Book Review

CEO Chess Master or Gardener? How Game-Changing HR Reforms Created a New Future for Bank of Baroda

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The name of the book itself would not only attract the attention of avid readers in the arena of Leadership & Strategic Management in general, and HRM, in particular, it is a 'must-read' piece for the academia as well as the researchers engaged in deciphering the internal organizational dynamics which defines the drivers of institutional success. The book poses an open question about the real role of the CEO of any institution much beyond banking: Is the CEO a Chess Master or a Gardener? Though the setting is the Industrial Relations (IR) and Human Resource Management (HRM), challenges of Bank of Baroda, one of the largest and fastest growing banks in the increasingly competitive banking space in the country, the analytical insight of the 'researcher' provides an absorbing and interesting narration of the incidents and events that have shaped the journey of the 'Baroda Sun' from the year 1956 to 2008 and beyond under the stewardship of many CEOs.

There were tumultuous periods of Union activism in Indian banking and Bank of Baroda is not an exception. As one gets going in reading the saga of HR & IR challenges faced by the CEOs of the Bank over the years, he is likely to get a feeling that each of the past CEOs has tried to wade through the IR & HR challenges. They have adopted strategies that suited solving situational issues rather than trying to evolve any long-term sustainable strategy to synthesize human aspirations with the organisational goals of the Bank. Some have won and some have lost the 'Game of Chess' but, unlike the author, none would probably be remembered as a 'change-agent' in the Bank who has transformed the Bank and set it in the trajectory of sustainable growth. The common denominator of failures of many of the past CEOs in addressing the IR & HR challenges on a comprehensive basis, as has been clearly brought out in the book, was the lack of long-term strategic vision of the past CEOs of the Bank which resulted in the Bank getting
into messy situations in the past though oblivious to the outside world. To tide over the crisis periods, the only option left to the CEOs was to 'appease' the 'unjustified demands' of the Union leaders, many of whom often failed in their role as true 'leaders' and has bargained benefits that mainly met their own personal interest and goals. As has been aptly christened by the author, the era in Bank of Baroda moved from "Pragmatic Paternalism" to "A Testing Time" to "Fight to Finish" to "Divide and Rule" to "Soft Pedaling" to "Management Apathy to Reforms" to "Trade Union Rules the Roost" during which the author got groomed from being a pure HR-specialist to a generalist heading the "line" responsibilities as the zonal head at Meerut and then Kolkata. This grooming led "New Explorations and Initiatives" by the author during 1995-1997 and then "Dislodging the Status Quo" by him during 1997-2000. The learning during these phases provided the much-needed grounding to the author to herald the phase of transformation in the Bank first as an 'Executive Director and later as the CEO of the Bank from the year 2005. By the end of his professional career in the Bank in 2008, the author became an iconic "Gardner" with a clear vision and steered the Bank "Towards a New Paradigm". Integration of IR & HR became the hallmark of this transformation process.

The inferences that have been drawn and the insights that have been gained which shaped the vision of the author to craft his unique and successful experimentations with IR and HR have been brilliantly summarized by him in the Book. He has argued that though the personnel and IR functionaries stay at the forefront of negotiations, the key aspects of decision-making in IR is centralized in the CEO. Centralization of IR strategies, in absence of any formal institutional mechanism to check and balance the power of the CEO to tinker with the strategic and policy issues in IR, result in long-term dysfunctional consequences in any organisation. He strongly argued the need for a 'formal mechanism' to deal with both majority and minority unions in any large geographically dispersed organization like banks in India. The author stressed that empowerment of personnel specialists with appropriate executive authority and reposing trust in their professional competence would foster the process of IR reforms in any bank. According to author, these initiatives of his during the period 2000-08 laid the foundation for the integration of the IR and the HRD functions in the Bank. He highlights the inherent fall-outs in viewing IR in the narrow lenses of "managing trade unions" and taking a short-term myopic approach to managing HR issues in the Bank. The author has strongly argued in favour of adopting a holistic approach to reform encompassing the entire ecosystem of HRM, as was well-crafted and implemented by him in BOB first as its ED and then CEO to ensure sustainable growth of the institution.

In the process of drawing inferences from his long association with the Bank in various capacities and finally as the CEO in piloting major transformational programme of the Bank, the author transcends beyond BOB and shared his insightful reflections on the role of a CEO in steering the transformation process of any institution. He argues strongly in favour of organic integration of the IR
and the HRD function to ensure balanced growth of any institution. The craftsmanship of the CEO to ensure employee engagement, according to the author, holds the key to success in the service-driven era of the twenty-first century. He stresses the need for fostering a facilitative culture by the CEO to keep the organization future fit. CEO, according to the author also has the responsibility of identifying, nurturing and grooming talent to meet the future organizational requirements. The author argues that promoting inclusivity and diversity are the two pillars that define the credibility of any institution. He has stressed the need to institutionalise people management policies and processes to ensure consistency in its application. The author argues that the integrity of the highest order of the CEO sets the standard for others in the organisation to emulate.

The author laments that being social organisations strategies and actions of trade unions are fairly visible in the public domain. In contrast, management strategies, especially in the sensitive area of IR, get shrouded in the veil of mystery in view of the lack of access to study the intricacies involved by any researcher not belonging to the institution. The battle of CEOs with the trade union leaders, according to the author, resembles the game of chess in which each one tries to defeat the other and the victor experience a sense of gratification and power over the vanquished. This, according to him has the potential of causing immense damage to the institution. He argues that the said battle needs to be fought within the institutional framework and boundaries to guard respective principles and values and in the process the CEO should be able to create ample space to initiate appropriate initiatives to further organizational goals. The author envisions the role of the ‘leaders’ as akin to the four important steps of ‘gardeners’ such as, weeding, preparing the soil, planting the seedlings, and nurturing the plants which, in the long run, facilitates reaping golden harvests.

Being a product of his Bank, the research carried out by the author is undoubtedly a rare piece of work in the literature. The book has provided a rich insight into the intricate dynamics of human resource management challenges faced by a CEO and his transformational initiatives that ensured success and the sustained growth momentum of the Bank. The finesse with which the author has documented his experience should encourage the home-grown CEOs of successful institutions to share their respective insights in steering their respective institutions for the greater benefit of the future leaders of organisations.