

The Flipcarbon Quarterly

### **GRAPHITE** VOL 5. OCTOBER 2024

### **Diwali Edition**



News and Views from the World of Flipcarbon

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Moments that define our culture

Headlines from Flipcarbon



### MESSAGE FROM THE CEO

As we release Graphite Vol. 5 on this joyous occasion of Diwali, I am excited to share a reflection on the incredible journey we are on together at Flipcarbon. This festival of lights feels especially fitting as we shine a spotlight on our latest milestones and aspirations.

This edition offers a deep dive into India's entrepreneurial energy, emphasizing the transformative power of businesses in reshaping our economic future. We explore how a robust ecosystem is pushing India toward ambitious economic goals, a topic I strongly resonate with..

In our case studies, you will see two compelling stories of growth and innovation. The first, centred on Heavy Electrical Manufacturing, delves into streamlining inventory and production management, showcasing how we continuously pursue operational excellence. The second study on Transcendental Leadership highlights how collaborative leadership fuels breakthrough ideas and teamwork.

Additionally, this issue features insights into ethical leadership in growing companies and a closer look at the evolving role of CFOs, with advice for navigating today's financial landscape.

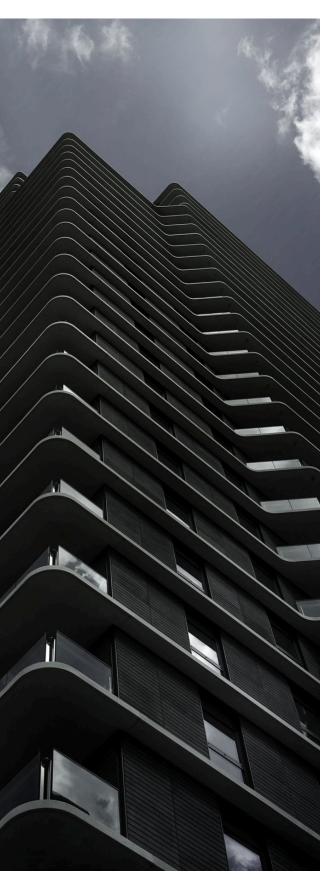
Complementing these articles are glimpses of our team's work-life balance experiences, along with snapshots celebrating our impactful partnerships.

As you turn each page, may Graphite Vol. 5 spark inspiration, inviting you to explore fresh perspectives and new possibilities.

"Wishing you and your families a Diwali filled with light, joy, and growth. Thank you for being an invaluable part of our journey."

> **Alok Ranjan** Chief Executive Officer

### **ABOUT FLIPCARBON**



Flipcarbon is a strategic consulting firm, founded in 2014, delighting clients and making a difference across 42+ industries for a decade. We are involved in business transformation projects well-established as well for as evolvina organizations, impacting their topline, bottomline and business sustainability. We work closely with CXOs to tackle complex challenges and deliver accelerated results, ensuring that strategies are seamlessly executed from the boardroom to the operational level. Focused on creating agile, future-ready enterprises, we empower industry leaders to drive innovation and achieve sustained competitive advantage.

This is achieved through our expertise in the areas of Visioning, Strategy and Storytelling, Performance Management, People Management & Talent Advisory, Financial Management, Technical & Supply Chain and full-stack consulting.

Whether you are a startup, which has just started the journey with some great idea backed by an ambitious business plan or you are an established player in the industry having trouble in challenging the status quo, we are there to partner with you in the growth journey. We help build the brand, build capability, and build a reputation. We have partnered with startups from POC to IPO, we have scaled SMEs to Enterprise and we have enabled enterprise clients to display the agility of startups. Delighting clients and making a difference since 2014

200+ Happy clients

### OUR OFFERINGS

### ENTERPRISE CONSULTING

- Organisation & People Strategy
- Business Transformation & Resilience
- Corporate Finance & Strategy
- Manufacturing, Supply & Operations
- Flipsearch
- Flipcarbon UniverCT

### SME'S & STARTUP SUCCESS

- Fractional CHRO
- Fractional CFO
- Business & Growth Consulting
- Talent Advisory

