



September 2021

EMPOWERING TIMES



THINKING ALOUD

The Agri conundrum
Jay

PODIUM

Ajay Vaidya
CHRO, Mahyco



WE RECOMMEND

Lights Out
Thomas Gryta & Ted Mann

Dear Reader,

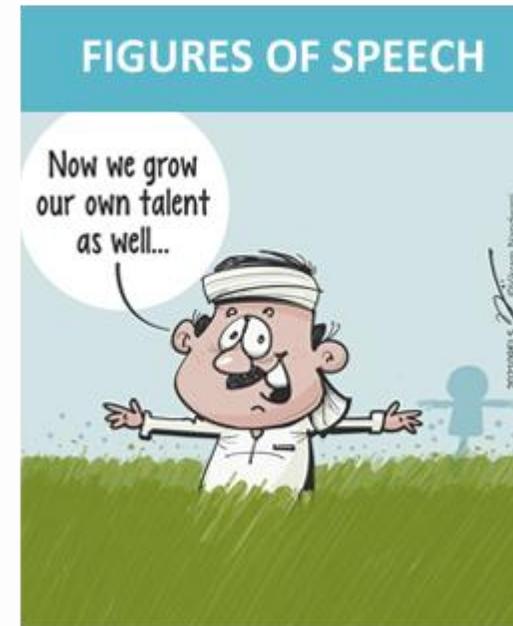
The agriculture sector, like many other industries, faces certain unique challenges. For years, the sector boasted of being the backbone of the Indian economy. Although times have changed, it still holds a special place in the Indian heart, making its importance stand out from the general industry. The sector is already under stress as policy makers try their best to boost the sector, braving through climate change, mounting farmer debts, low produce and export income, among other challenges. This is a complicated landscape right now with the pandemic in play.

The Human Resources challenges of this sector closely depends on the vagaries of nature. The industry has a long gestation for generating returns on the capital invested meandering through inevitable cycles of peaks and troughs. Hence, people management strategies and processes are challenging to develop and execute. The industry facilitates employees to enhance their agricultural skills and work capabilities through employee mentoring programs, research and development in new animal breeds and crop species and education advancement opportunities in agricultural fields of specialization such as agricultural engineering.

ET this month looks at the '**Managing the Human Capital Challenges of the Agri Business**'.

On the **Podium**, HR professional, **Ajay Vaidya – CHRO, Mayco** shares his thoughts on the evolution of the HR function and highlights the uniqueness of managing talent in the agriculture sector.

In the **Thinking Aloud** segment, **Jay** speaks of the importance of the agriculture sector in the economy, and the hidden opportunities that lie within the challenges that persist. In the **We Recommend** segment, we review **Lights**



Out by Thomas Gryta & Ted Mann who takes readers through the minds of great leaders who steered General Electric through the ups & downs of the business world.

In **Figures of Speech**, **Vikram's** toon cultivates his own 'crop' of people.

Please also [Click Here](#) to check out our Special issue of ET, which is a collation of selected themes that were featured over the years highlighting the changing landscape of the business world. This special edition has been well received and can be [Downloaded Here](#) for easy reading and is a collector's item.

As always, we value your opinion, so do let us know how you liked this issue. To read our previous issues, do visit the Resources section on the website or simply [Click Here](#). You can also follow us on [Facebook](#), [Twitter](#) & [LinkedIn](#) - where you can join our community to continue the dialogue with us!

THINKING ALOUD

The Agri conundrum

Jay

The contribution of agriculture in an economy is much more than a statistical variant. While it is easy to rationalize that a key indicator of development for a country is the increasing percentage share of the Industrial and the Services sector (and consequent fall in the contribution of the Agricultural sector), statistics and numbers do not tell the full story. The emotional appeal of the agricultural economy has been known to move national politics, and governments have fallen for ignoring farm issues. This is why the farm lobby has been powerful even in the developed nations of Europe, apart from their strong voice in government corridors in the United States and Japan.

Reports indicate that globally the Agri sector is the second largest employer (after Services) and over 1.3 billion are engaged here (about a third of the total employed). Also, when a country industrializes, there is always a consequent reduction of employment in the farm sector. The number is as low as 1.3% of the workforce in the US and 1.5% in the UK, whereas in India it is 43%. In terms of contribution to GDP, the numbers are 18% in India, 5.2% in the US and less than 1% in the UK. In other words, poorer the economy, more the numbers in the Agriculture sector, as witnessed in African nations, Latin America and parts of Asia. Yet another indicator of this lack of development is that an estimated 38% of those engaged in the sector are women. Thus, the need for raising farm productivity and uplifting the masses dependent on this activity is crucial for a country.

