



‘I never imagined being in this position’

Hemant Nerurkar, the managing director of Tata Steel, gets evocative about the company he joined, left and then returned to, and reflective about an India gone by

It is difficult for those who were not there to understand how beguiling a country India was in the 1970s, or how vexing it was for young men and women coming of employable age. **Hemant Madhusudan Nerurkar** was there and his memories of that time — when bell-bottoms and Radio Ceylon blended with stultifying state control and a moribund business culture — reveal a time and a place far separated from the realities of today's market-obsessed age.

The story, then, of how Mr Nerurkar — who studied in a “small school” in a different kind of Bombay [now Mumbai] — rose to become the managing director of Tata Steel is also the story of the many changes that have washed over India, economically and culturally. Pursuing a degree in metallurgy from the College of Engineering, Pune, was for Mr Nerurkar just another step, rather than part of any grand objective, in searching for a vocation in an environment where jobs were scarce and career progress far from certain.

Mr Nerurkar joined Tata Steel as a research engineer in 1972 after replying to a job advertisement. He left the company in 1978 when the torpor got to him, only to return four years later. He has been with Tata Steel ever since, rising through the ranks on the back of his own considerable ability and the fortuitousness of being “in the right position” when opportune moments arrived.

Mr Nerurkar, who has headed Tata Steel since October 2009 and is also the company's executive director for India and South East Asia, speaks in this interview to *Christabelle Noronha* about himself, the company he heads, and the middle class boy he once was.

Could we go back to the time you were completing your engineering in the 1970s? What was it like then

for a young man on the cusp of a career start?

I think it would be extremely difficult for today's youngsters to imagine what it was like in those days. It was a time when jobs were scarce and the employment situation grim. Tata Steel and Steel Authority of India were two options, as were a few public sector enterprises, but securing a job was difficult, to say the least, for a middle class boy like me.

The scenario had been much more promising in the years leading up to that point, with all those steel plants coming up in the 1960s, but then the expansion stopped and a slowdown set in. I got lucky, I guess, in that research and development was on the up at Tata Steel and there was this advertisement for an opening there in 1972. I jumped at the chance and got selected. I had checked out some other opportunities, but they were not quite what I had set my mind on. I had a couple of classmates from college who had got jobs in Calcutta [now Kolkata] and the three of us kind of thought we should spend some time in the eastern part of India — I was in Jamshedpur — and see how it went.

The going was, as I said, good for research and development at Tata Steel then and there was a lot of scope for people like me to learn and to grow. Better still, I was fortunate to have two outstanding seniors to guide me: Dr VG Paranjpe, who was a top metallurgist and the director of R&D at Tata Steel, and Dr T Mukherjee, my immediate boss. Unfortunately, Dr Paranjpe — who passed away recently — and Dr Mukherjee differed a lot, but that did not affect me. I was soaking up all that I could and these two men were extremely helpful in that process. A third person who influenced me during my fledgling days was S Vishwanathan, who was a general superintendent at Tata Steel and a man considered to be the granddaddy of the metallurgical community.

That's how I got started in the steel industry, and I liked what I was doing. Then came a bit of stagnation — this was in 1977 — with government policies that made it seem ▶▶



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like we would never be able to expand. It was a frustrating time for me; with the company’s growth at a dead end, I could not visualise any sort of career advancement nor the chance to add any value to the enterprise. That’s what prompted me to leave Tata Steel in 1978. I was away for four years before rejoining the company in 1982.

Where did you go?

I joined a company called Usha Martin, which was in Jamshedpur itself. It was a fantastic experience; I got an understanding of the full spectrum of a steel plant’s operations and this was something extremely difficult to acquire in those days. Then it so happened — this was in 1982 — that I met Dr Mukherjee at one of those Indian Institute of Metals seminars and we got talking. He told me I had spent enough time outside Tata Steel and suggested that I should see Dr Jamshed J Irani, then the managing director of Tata Steel. I met Dr Irani

and he said, “Just come back.” So I came back, this time as a technology officer.

Dr Irani really did help me a lot, giving me opportunities in different functions, in research, technology, shop-floor production, supply chain and sales and marketing. It’s not as if everybody got such opportunities to become well-rounded professionals. He certainly took a bit of a chance with me.

The exposure and experience that all of this provided proved invaluable in the years ahead. It also gave me a confidence that has helped me a lot in my dealings with people and in tackling difficult situations. This came in handy when I was appointed as chief operating officer and, of course, in my current position.

Could you tell us a bit about your growing-up years, your heroes and those who shaped your life? How and when, for instance, did you decide to become an engineer?

I must say that whatever feeling I have for the country was instilled in me by way of the school I attended. Balmohan Vidya Mandir was then a small school in Shivaji Park [the teeming, centrally located borough in Mumbai]. The school is much bigger today, but in those days it was more like a family. My class used to have 40 students and I remain in touch with 12 of those classmates; that’s how close-knit we were.