### \$325

Net new addition to client's Revenue

### 700+

Years of combined management experience

### Our Leadership



ALOK RANJAN CEO



**PRABHASH NIRBHAY** FOUNDER & PARTNER CAPABILITY TRANSFORMATION



ABHIMANYU KUMAR PARTNER CHRO PRACTICE



RAJESH SAHAY PARTNER ENTERPRISE CONSULTING



DEEPAK KEWALRAMANI PARTNER CFO & FINANCIAL SERVICES



BHASKAR ASSOCIATE PARTNER CFO & FINANCIAL SERVICES



NIYATI RAO REGIONAL HEAD- WEST CHRO PRACTICE



SURANJAN DASS ASSOCIATE PARTNER BUSINESS CONSULTING

### Our Leadership



PARTHA ROY PRINCIPAL CONSULTANT ORGANIZATION & PEOPLE STRATEGY



HINA AGARWAL PRINCIPAL CONSULTANT CORPORATE FINANCE & STRATEGY



MANALI GODAMBE PRINCIPAL CONSULTANT ORGANIZATION & PEOPLE STRATEGY



SONIYA MITTAL PRINCIPAL CONSULTANT ORGANIZATION & PEOPLE STRATEGY



SUPRIYA KAMBLE PRINCIPAL CONSULTANT ORGANIZATION & PEOPLE STRATEGY



ASHUTOSH BHATTACHARYA SENIOR CONSULTANT MANUFACTURING, SUPPLY & OPERATIONS



MOHAMED MASOOD DELIVERY OPERATIONS HEAD TALENT ADVISORY & EXECUTIVE SEARCH



## INDIA'S MARCH TO A \$30 TRILLION ECONOMY.

Prabhash Nirbhay

### **Startup to Enterprise:** India's March to a \$30 Trillion Economy.

SPEAKING AT THE SRIJAN JHARKHAND STARTUP CONCLAVE 2024

Between 1750 and 1950 India went from 24% to 4% of the world GDP! The reason is well known to most of the world. That however is history.

While we must learn from history, selective forgetting is critical to future success.



I had the opportunity to discuss unbridled, warm-chested, incomprehensible but eventually within grasp ambition with the startup ecosystem of Jharkhand when the Government, the Industry, the Student Community, the Startup Founders and all other critical stakeholders came together at the "**Srijan Jharkhand Startup Conclave 2024**" on July 6th.

This was a pivotal event in the journey to rejuvenate the Jharkhand startup ecosystem. The conclave represents a significant step towards transforming the state into a thriving hub for innovation and entrepreneurship.

Similar conclaves are happening in Bihar and other parts of Bharat. This augurs well for the future of the country.

### As India aims for \$30, possibly \$50 trillion economy by 2047, the role of all so-called second-tier cities becomes increasingly crucial.

### The Power of Humble Beginnings

I grew up under modest circumstances in Ranchi, my family prioritized education, diverting all available resources towards best-in-class schooling. This taught me the power of ambition derived from humility.

My brothers' diverse paths showed me **resilience and responsibility.** 

Seeing 80% of my childhood friends from underprivileged backgrounds thrive today highlights our **community's strength.** 

Our story is not unique. The 1970s and 1980s in India were marked by deprivation, where even ration shops were referred to as "CONTROL," reflecting a controlled economy that stifled ambition and entrepreneurship. Yet, the greatest number of real Unicorns (not artificial ones) that we have today were created then. That is called **the power of purpose-driven hard work.** 

Along the way, as I have traversed employee-ship and entrepreneurship, I've learned that success requires:

- Compelling ambition
- Resilience
- Responsibility
- Purposeful hard work
- The power of Community

I would let individuals think of the first four, but societies that want to thrive and push for equitable but ambitious goals, must focus on the fifth. Any startup ecosystem that wants to progress as a collective to billion dollar enterprises must be built on a commitment to give, rather than a concern for what one will receive in This ethos return. nurtures collaboration and mutual support entrepreneurs. This also among makes a Startup called Tata Steel become a giant call the Tata group in about a hundred years. That is what I mean when I often say that everyone should aim to build a hundred year oraanization.

### Jharkhand's Startup Renaissance

Jharkhand once boasted a vibrant startup scene attracting innovators from other states. However, policy paralysis led to an exodus of startups. Now, we're witnessing a renaissance. At the Srijan Conclave, I saw firsthand the renewed interest in the state's potential:

- Chief Minister **Hemant Soren** pledged government support for local startups.
- Many entrepreneurs, including myself, shared our journeys, inspiring thousands.
- Banking leaders outlined schemes to support startups financially.
- Political leaders, past and present were ready to become custodians of progress.
- Bureaucracy was more open and forthcoming about how they see the next decade.
- A startup secured seed funding. The kind of work I love doing through Jharkhand Angels.

