

# Nurturing a dream

**D**RL Formulations Unit IV (DRL F4) at Yanam, Pondicherry, is manned with a tiny team of 56 people (including 15 that are not even on regular company rolls). Any other similar plant of such capacity and automotive methods would require minimum manpower strength of 400. How did DRL Yanam achieve the impossible?

The DRL F4 green field plant at Yanam has been nurtured with an exciting dream shared by its core team, senior vice president K.Sanakara Rao, general manager B.S.Yadav, HR head Atul Dhavle, plant head Dr.Hari, quality head Vipul and project leader Sivarami Reddy. The unit has successfully created a work culture of self-managed teams. The stars of the show are a bunch of 35 young students, who have just completed their pre-degree certificate course and are poised to handle all the activities of the unit in a short time frame of two years.

The employees of DRL F4 can be conveniently classified under three broad heads... the hand holding team, executives (or SMT members) and house keeping personnel. The hand holding team is a group of eight members heading critical functions are managers who have been working with the Branded Formulations SBU for some time now. They have been elevated up the career ladder to perform managerial functions and carry with themselves a rich treasure of experience and understanding of the business. This group is entrusted with the responsibility to facilitate SMT members to smoothly take over their functions. They also provide necessary guidance and support to all members for day-to-day operations.

A star group, (five members from the SMT with high potential and intellect) has been identified with the objective of providing them more focused training. Their core functional responsibility could be maintenance, HR, safety, continuous improvement or process improvement. The members would in turn handle the relevant operations, after the expiry of the handholding period. Similarly the empowering team or the handholding team as it is called, is working out



**By Atul Dhavle, S.Deen Dayalan  
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*At Dr.Reddy's Laboratories, Yanam, a self-managed team of 35 young students is making a dream come true. An insight into how this experiment became a success?*

capability improvements in their places of work, by taking additional responsibilities and enriching their career growth.

#### **Selection and process mapping**

Right people make up for the right environment. The SMT qualification input was articulated with the core team, taking consideration of the requirement of licensing and certifying statutory authorities such as inspector of factories, electricity and FDA.

Process mapping was carried out in the existing F2 formulations plant at Hyderabad. All activities (material flow) and the functions carried out by the people (functional flow) were captured. The value addition (VA) and non-value addition (NVA) in every segment of the organization were identified, articulated and processed with the core team. NVAs were questioned for elimination or reduction or systematization into the system. During this process of mapping, we identified areas in each of the role holder's position that either did not add enough value to position or eased the person at his function. On the contrary, the position holders had a lot of routine and mundane activities to perform, which were a drain on money, time, effort and returns. Strategically, with the data captured from process mapping, we arrived at the DFP (Desired Future Positions) and the manning requirements with respect to the plant layout and ergonomics of the installed facilities and capacities.

#### **Lean, mean structure**

Process mapping showed that the formulations plant didn't require much pyramidal structure for decisions and control, but did need a structure for short communication lead-time run across functions. Departments were dismantled and replaced with value added processes (VAPs). VAPs housed more functions than the departments, but were enlarged and enriched, taking the proximity and layout of the workplace. For example, Stores VAP includes collection, handling,



storing, documenting, issue, SAP entries, internal communications relating to raw materials, packing materials, dispatches and dispensing. Production VAP includes handling, cleaning, preparation, documentation, operations, preventive maintenance of machinery in granulations (wet and dry), compression, capsulation, visual inspection, coating, work place daubing and primary packing into bins.

Quality VAP includes compliance, testing, documentation as per FDA regulations following Schedule M thereby assurance of raw material, packing material, in process and finished goods. Service VAP includes handling, documentation, operations and preventive maintenance of machinery, process in power, water, boiler, AHUs, effluent treatment, engineering stores. Packing VAP includes handling, cleaning, preparation, documentation, operations and preventive maintenance of machinery in primary and secondary packing. All the VAPs take care of the upkeep of their houses. While the common areas, toilets, canteen, pantry and roads are maintained by outsourced housekeeping, all other areas are maintained by SMTs.

### Sourcing the talent

The titration process of sourcing SMTs was iterated to the finest sieve with a notable constraint that 50% of the employed strength should be native of Pondy. The core team articulated the possibility of employable qualifications and came to a conclusion of intermediate. A war-footing advertisement was initiated in all possible channels of communication. The inflow of aspirants were subjected to a rigorous tests (aptitude, psycho-diagnostic, neuro-muscular coordination, case analysis, participative discussions, personal interview, medical examination and antecedent verifications. The handholding team was

hand picked from the other formulations plant of Dr.Reddy's after a personal interview and psycho-analysis for interpersonal relationship at work.