Meeting this challenge is proving difficult in India, as recent events testify. The major reforms that the government initiated last year have hit a political roadblock despite the testimony of economists. The inertia in the sector and the immense political ramifications of tackling the vested interests, has always given cold feet to those in power. Politicians love to dole out freebies and subsidies as a demonstration of their bleeding hearts to win the larger

voter base provided by the farm sector, which is why agricultural income has remained outside the income tax regulations. But these band-aids are but temporary measures.

While it is no one's case that the sector does not need help, the mindless opposition to a modern approach to the sector only perpetuates the misery. It has been forgotten that India took recourse to modern scientific technology to break the cycle of poverty in what is now called the Green Revolution and the White Revolution (in Dairy farming). Both movements faced opposition and the battles were won by winning hearts and minds through persistent and varied communication, coupled with political will. It is time again to revitalize the agricultural economy as the imperatives of stagnation are compelling. The issues that we face are not the standard farm efficiency challenges alone, but there is the added urgency caused by climate change factors. While the series of floods and droughts continue in different parts of India, applying scientific thought could assist in raising yields through better seeds, proper use of the right mix of fertilizers, changing sowing and cropping patterns, use of mechanical tools, and a host of other novel ideas.

The Indian farmer is no longer the stereotypical ignoramus. The advent of telecommunications has created a class of modern farmers who not only use the latest ideas learned from advisory channels created by the government but also the out-reach agendas of the private sector. As is common to any change process, the benefits of progress have been uneven. Those with the appetite for risk – and the financial muscle – have gravitated to the future quickly, while others seek solace in government bailouts. While measures like farm insurance, etc., have been supportive, not all States have been imaginative enough to sustain the message of progress. So, we have a situation where innovative action by free-thinking farmers have created private farmer collectives (witness the success of Sahydari Farms, for instance), while those with fragmented land holdings still are victims of debt. The heartrending story of farmer suicides are fodder for the politicians and the Press but soon forgotten when the news cycle changes. So, the wonder of India's agriculture sector has both drones and self-destruction in an extended continuum.

To the strong-willed, there are opportunities waiting in rural India. A new generation of rural entrepreneurs is emerging, harnessing technology, funded by venture capital. It is not agri-tech alone that is promising but also options of skilling the workforce, new and exotic crops, agri-based down-stream industries, new forms of

ownership, etc. Access has opened to an India that has been ignored in the past, but the call should be answered only by those with the spirit of adventure.

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Podium

Ajay Vaidya
CHRO, Mahyco



Ajay Vaidya is the CHRO for Mahyco Grow and also a member of the Group's executive council. The Group provides a number of products and services to the Agricultural sector across a number of geographies.

Ajay has done his Graduation in Sociology and his post-graduation in Business Management with a specialization in Human Resource Development.

In the career span of twenty five years, Ajay has worked in Large family business and multinational organizations in the steel, automotive, general engineering and service sectors.

Apart from his professional career, Ajay has been a swimming and water-polo player and has contested at the national level.

ET: Given your long experience as a HR professional please share your thoughts on how the HR function has changed over the years.

AV: I began my career in the manufacturing sector in the late 1980s. During those times, HR mainly operated as "personnel management" and was more of a command and control game, especially in the manufacturing environment. Hence, the major focus was on ensuring discipline, managing industrial relations and exploiting the maximum out of the available human resources.

As organizations evolved and knowledge/intellectual capital became the biggest factor driving competitive advantage, the HR function has evolved as a discipline. Attracting and retaining talent and building Human Capital for the business has become one of the highest priorities for the function. From being mere keepers of the administrative people function a few decades ago, HR has evolved to play a strategic role for the organizations in recent years.

Also, over time, HR started to align closely with the business and focused on driving business results by building the right culture and capabilities. With the advent of new technologies, the function started moving from soft skills to a much more analytical and data-driven approach. Much of this ability is utilized to establish a comprehensive workforce plan which continuously feeds the succession planning and talent acquisition processes for critical roles.

Right now, situations like the current pandemic have disrupted businesses and HR has been at the heart of it. While it resets major work trends, the next step of evolution for HR would be to manage this complexity by rethinking organization design, HR planning and employee experience strategies.

ET: Given your varied experience in different sectors, please share your thoughts on how managing talent in the agriculture business is different from other sectors?

AV: Managing talent in agriculture is very unique when compared to other sectors in many aspects. I would like to mention 2-3 key areas here.