My decision to pursue engineering — I studied metallurgy at the College of Engineering, Pune — was influenced by my cousin’s husband, who had a doctorate in chemistry. He had a scientific bent of mind and kept telling me that India would grow and engineers would have a significant role in making that growth happen.

I have also been influenced by my mother. My father was a close friend more than anything else and he kept speaking to me about the career I should choose. A perfect education aligned with hard work — it sounds simple enough but, as you know, that’s easier said than accomplished.

Cricket was a big deal then, as it always

has been, especially for a kid growing up in the city that has been a cradle for the sport in this country. And Bombay was a great place to be in those days. In fact, so was India; it was a much more accommodating country in the 1970s and '80s. That's not how it looks these days.

What were your feelings when you joined Tata Steel?

To be frank, I don't think I was all that happy. I had reached a milestone and it felt like I had got to the top of my achievements list. The company was not growing, the industry was at a standstill and the thought kept crossing my mind that certain positions are only for certain people, that there was only so much that I could accomplish. I had taken a liking to technology as a subject, but I was not sure whether I would be a researcher or part of operations.

I remember talking to people about joining operations and I realised that it was extremely difficult to change from R&D to operations. That's when I opted to leave Tata Steel. I came back into the Tata Steel fold four years later, but opportunities were still scarce. B Muthuraman [who later became the managing director of Tata Steel] was in marketing then and he was looking at bringing a greater degree of customer orientation to the company. I became part of that initiative.

Of all the projects and portfolios, which was the most satisfying?

My happiest experiences came when I was put in operations, though it was tough as hell. Everybody was looking at me with a magnifying glass all the time. Everybody would know if you didn't do it right; if you did do okay, well, you were supposed to.

Then there was the time Tata Steel got into its technology modernisation phase. Those of us involved in it were learning many things simultaneously. Later, in the 1990s, there was the quality improvement programme, [led by Dr Irani] with Tata Quality Management Services playing a crucial role.

The early 1990s was a period of much



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change. We were not ready to face the competition and there were many burdens to bear, the big one being our bloated workforce. We have come out of that situation with great difficulty, with the cooperation of our union, and are now in much better shape to face up to the competition. The next exciting experience was when I was heading the marketing function. There was so much to learn.

What you see today is a completely different Tata Steel. New plants, new technology, continuous improvement, customer focus, sales and marketing, supply chain — one by one, everything has been transformed. I can proudly tell you that we are probably the best when it comes to servicing and dealing with customers. The competition will catch up — it always does — but we will be ready; that's how we are wired now. There is this nagging fear that unless we keep raising the bar we risk becoming stagnant. That we just cannot allow. ▶▶



'The world is changing, the economy is changing, everything is changing, and at a much faster pace than ever before. It is up to the leader to adapt to those changes and take his people along with him.'

You were part of a new generation of leaders at Tata Steel. Did you ever visualise yourself being in the position you are in today?

Not at all. I knew I might have a chance, but I never imagined being in this position. It was only around 2001, when I was vice president of flat products, that I thought I might get a shot.

It is said that serendipity and good fortune have a part to play in the success that people achieve. Do you believe that?

Certainly, but you need to work hard and notch up your accomplishments. In this context, I must mention that many of my bosses have helped me in realising my ambitions over the years. You cannot choose your boss, just as you cannot be sure, when you get married, whether your spouse will support you and be tolerant of your work priorities. These are matters of fortuitousness,

as are so many other things — for example, the opening up of the country, being in the right position at that time and being part of the greenfield project in Orissa.

Tata Steel is as much an institution as it is a company. What are the advantages and the disadvantages — for the organisation and the individual — of this reality?

I don't see a disadvantage at all. There are certain beliefs and certain value systems that have underpinned the way the company has grown and evolved. Yes, change can be difficult to cope with, but we have been able to move with the times. As for our tenets, that's what has kept the company in good shape, what has delivered long-term returns. Our value system is truly an advantage in the current climate.

There has been plenty of debate of late about the development model India has been pursuing. How can development be made more inclusive?

We have not gone about our development in an inclusive manner. And the fruits of the development that has happened have not reached all strata of our people. The good bit is that there is acceptance, and a much greater realisation, of this reality.

When it comes to management, what are the most important attributes a leader should possess?

It starts with knowing and understanding of what's happening in the world around us, in our business and in our industry. The world is changing, the economy is changing, everything is changing, and at a much faster pace than ever before. It is up to the leader to adapt to those changes and take his people along with him.

How would you characterise yourself as a person and as a professional?

I don't have a work-life balance. And, while I'm working, I don't think I will ever have it. □