### Beyond Jharkhand: The Rise of Middle India

What's happening in Jharkhand is part of a larger play happening everywhere else. States like Uttar Pradesh, Madhya Pradesh, Odisha, and West Bengal are seeing similar surges in entrepreneurial activity. Tier-2 cities are becoming significant contributors India's to startup ecosystem and, by extension, to our march towards \$30 trillion а economy.

The impact of these emerging urban centers cannot be overstated:

- Cities in India occupy just 3.0% of the nation's land, but their contribution to GDP is more than 60%.
- Approximately 50% of the recognized start-ups in India are based out of Tier 2 and Tier 3 cities.
- The cities are becoming pivotal in scaling up GCCs; they house about 7% of total GCC units in FY2024, up from about 5% in FY2019.
- Some of the deepest technology work is happening in cities like

Kanpur, Bhopal, Jamshedpur, Chandigarh, Bhubaneswar, Vizag etc.

This shift is driven by several factors:

**1.Cost-Advantage:** Lower operational costs in tier-2 and tier-3 cities allow startups to extend their runways and invest more in growth.

**2.Talent Pool:** These cities are home to numerous educational institutions, providing a steady stream of skilled graduates eager to join the startup ecosystem.

**3.Quality of Life:** Lower cost of living and less congestion offer a better work-life balance, attracting talent from metro cities.

**4.Government Support:** Many state governments are implementing startup-friendly policies and creating infrastructure to support entrepreneurship.

**5.Untapped Markets:** These cities offer vast, underserved markets ripe for innovative solutions.

The rise of these cities is not just about quantity but quality. Startups from these regions are solving unique local problems with global potential, from AgriTech innovations to vernacular language solutions.

At Flipcarbon, we are both fascinated by as well as obsessed with 10X. Whether it is some of our clients going from X to Multi-X or whether it is our own ambition to be a global consulting business out of India by 2047! As we chase lofty ambitions defined by the addition of a trillion dollars to our economy every year, our market leaders will shift, either through breakthrough innovation supported by existing leaders or by new kids dethroning ageing stalwarts!

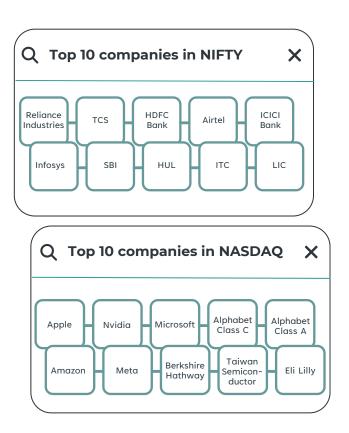
### India is yet to unlock true value.

Understanding India's economic growth trajectory requires a close look at the NIFTY, our benchmark stock market index. Unlike NASDAQ, which is heavily tech-focused, NIFTY presents a more diverse picture of India's economy:

- NIFTY includes companies from diverse sectors such as banking & finance, energy & hydrocarbons, IT, FMCG, and manufacturing.
- This diversity, spanning from telecommunications to consumer goods, reflects India's multifaceted growth story.
- It's a stark contrast to NASDAQ's tech-heavy lineup, which includes giants like Apple, Nvidia, and Microsoft.

The NIFTY's composition is not static; it evolves to reflect the changing landscape of India's economy:

- On average, there are 4 inclusions every year to the Nifty 50.
- In the coming years, we will likely see startups mature into enterprises and potentially change the nature of Nifty 50.



Companies like ideaForge, Agnikul Cosmos, Digantara, DheeYantra and Swayatt Robots represent the kind of innovative firms that could lead us to our goal for 2047. This ambition, growth, and transition is a testament to India's economic diversity, our resilience as a country, as well as the growing importance of newage companies emerging from all parts of the country.

### The Convergence of Traditional and New Economy

A key factor in India's march towards a \$30 trillion economy is the synergy between traditional industries and new-age startups. This convergence is particularly evident in tier-2 and tier-3 cities:

### 1. Agritech

Startups are revolutionizing farming practices, improving yields, and creating more sustainable food systems.

### 2. Manufacturing

It is embracing Industry 4.0 technologies, often driven by local startups.

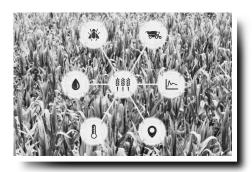
### 3. Fintech

Companies are bridging the gap between conventional banking and the unbanked population in smaller cities and rural areas.

### 4. Healthtech

Startups are leveraging telemedicine and AI to bring quality healthcare to underserved regions.

