. It's an exciting space to be in.

#### **How do you tap and recruit new talent?**

A few years ago we went through a growth spurt where we had to recruit laterally in sizeable numbers for our middle levels. Now we are looking at a steady annual intake of 40-120 fresh graduates every year. We do not want to have a gap in this flow. The benefit is that young talent can be moulded and groomed, rotated in different areas and developed over a period of time to fit in with our culture and needs.

We are also looking at recruiting a mix of specialists: management graduates, lawyers, engineers, environment and safety specialists, etc. This implies looking at new recruitment venues and mapping nontraditional skill sets. A new development in HR is the use of analytics, and one area where we are deploying this is in recruitment. We are tracking and correlating a number of inputs — the colleges where we recruit, the number of people who apply, the success ratio, the number of appointment letters issued, the number who join and the progress of those who continue at Tata Power. This data is correlated with other factors such as college rankings, the Tata Power people who visited the campuses, etc. By analysing this data for a 10-year period, we establish what combination of factors has worked best for us. We then finalise our campus visit plans.

#### **How does employee engagement pan out in Tata Power?**

An engaged employee is one who is fully involved in and enthusiastic about the work, and who will act in ways that furthers the organisation's interests. Tata Power's employee

engagement process strives to measure the degree of an employee's positive or negative emotional attachment to the job, his colleagues and the organisation by collecting employee responses through an annual survey that is administered by an external agency. The analysis is presented to the management team and all employees every year. The solution and action planning is done with the active involvement of employees. This process is branded as 'Voices.'

Based on the outcomes of the survey, we have continuously deployed initiatives and taken corrective actions to increase the level of engagement among employees. The employees' belief in the process, the management and the HR function is clearly visible in the commitment to together make Tata Power a great place to work. Participation in this process has been maintained at levels of 95 percent and above.

At Tata Power we also feel that we need to think beyond this. We need to review what we should measure and what we hope to accomplish through this exercise. The answer could well lie in a new system of taking more frequent measurements of employee engagement. Then the exercise may turn out to be even more meaningful to the employee and the organisation.

#### **What do you see as the HR challenges of the future for your company?**

The Tata Power entity comprises several companies, of which there are 8-10 operating companies, each of which has its own HR function. We need to create a unified HR framework across all our companies. This common platform will have several benefits. It will enable smooth talent mobility, increase the opportunities available for growth, and help enhance among our people the sense of belonging to a large organisation.

What is unique about Tata Power is that we have a stable and engaged workforce. Our engagement levels are high and attrition rates are low. In addition, we have the ability to assimilate external talent. These are the positives that we are building on. We want Tata Power to be recognised in the marketplace as a meritocracy with highly engaged people. □