### The nurturing begins

Both the leadership team and the SMTs went for a mind shift management program at an external institute... B.V. Raju Pharma College in Bhemavaram, Andhra Pradesh. Here they were trained in pharma, operations, maintenance, soft skills and spoken English and also taken for a couple of plant visits to get a first hand feel of industry. These exposures went through for almost two months. Before seeing their place of work, they made a presentation on their learnings to the CEO.

On reaching Yanam, the F4 Team (including handholding team and SMT) went to set things in order as per the standard operating procedures of the work place before setting the factory to hum. The fine-tuning of the relationship for first three months between the handholding team (HHT) and SMT was crucial because the HHT had more knowledge and experience, while the SMT had summarily sufficient knowledge about their area of work alone. Adapting the HHT to learn, unlearn and relearn the old role skills of a supervisory style to coach was a great experience. SMT, on the other hand, were genuine in learning to recover from mistakes and were constantly experimenting, pondering and discovering. The learning curve saturated to some workable level in the minds of HHT after six months (by then the HHT understood the plus and minus of their VAP teams).

### The leadership team to the fore

The HHT were functional supremacy people with proven ability in their respective areas of work in their previous plants. When they came into F4 their role

<b>Self-managed team</b>	Focused effort	Individual opinion	<b>Typical team</b>
	Continual learning from team	Training from supervision	
	Camaraderie and collective action	Back biting, individual action	
	Shared responsibility	Individual responsibility	
	Focus on organization	Focus on individual	
	Sharing information	Protecting information	
	Distributed accountability	Accountability on supervisor	
	Visible performance measurement		

descriptions transformed from Pyramidal to Hub. This style evolved from the sixth month. The ideal style required is the diffused center stage (which is planned to exist from the third year) within this time frame the delegation of authority shall be through planned empowerment schedule and preparation. The HHT members in addition to their key roles take charge of HR and finance. Administrative functions such as transport and canteen are handled by the SMTs.

### A case for self discipline

In a high performance work environment, the governance of discipline is through self-management. The team members take on the accountability of handling deviant behavior and grievances of their peers. In the context of SMTs a separate focused team is identified for this purpose. The Human Value Action Team (HVAT), the focused team for the ensuring self governance will act according to specific norms laid down by the Value Governance System (VGS) which is evolved through participatory mode by the SMT and HHT. The team constitutes members across the organization. The HVAT members are responsible for documenting and taking minutes of the meetings and other process. The HVAT Mentor (HHT member) and HVAT Facilitator (SMT member) are responsible for ensuring that all complaints reaching the team is resolved within 48 hours. The plant head takes the responsibility for ensuring the functioning of HVAT. Each employee is aware and is responsible for bringing their concerns or grievances to HVAT. Almost all (even silly) problems relations to at-work, canteen and transport and indiscipline are tackled by the HVAT.

### Process sheet display system

As the team is lean-mean the flexibility within them is immense. Hence to cater them to reap a better advantage of the flexibility in the system, a visual display of process sheet with all related information of the respective work areas and SOPs are depicted in a form that all the SMTs can understand clearly. These sheets are prepared by the SMTs.

### Fun at work

The age, energy and climate at Yanam delivers not only the plant's production target, but also a very happy work area. The amount of satisfaction they derive at their work area are reflected in the fun events they create... birthday celebrations, happy evenings once a fortnight and family day celebrations.

The SMT team functions seamlessly on the production and packing lines with a good amount of communication among themselves. What is commendable about the entire set up is the zeal and enthusiasm of the SMT members; each one of them is forever ready to put in that extra effort to complete the day's task in total disregard to time and food.

The youngest plant of Branded Formulations is implementing an initiative similar to knowledgee

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## All you wanted to know about self-managed teams...

**More than just a group** A work group comprised of a maximum of 10-12 multi-skilled members, founded with a specific objective, for example correcting problems, improving processes or eliminating waste. The key differentiating factor is empowerment. The self-managed team has responsibility, authority and accountability for managing one or more defined areas of work and accomplishing the defined purpose of the cross-functional group.