These intersections are creating new markets, improving efficiency, and driving inclusive growth across the country.









### Challenges and Opportunities

While the potential is immense, the path to a \$30 trillion economy is not without challenges:

- Infrastructure-Development: Continued investment in physical and digital infrastructure is crucial for sustained growth.
- **Skill Development:** Ensuring the workforce is equipped with future-ready skills including green skills is essential for leveraging demographic dividend.
- Regulatory Environment: Striking a balance between regulation and innovation will be key to fostering entrepreneurship.
- Funding Ecosystem: Developing robust local funding networks to support startups through various growth stages.

### **The Road Ahead**

The journey toward a \$30 trillion economy is the responsibility of major metropolitan areas as well as middle India; honestly, it is the vibrant second-tier and third-tier cities that will play a crucial role in this transformation of startups into established enterprises.

As India progresses toward its 2047 vision, the entrepreneurial spirit flourishing in its smaller cities has the potential to ignite innovation and growth, defining the nation's path to universal well-being.

Inclusive, ambitious, unconstrained growth mindset will truly power India's ascent to economic superpower status.

s through various

The future of India's economy lies not just in its megacities, but in the collective ambition, resilience, and ingenuity of its people across the length and breadth of the country.

with inputs from Yuvraj Singh Sihra



# STREAMLINING INVENTORY AND PRODUCTION

## MANAGEMENT GAPS IN HEAVY ELECTRICAL

## MANUFACTURING



### Streamlining Inventory and Production Management

### **Gaps in Heavy Electrical Manufacturing**

During our diagnostic visit to a client in the Heavy Electrical Manufacturing industry, we identified an urgent need for interventions in both Inventory and Production Management.

The client's factory, located near Mumbai, lacked proper security measures for finished products, raw materials, and semi-finished goods, with none of these secured under lock and key. Material movement was tracked using physical documentation, like Issue Slips, but these were not consistently recorded or maintained.

While inventory book values were digitally tracked, the process was disorganized and relied heavily on manual calculations.

Monthly physical stock audits were not conducted, and there were no designated areas for storing various product categories or for activities such as fabrication, assembly, and testing.

Products were stored wherever space was available, with operations relying heavily on a few individuals for quality assurance due to a lack of documentation.

Communication between teams occurred through direct messaging apps, and there were no KPIs in place to track operational performance or promote problemsolving. From a safety perspective, the factory's fire protection system had not been checked for usability, and there were no fire extinguishers in critical areas.

### Harnessing Potential: Leveraging Space and Ownership for Operational Improvement.

We identified that the factory had sufficient space to designate areas for inventory storage, production, and work-in-progress (WIP) storage. Furthermore, the operations team demonstrated a strong sense of ownership, with key stakeholders.

Our initial focus was to ensure that all inventory—both raw materials and finished goods—was secured. Additionally, the team required digital tools to manage the order-tocash cycles, even without implementing an ERP system at this stage.

### Building Foundations: Establishing Effective Communication and Data Standardization

The Flipcarbon (FC) team initiated the consulting engagement with daily cadence meetings involving key stakeholders such as the operations head, factory head, procurement executive, and service executive.



These meetings facilitated discussions on performance, operational issues, action plans, and progress tracking. Our first priority in resolving inventory management issues was to standardize inventory data.

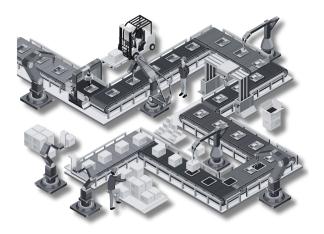
The client lacked a comprehensive Item Master list, which we helped create with the support of their team. Once the item master was in place, related digital repositories such as Bills of Materials (BOM) for finished goods, the digital inventory list, and the vendor list were also standardized. Digitizing the inventory was critical, as it provided accurate visibility into book stock. Furthermore, we automated all inward and outward inventory calculations to eliminate manual errors.

### Innovating Processes: Enhancing Material Planning Through Automation

The FC team also developed an automated Material Planning Sheet that pulls inputs from a Sales Order Sheet (based on the new Item Master), the digital inventory, and the vendor list.

This tool enables precise tracking of stock levels and procurement needs, greatly improving production planning and procurement processes.

We provided guidelines and training for using these tools, and daily reviews ensured consistent usage.



In parallel, the factory layout was finalized with input from key stakeholders. The new layout clearly demarcated areas for production, WIP storage, inventory, testing, and material flow (both raw materials and finished goods).

