

A leader must have modesty and humility

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Yeshwant Moreshwar Deosthalee is the chairman and managing director of L&T Finance Holdings, a subsidiary of engineering and construction giant Larsen & Toubro. Earlier, he was the parent company's chief financial officer until Sep 2011. In an interview with *HT*, he says, a great leader should have modesty and humility and should empower managers. Excerpts:

How do you define a leader?

A leader is someone who galvanises people around him, with a very focused vision for a common good, which may not necessarily be a business-related good. It can be a much broader theme. He must have this ability to envision and flow people around that. And that vision has to be a broader vision than just shareholder value creation.

What are three most important traits of a leader?

Any leader who wants to create a lasting impression on the organisation needs to be value-oriented person, which means, ethics and integrity of a very high order. His energy level and drive have to be very high. The third point, which is something personal to me, is that a great leader also needs

to have modesty and humility; he should be willing to listen to others and not necessarily have such a superlative ego that he is only thinking about himself. Normally, a great leader will give credit to his people and own up to problems. That means he will be accountable for all the issues and problems in the business, but at the same time, when it comes to all the pluses, he will give credit to his team.

Can this leadership be learnt?

There needs to be some things in the genes. It can be polished and developed. A person can become a manager, but leadership, I should say around 25-30% has to come from within and leader has to be born with that. Then he modifies, he polishes, he develops and he sharpens to become a great leader.

As a leader of a company then, how do you identify managers and build leaders?

I very strongly believe in trust and empowerment. One needs to select good people who are capable, competent, and have high integrity. Once you select them, then you must provide space for them to deliver, provide enough empowerment; and ultimately, trust is important in building any relationship... Once people are selected, the leader should add value



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through motivation. And if you do that, I think they will blossom. If you hold them back and if you create an environment of suspicion, of doubt, then people will hesitate to take decisions, people

will not develop courage.

Since 2008, the world has gone through a series of financial crises. What is a role of a leader, especially like yours, where you are heading a huge

financial services firm in these critical times?

You need to have a very robust risk management framework. All these problems, which you have seen, are a result of some lacunae in risk management. The governance standards of the organisation also have to be of a high order, including the board composition, the audit committee and what role each one of them plays, among others. The whole aspect of governance plays a very important role and a leader must ensure he focuses on it.

What has been the biggest leadership challenge that you have faced?

In the current business we have grown reasonably fast. We have also grown through acquisitions as well as acquiring leaders from outside. Integrating them in a unified culture is a challenge. Ensuring that everybody behaves the same way and talks to the customer and stakeholders in the same way are challenges, which need to be repeated continuously.

What is your one-line leadership mantra?

It is ultimately about energising, enlightening and empowering all those around you. You need to have a high-energy organisation. It is very critical for any business to survive and grow.