While agriculture and related industry provides employment to approximately 50% of the population, it might seem quite ironic that the majority of the youth still does not consider agriculture as a viable and attractive career

option. Much of the agriculture business operates in the rural areas and hence there is always a significant challenge in acquiring competent and diverse talent at the local level. Hence, bright and socially astute individuals tend not to be drawn to such isolated regional employment. Also, the increasing engagement of Mahyco Group in the food value chain and investment in new technologies imply for talent to have a range of skills and knowledge that have not always been accessible in the rural education infrastructure. With the ageing workforce, our biggest challenge is attracting the next generation of talent to meet our long term needs. Achieving gender and cognitive diversity in our workforce is another area of concern.

However, in recent times, a good level of progress is being made in updating modern knowledge, skilling and upskilling of potential talent through more holistic educational courses in reputed technical and management institutes. Also the investment of the industry as a whole in cutting edge technologies and advanced management practices continues to provide new skills and great learning opportunities for talent in the market. Thereby, one of our key talent management priorities is attracting and retaining people with key skills and aptitude required by the current and future sectoral needs. We also ensure sufficient talent mobility by multi-skilling them through our robust career management and rotation programs across functions, businesses and geographies. More importantly, at an industry level, we continue to focus on creating incentives and campaigns that would encourage young talent to see agriculture as one of the options for a career choice.

ET: Your Group's footprint is global and therefore the flavour of people management indeed varies across geographies. Please share with us how you bind them together with common threads and what kind of challenges are there in different places.

AV: As a Group, what binds us together across businesses and geographies is our common purpose and our core values. We are committed to providing high quality products and cutting edge technologies to empower small holder farmers and improve their income. Despite its growth and expansion, the company has remained unchanged at its core and all our businesses across geographies are driven by this visionary zeal. So, championing our Group purpose across the entities and translating our core values in each of the business processes is the major area of focus for me.

The flavour of people management indeed varies across businesses and geographies. As you would appreciate, Agriculture is a very local subject owing to differing policy environments, biodiversity, farmer profiles, consumer preferences and agro-climatic conditions. Therefore, for an organization like us with a global footprint and strong local companies, there is a need to balance a top-down approach of global business & talent strategy with a large degree of decision making in local markets. It's really a marriage of the two! Each talent market is governed by different employment laws and their collective capability is characterized by socio-economic factors, culture, demographics, availability of learning infrastructure and access to the right technologies. These multiple heterogeneities form the basis of our global and local talent management approach. Our focus is strongly on developing a special pool of global talent who could provide sound knowledge and expertise in multiple products and multiple geographies. This is enabled by providing them challenging assignments at the right moments in their careers and institutionalizing a strong peer-to-peer learning process. While this talent is both geographically and functionally mobile and makes strategic business decisions at a global level, actual HR planning happens locally and the capability development is attuned to the local needs. When it comes to competing for talent in emerging markets, we have the advantage of brand recognition and the ability to move talent from one operating company to another to help them develop new skills and experiences.

ET: As a Group resource of the organization, in your opinion how can the Group CHRO become the partner to the Chairman for enhancing business effectiveness in a Agri-led enterprise?

AV: As a Group resource, there is an enormous amount of levers to work with. It is my endeavour to play a role as a strategic advisor who can speak the language of the business. This also needs to be supplemented by solid understanding of leadership dynamics, talent market and people processes. I closely partner with the promoters and serve as a sounding board to appreciate the business environment including policy scenarios, business models and portfolio mix of our investments. Thereby, I am expected to not only lead HR but also partner with my executive peers to shape the business strategy, manage capability risks and strengthen the sources of competitive advantage. Being the Group's de-facto talent manager, it is also critical for me to reassess the priorities and ensure a highly functional and cohesive leadership team across our different businesses. As we have different business models across the Group, championing the Group's purpose and translating our core values across the entities and geographies is another major area of focus for me.

ET: Please tell us what makes Mahyco a special and unique force in the Indian agriculture industry & the impact it has made in the global markets.

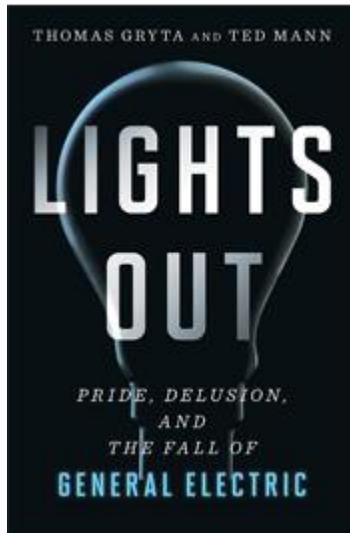
AV: Being the first private and one of India's largest seed companies, Mahyco is the pioneer of high quality hybrid and open pollinated seeds. In its journey of growth of more than five decades, the Mahyco Group has now diversified successfully into different businesses like engineering, fresh produce, biologicals, digital solutions, etc. Across markets, the Group synergises the power of all its various businesses and drives the founding vision of strengthening the food & nutritional security and improving the productivity and income of small and marginal farmers.