Following this, we made key makeversus-buy decisions, and a fabrication plan was devised to create an enclosure for inventory storage.

The fabrication of the store was initiated, alongside smaller projects such as the installation of a meeting room, pantry, and fire extinguishers. Standardized documents and checklists for material movement, personnel, and cash expenses were also mandated to ensure visibility and traceability.

The process was not without challenges. Vendor unavailability, personnel shortages, limited equipment, and seasonal factors occasionally delayed timelines. However, despite these hurdles, we ensured that deadlines were met and that daily production remained uninterrupted.

### Overcoming Obstacles: Navigating Challenges in Implementation

The process was not without challenges. Vendor unavailability. personnel shortages, limited equipment, and seasonal factors delayed occasionally timelines. However, despite these hurdles, we ensured that deadlines were met and that daily production remained uninterrupted.

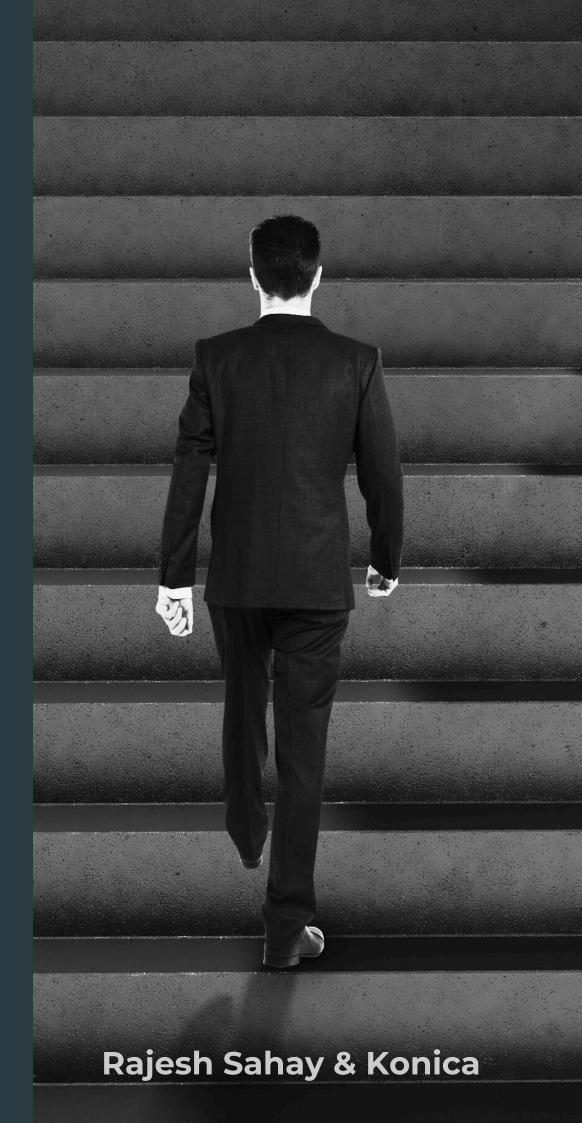
It took approximately three weeks to complete the store fabrication. The following images show the before-and-after transformation of the storage area, now equipped with labeled racks and a dedicated Stores Executive (a role initiated by FC). Inventory movement is now tracked systematically on a daily basis.

This engagement has demonstrated that with the right interventions, operations can be streamlined and standardized in just a few months. As the company grows, these systems can be scaled, and Flipcarbon has enabled our client to achieve this.



**Before-and-After Transformation** 

### **TRANSCENDENTAL LEADERSHIP & BREAKTHROUGH INNOVATION**



### Transcendental Leadership & Breakthrough Innovation



### The Situation

A large global IT and consulting firm, needed to discover the next set of big opportunities in the business while focusing on delivering the already robust order book.

The goal was to instil behaviors that drive breakthrough innovation, strategic thinking, market alignment and growth mindset, transforming the leaders to better adapt to evolving client needs.

In an increasingly complex business environment, the firm recognized the need to elevate its leadership capabilities. The key objectives were:

Enhancing consultative selling skills to drive business growth.

Building and nurturing strong relationships with external CXOs for long-term success.



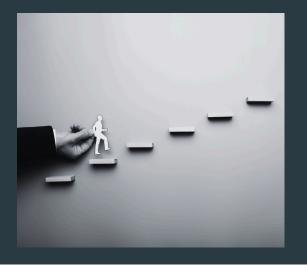
Promoting a culture of collaboration and shared leadership among the firm's leaders.