**Creates dramatic changes** Since the agenda is pre-defined, self-managed teams operate effectively to make significant and visible improvements in quality, productivity, and competitive strength, resulting in increased organizational, employee and customer satisfaction. In fact research shows that self-managed teams produce better results than quality initiatives like TQM.

**Works for all organizations** The beauty of the self-managed team concept is that it is universally applicable and feasible for any kind of organization. All that the initiative calls for is willingness on the part of top management to support it and to delegate responsibilities to teams. The intrinsic nature of self-managed teams makes work seem more enjoyable for everyone.

**No heavy investment** As compared to other management improvement processes, the cost of implementing a SMT initiative is much lower, since no capital equipment or elaborate system is required. The cost related to training of team members and administrative cost of overseeing the process can be recovered through productivity and quality improvements achieved in first few months.

**Magic key to success** The key to a productive self-managed team is keeping team members interested, enthusiastic, motivated and committed. This can be accomplished by allowing them to use their creative ability and decision-making powers. Self-managed teams flourish when they are recognized for achievements.

**Factors to watch out for** Unrealistic level of expectation from self-managed teams can prove to be disastrous. It is important to transfer authority gradually, as and when the team demonstrates that it has the capability to handle the responsibilities. Guidance and support by management is critical, especially when teams are not able to reach targets or are falling short of performance standards. Team accountability to a higher level of authority is critical; otherwise there are chances of the team drifting into uncharted waters. Team leaders should not be overloaded with administrative, coordination and communication responsibilities, or they would be distracted from their primary objectives. Other members should provide relief, wherever required, in this direction.

**Measuring performance** Individual performance can be administered within the work group. Team performance can be evaluated by using scoreboards that are updated on a daily or weekly basis.

**Training team members** Every member included in a SMT initiative needs to have training on how the team is to function, how teams develop and what they are accountable for and the role of each team member. Team leader training includes a course of instruction on team leader responsibilities, team and individual behavior, communication, decision-making and group process facilitation skills.

**Choosing a leader** There is no such thing as a self-directed team. If a leader is not designated one will emerge. Better that management and the team agree on who their leader should be. The team leader is responsible for planning and facilitating team meeting, coordinating the team working and acting as the communication link for the team. The team leader holds a key skilled position on the team and continually learns how to improve his skills. The rotation of team leader responsibilities within a group causes confusion and detracts from the effectiveness of the group.

management. The concept is called 'developing skill blocks'. These are documents containing entire details about a particular process, or example, granulation, compression, capsulation and packing. The documents are prepared by the concerned functional head with the involvement of the SMTs in simple English and contain the SOP involved in the said process. This initiative would go a step further than the SOPs to give a new entrant every detail necessary to perform well on a new task. To facilitate the process, there are visual depictions of the workflows in that zone. Handycams capture figures of the exact equipment, displaying do's and don'ts at the manufacturing areas.


Another unique idea being processed is the Human Value Action Team (HVAT), where SMTs have created a Citizenship Charter to be followed meticulously for handling all minor day-to-day problems. Deviations by any member is processed and implemented within the SMT. All these activities happen smoothly, without any IR or HR department in the plant.

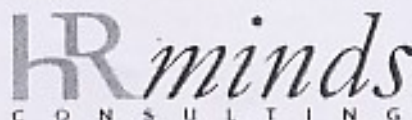
The hostel, constructed for the stay of the 35 team members serves as a foundation for developing the spirit of teamwork, by helping employees know each other better. The three-storey concrete construction has a floor each for men and women. The topmost floor houses the TV and canteen area. Plans are on to create a badminton court.

### What does the future hold?

One does wonder how the activities would be handled after the handholding (HHT) team leaves. There is an attempt made to enhance of their educational qualifications, (through enrolment in Dr. Ambedkar University) would there be enough satisfaction on the present job for these employees?

At the given conditions, the SMT members are achieving higher productivity and are striving towards zero customer complaints. But how much of such effort can be expected from them in the long run? The plant uses the multi-skilling method, but the major disadvantage of this technique is lethargy due to overwork. Wouldn't this then add to the dissatisfaction of many of the team members? Not necessarily... there are many successful examples to learn from like EID Parry, Hucera, Dupont, Godrej (Mercury) and Pepsi.

Only time will tell whether this initiative can sustain itself in the wake of a storm of hurdles. That apart, the Yanam facility is an excellent example of a plan, well thought out and even better implemented. 



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