Guided by this purpose, Mahyco has always believed that the best of global technologies in agriculture should be made available affordably to small & marginal farmers. The company appreciates that offering innovative technologies is important but so is their distribution. Mahyco has collaborative approach to bring in such latest technologies through partnerships with many global organizations, apart from technologies developed by its own R&D. Mahyco has grown in African and South East Asian markets by setting up robust infrastructure, scaling up technologies and continuously harnessing the potential for agriculture productivity enhancement in the local farming communities.

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We Recommend

Lights Out Thomas Gryta & Ted Mann



Authors Thomas Gryta & Ted Mann have put forth a well-researched book on the history of General Electric (GE) and the thoughts of the great leaders that eventually threw the company off its growth trajectory.

Boasting of a rich history that dates back to Thomas Edison, GE was founded in New York in 1892 out of a merger between Thomas Edison's, Edison Electric Company and the Thomson-Houston Electric Company. The company grew in leaps and bounds from the first incandescent light bulb to the latest jet engine with internet-connected sensors and 3D-printed parts highlighting its vision of innovation. By the turn of the 21st century, it was valued at \$600 billion, encompassing media, plastics, aerospace, energy, digital, and financial services.

The book is simple to read and understand as the authors, in short chapters, bring to light that the company's relentless pursuit to increase profits and grab a lion's share of the market had already created the basis for its later downfall. Over 50% of its profits in 2001 were from its unregulated finance business. Jeffery Immelt was dealt a difficult hand after taking the reins from Jack Welch as CEO in 2001. Amongst other things, Immelt had to cope with the waves of uncertainty of the 9/11 attacks and the 2008 financial crisis.

By the time Immelt was on his way out in 2017, he had come close to wiping away Welch's efforts of the yesteryears. In an interview, Immelt admits that his 16-years run as CEO was at best "controversial" after he left

the company drowning in debt. The makeover and the transformation of the company into digital, healthcare technologies and automation weren't enough to guard the company against the aftershocks. His lack of a holistic vision left several of GE's major business lines battered with stock prices plummeting more than ever.

After Immelt's departure, the next CEO, John Flannery, stepped down after a 14-months stint. The company lost more than \$100 billion in market value amid one of the deepest slumps in its 126-year history. Bucking the trend of appointing another CEO from within the company, Lawrence Culp, an outsider and ex-CEO of industrial group, Danaher, took charge to rid the company from structural and financial distress, which Immelt was unable to clear. CEO Lawrence Culp continues his strategy of making the company simpler and more stable, focusing on four businesses: carbon-fuelled power generating equipment, renewable energy, jet engines, and health care.

What makes GE so special is the fact that once upon a time its sheer size and influence captured and connected not just the American consumer, but consumers worldwide. The story of GE is the story of American innovation at its best, even if it cannot compare itself to the likes of Apple, Google and Facebook and other behemoths of our times.

Thomas Gryta and Ted Mann, both reporters at the Wall Street Journal, keep it real. They point out that by the end of the 20th century, GE had built a reputation as "a capitalistic meritocracy", which demonstrated that corporate virtue is sometimes built on fragile foundations. The authors have also taken a cautionary stance in ensuring that the flavour of the book does not leave readers in bad taste, steering away from blaming Immelt or the other CEOs for GE's fate.

The read also highlights Jack Welch's famous management systems (Six Sigma and others). Welch's managerial approach, including his style of pruning of underperformers, earned him the nickname, "Neutron Jack". Senior leaders can learn a lot of management lessons from the myopic views of GE's management styles. It is an easy read that will resonate with anyone who has used GE's products or is interested in the cautionary tale of the collapse of a company that once was a lighthouse to other multinationals.

It really isn't lights out for GE as it continues to build a world that works.

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THROUGH THE LENS



Nature enthusiast, **Rupesh Balsara** spots the Painted Stork which is usually seen in freshwater wetlands and occasionally in the coastal regions. They are found in Pakistan, India, Sri Lanka, Myanmar, and Southeast Asia. These Storks feed in groups on small fish, frogs and reptiles. The breeding season extends from July to October in North India and from November to March in South India.

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