Integrating cutting-edge technology insights to refine and enhance upselling strategies.



Strengthening persuasion in business communication and cultivating executive presence.



### **The Solution**

We assessed the organization's market attractiveness and readiness to ensure leadership strategies aligned with business demands. We designed the **"Transcendental-Leadership"** program, a six-month journey aimed at embedding these changes.

began with a psychometric lt assessment and pre-reflection by a 2-dav exercises. followed intensive workshop to develop the capability to both compete for the present as well as compete for the future. To address these challenges. initiated comprehensive we а leadership development program. The journey began with context setting, followed by a deep reflection on the organization's vision, mission, and strategic goals.

### Key elements of the facilitation by Flipcarbon:

### **1. Collective Vision Building:**

Facilitated exercises to align leaders with the organization's vision, enhancing their sense of commitment & ownership.

### 2.Technology Benchmarking:

Explored emerging technologies, trends, and pathways, identifying innovation opportunities relevant to the firm's context.

### **3. Leadership Application:**

Through solo and group challenges, participants applied leadership principles in real-world scenarios, fostering a deeper understanding of client dynamics and relationshipbuilding.

### 4. Executive Presence:

Emphasized the fundamentals of executive presence, along with agility and resilience in decision-making under uncertainty.

### 5. Culture of Experimentation:

Encouraged a mindset of experimentation, emphasizing learning from failure.

### 6. Future-ready Leaders:

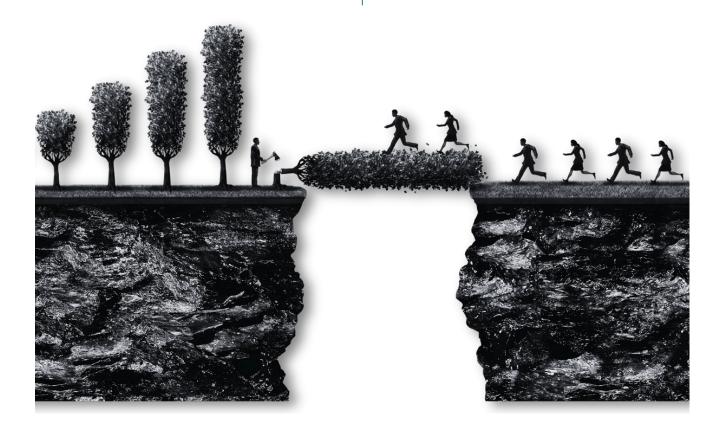
Developed an emerging talent roadmap and concluded with actionable plans for future leadership development.

### Jack Welch, said it best,

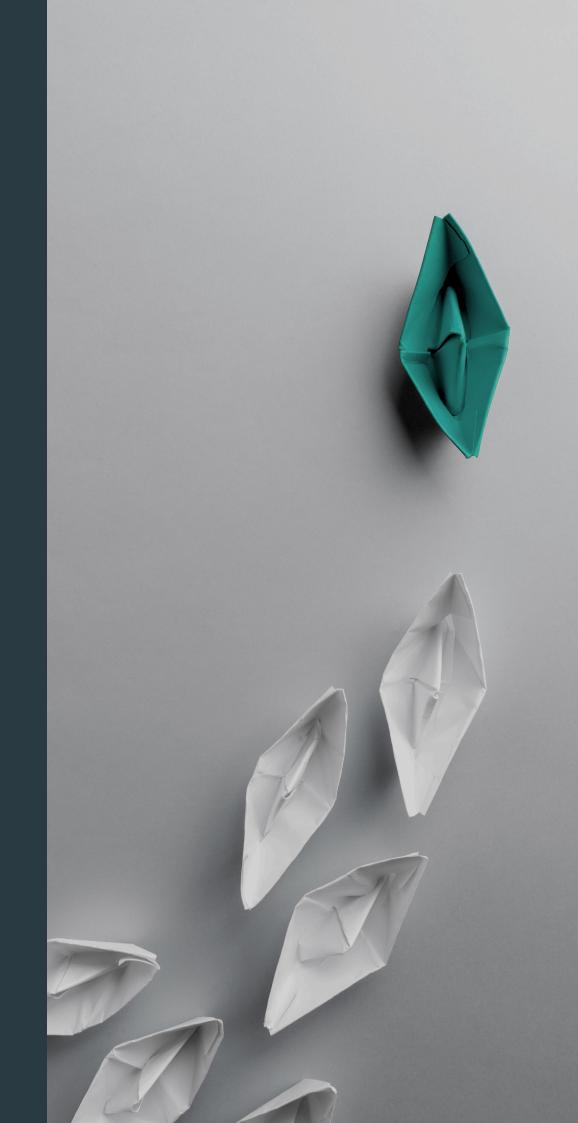
"Before you are a leader, success is all about growing yourself. When you become a leader, success is all about growing others."

