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CEO - The first 100 days

A focussed plan of action for the first 100 days can put the organization on the speed highway of change

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Conventional wisdom suggests that CEOs must understand the organization inside-out within the first 100 days before they unleash any concrete action.

Is this valid anymore? Given the competitive pressures of modern times, a CEO's task is cut out from day 1 and his challenge begins from that very day. During the transitional period, CEOs are expected to create the desired momentum, build credibility and secure some early wins to lay a firm foundation for firm success. Whether the CEO is leading a startup company, a well performing organization, or an organization under turbulence, he is expected to initiate a dynamic agenda for change in the first few weeks, to send out the right signals to the market.

However, when a CEO has moved to an altogether new industry or line of business, it is only fair to expect that he would spend a few days gaining deeper understanding of the nuances of the new industry, before he embarks upon a new strategy.

More particularly, CEOs of organizations facing turbulence need to develop a 100-day agenda for pursuing change, in order to be able to manage the stakeholders' expectations. This is a period for creating a sense of urgency and achieving some perceptible quick wins. Depending on the kind of problems facing the organization, the CEO has to develop a

checklist of issues that warrant swift diagnosis and quick action, through wider consultation within the Board and the top management.

In my experience, some of the key steps that leaders are required to take during the first 100 days would include:

- Getting the Board of Directors excited and committed to the new vision
- Setting a new prioritized agenda and planning for some quick wins
- Building a core alliance of management which would deliver results
- Dismantling the bureaucracy which hinders business growth
- Creating a new temporary organization, where necessary, that tracks and monitors progress
- A powered communication strategy to energize and excite employees and other stakeholders

In March 2005, when I took over as the chairman of Bank of Baroda, the situation was rather grim. The bank had slipped from number one position to number four position amongst nationalized banks in just 5 years from 2000 – 2005. Industry analysts wrote adversely about the bank such as 'the bank which does not decide', 'a bank which is poor on technology and credit growth, etc.'. One analyst termed the bank as a 'bad apple in the public sector basket'. Here was a 97 year old bank with enviable international presence and

IN BRIEF

A CEO's first 100 days is a probation period that requires critical action planning and decision taking to set the right direction for long term change and transformation

impeccable financial credentials, facing possibly the worst market reputation in its life. While the competing peer banks had kick-started on new technology and ATM expansion with full fervor, Bank of Baroda was struggling to implement new technology and expand its ATM network.

We needed to quickly put an end to the complacency that had set in, shake the entire organization inside-out and firmly move forward on technology and business agenda. We also needed to arrest the despondency and bring in a new sense of confidence in our employees. We had to send out clear signals both within the bank and the outside world that the bank is firmly back in business and that it will implement technology solutions without loss of time to improve its services.

The top agenda for the bank:

1. To put technology implementation on a speed track
2. To provide a new identity, refreshingly a different one, through rebranding
3. To be firmly back in credit business and recoup the lost ground quickly
4. To make the bank market oriented and customer centric
5. To catapult international operations to a new high level
6. To double the business mix of the bank in the next 3 years

With manifold initiatives taken, we achieved the following landmarks in the first 100 days:

1. Kick-starting an IT-enabled business transformation program by finalizing and signing a 'System Integrator Agreement' with HP
2. Rebranding of the bank by introducing new logo 'the Rising Sun' and engaging Rahul Dravid as the bank's brand ambassador
3. Introduction of 12-hour banking - 8am to 8pm - in over 500 branches and 24-hour banking (human banking) in select branches: a

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- pioneering initiative by a public sector bank
4. Commissioning 400 new ATMs including launch of 201 ATMs on a single day
 5. Restructuring the credit department and delayering the decision making process in credit, with a view to boost credit growth

Achievements and quick wins of the first 100 days boosted everyone's morale and fuelled our will to do even more. A new sense of confidence could be discerned in our employees who were encouraged to undertake many more changes. Customers too began to feel that the bank is changing in tune with the times and soon, will catch up with the best in class.

Based on my experience, I propose the following for leaders who take up their new roles:

- *Establish very quickly what you stand for.* Every person will have some unique strength and at the same time, will lack a few things that others have. It is critical to establish very quickly what he stands for and what he brings to the table that the organization would not have otherwise had. In my case, my unique proposition was to bring in cutting edge problem solving, based on facts and insightful analysis that the organization needed.
- *Figure out who are your engines and who are your blockers:* This is very important for a CEO to 'smell' very quickly. He needs to align his plans with the ones who will take it forward and also decide what he will do with the ones who will block. I, being an insider, had little difficulty in identifying the engines at various levels.

- *Drop your agenda at the start:* CEOs often come in with their own outside-in plan, though without having the full context of the organization. I had good knowledge of problems and the reasons thereof, and it took me little time to prepare a plan of change. This helped me a lot since most people wanted change.

Accelerating the transition by devising a focussed plan of action for the first 100 days is something that can put the organization on the speed highway of change. The role of the leader piloting such a change is indeed quite daunting. High degree of personal motivation apart, leaders driving quick change, need to demonstrate positive restlessness for results, create processes that break the barriers and put the entire organization on an achievement mode and create project teams to accomplish quick wins. The benefit of a focussed first 100 days agenda and its successful implementation enhances the personal credibility of the CEO, energises the management team, engages the field functionaries, gives confidence to customers and other stakeholders about future performance and finally, and sets the company on a performance mode to get extraordinary long-term results.

The first 100 days are like a probation period for the CEOs and that is the time to set direction for long term change and transformation. Probably half the battle is won or lost by the CEO in the first 100 days. ■■

Dr. Anil K. Khandelwal is an HR professional who made it to CEO of Bank of Baroda (BOB), a staid large public sector bank and turned it around in a short tenure of 3 years. His book *Dare to Lead* (Sage 2011) captures his experience of the turnaround. Dr. Anil Khandelwal can be contacted at akk1948@gmail.com