



At Tata Steel, corporate education is a priority for employee development

News

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The Indian steel company Tata Steel's Director attributes the international outlook of his group to the training courses of CEDEP, Executive Education centre in Fontainebleau.

Balasubramanian Muthuraman was one of the first representatives of the Indian group to study at CEDEP in 1992. Since this date, the company sends six to eight employees every year to Fontainebleau on training courses.

“CEDEP changed me and changed Tata Steel”, Balasubramanian Muthuraman, Vice President of the steelwork subsidiary of the Indian conglomerate, Tata, is categorical. His visits to the training institute in Fontainebleau, centre of corporate education, have had a profound impact on his professional life. To such an extent that today CEDEP plays an essential part in Tata's training policy for executives, a policy which is based on the traditional family values of India's most famous corporation.

If his time at CEDEP has had such an influence on one of the principal directors of Tata, it is because this experience took place in a very particular context. Balasubramanian Muthuraman, now aged sixty-nine, was one of the first three Tata Steel employees to train at CEDEP in 1992. That is to say at the very beginning of the opening up of India's economy, which began in 1991 under Manmohan Singh, then Minister of Finance and current Prime Minister.

“We belonged to the ‘preliberalisation’ period, we were accustomed to a closed economy’, says Balasubramanian Muthuraman, “we needed to understand what was going on in the world.” For the Indian official, who had only ever worked in an economy *‘where the government told us who to sell to and at what price’*, the six two-week training sessions spread over two years on the French campus near INSEAD, were a revelation. *“Meeting all these people from so many countries, from different cultures, from varied professions - the whole point of making the best use of learning from others – it was a hugely enriching experience”* he declares.

Fruitful collaboration

This first experience kicked off the association between CEDEP and Tata Steel which continues today. Since 1992, *“every year we send six to eight people”* continues the steelworks' leader. *“The top one*

hundred leaders of Tata Steel have all been to CEDEP.” Not to mention the fact that Balasubramanian Muthuraman was a Member of the Board of CEDEP from 2001 to 2009.

Under these circumstances, the Vice President of the group doesn't hesitate to affirm that Tata's regular visits to CEDEP have had a major influence on the evolution of the organisation. *“If Tata Steel has become a global enterprise today, he says, it is largely thanks to the new ways of thinking that we discovered during these training sessions at CEDEP.”*

The buyback of the British steelworks Corus for 13 million dollars in 2007 put Tata Steel amongst the biggest world groups in their sector.

Their interest in CEDEP is also explained by the fact that training for executives is considered a priority for the group. *“We estimate that 70 to 80% of personal development takes place at work and for that, we ensure that we give our leaders stimulating objectives”,* explains Balasubramanian Muthuraman. *“But the remaining 20 to 30% takes place outside the workplace”,* particularly within the framework of training. Claiming to be *“one of the biggest investors in training”* amongst Indian organisations, the steel company requires all its executives to dedicate ten to twelve days per year to training.

The Tata Values

The significance attached to training, according to the Tata Steel executive, is inherent to Tata's longstanding values, which differentiate the group in India's industrial landscape. The corporation, whose activities range from automobiles to IT, not forgetting retail and hotels, and which is by far the biggest group in India, remains indeed profoundly marked by its family origins.

Even though the Tata family plays little part in the corporation these days, these values prevail. The family possesses only a small percentage of the group now and has only one descendant, Noel Tata, who appears in the organisation chart as Tata's International Director.

When Ratan Tata, the legendary leader of the corporation, retired one year ago, it was necessary for the first time in Tata's history to find a replacement outside the family. The choice of the Board was distinctive. For want of a 'real' Tata family member, in order to preserve the family spirit and the traditional values, they chose someone who resembled them: Cyrus Mistry, a member himself of the Parsee community, and whose sister is married to ... Noel Tata.

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Tata Steel in figures

1907 Date of the creation of the company

18 million euros Turnover for 2012-13 (fiscal year end March)

81,000 Number of employees