### The Result

The program led to a reset in leadership behavior, driving consultative selling, innovation, and strategic market alignment. Leaders are committed to more clientcentricity, better positioned to meet market challenges, and equipped to lead transformative initiatives effectively. The program yielded significant results, including valuable insights from psychometric tests and training sessions, which were incorporated into group coaching. The concept of shared leadership was well received, leading to a more collaborative and action-oriented leadership culture within the firm.

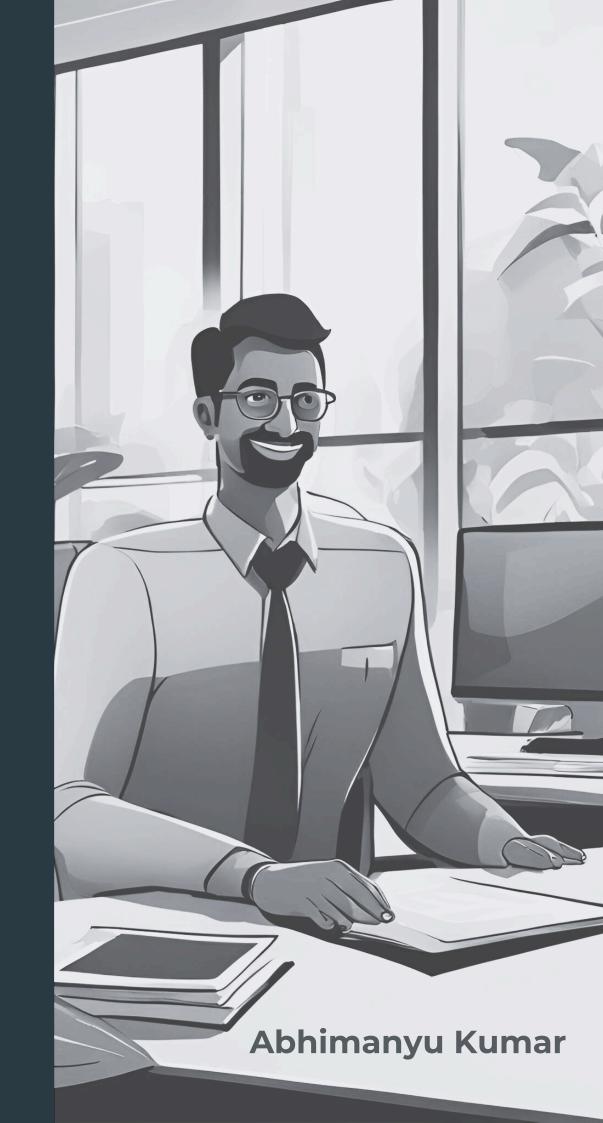


## **THOUGHT LEADERSHIP**





## THE EXPECTATION OF HAVING AN 'AHIMSAVAADI MANAGER'



### The Expectation of Having an 'Ahimsavadi Manager'

**Recent developments** at a leading consulting firm have prompted us to reflect on leadership and ethics, especially regarding how we measure success within organizations. As companies grow, managers often find themselves under increasing pressure, juggling the demands of achieving results while nurturing their teams.

### This situation raises an important question:

Has the traditional performance management system (PMS) become too rigid, focusing too much on numbers at the expense of people? How can we cultivate a leadership style that harmonizes empathy with effectiveness?

Research from the **Harvard Business Review** suggests that organizations prioritizing employee engagement and well-being tend to experience higher productivity and overall success.

For example, companies with engaged employees often see a **19% increase in operating income** and a **28% increase in earnings** per share. This indicates that embracing a more human-centered management approach can lead to meaningful benefits.

### **Balancing an Entrenched PMS**

Performance Management Systems (PMS) form the backbone of many organizations, but over time, they they can become transactional, emphasizing numbers and outcomes while neglecting the overall growth and well-being of employees. Instead of fostering clarity and fairness, they sometimes lead to a distant, one-size-fits-all approach to leadership.

This rigidity can shape how managers operate, turning them into evaluators rather than mentors. While consistency is important, we must ensure that these systems remain flexible enough to encourage human connection and development. A study by Gallup reveals that organizations embracing flexible performance management practices enjoy 32% lower employee turnover. highlighting the importance of adaptability in our approach.

### The Human Connection: Where PMS Often Falls Short

One significant challenge with entrenched PMS processes is that unintentionally create thev can distance between managers and their teams. Conversations intended to foster development often shift focus solely to metrics, leaving little room for meaningful dialogue or personal connection. This shift can lead to a sense of unease, where employees feel more evaluated than supported.



Consider 1-on-1 meetings, for should be example. These opportunities for to managers connect with their team members, understanding their aspirations, challenges, and needs.

Unfortunately, they can often turn into transactional updates, diminishing the chance for genuine, heartfelt conversations. This is where the role of an Ahimsavadi manager becomes vital—leading with understanding, patience, and a focus on the long-term well-being of their people.

### Rethinking PMS: A More Human-Centered Approach

Imagine a performance management process that prioritizes not just achieving numbers but also personal growth and connection. Instead of focusing solely on outcomes, what if we emphasized how well managers support their teams, inspire creativity, and help employees navigate challenges?

A report from **Deloitte** suggests that organizations adopting a people-first performance management approach see improvements in employee morale and retention rates. For instance, companies that incorporate feedback loops into their PMS can experience a **14.9% improvement in performance,** ensuring employees feel valued and heard.

### Training Managers for Empathy: A New Path Forward

If we want managers to lead with empathy, we must reconsider how we train them. It's not iust about imparting technical skills; it's also about nurturina their emotional intelligence and people management abilities. Here are some aentle suggestions for initiating this transformation:

### **Redefining Success**

Traditionally, success is often defined by numbers—sales, efficiency, and revenue. But what if we also included measures of a manager's ability to build trust, inspire collaboration, and nurture talent? These softer skills are essential for lasting success and should find their place in any performance review.

### Moving from Annual Reviews to Continuous Feedback

More frequent, informal feedback can help build trust and encourage real-time development. By fostering a culture of continuous feedback, we create a supportive environment that nurtures growth.

### Embracing Failure as Part of Growth

In traditional PMS, failure is often viewed as a setback. However, forwardthinking organizations recognize that failure can be an essential part of innovation and personal development. Managers who foster a safe space for learning from mistakes cultivate teams that are more resilient and creative. For example, companies like **Google** have embraced a "fail fast" mentality, encouraging teams to learn from setbacks rather than fear them.

### Fostering Psychological Safety

Psychological safety—where team members feel safe to express their thoughts and take risks—can significantly impact performance. Organizations that prioritize this aspect often see higher engagement and lower turnover. Research from **Harvard** indicates that teams with high psychological safety are **12 times more likely to innovate.** 

### The MSME Advantage: Why Performance Management Matters

Micro, Small, and Medium Enterprises (MSMEs) are the backbone of the Indian economy, contributing about **30%** of the country's GDP and **45%** of its exports. Despite their importance, many MSMEs face challenges with talent retention, skill development, and structured growth.

For MSMEs, implementing a structured performance management system can bring transformative benefits:

- Improved Employee Retention
- Talent Development:
- Clear Accountability
- Growth and IPO Readiness

### Improved Employee Retention

Regular feedback and growth-oriented conversations help employees feel appreciated, leading to better retention in a competitive job market. Research shows that organizations with effective PMS experience **25% lower turnover rates.** 

### Talent Development

A well-implemented PMS encourages continuous learning and development, which is vital for small businesses striving to stay ahead.

### Clear Accountability

By establishing clear roles and expectations, a PMS helps employees focus on delivering results aligned with the company's goals.

### • Growth and IPO Readiness

MSMEs preparing for growth, including IPOs, can benefit from a strong PMS that aligns their workforce with long-term strategic goals. Notably, over **50 MSMEs launched IPOs in 2023**, highlighting the sector's growing importance.

"India's MSME sector employs over **11 crore people**, and as the economy continues to grow, a structured PMS can help these enterprises remain competitive and sustainable."

### THE AHIMSAVAADI MANAGER: LEADING WITH EMPATHY



Ahimsavadi managers embrace performance discussions with care and compassion.

They understand that true productivity stems from teams that feel supported, not pressured. The goal of performance management should not revolve around ranking employees but rather guiding them to become their best selves.

The future of leadership lies not in demanding results but in cultivating environments where people can flourish. By reshaping performance management to encompass empathy, we can create organizations that grow sustainably —both for their employees and for society at large.

### **PMS and India's Economic Growth**

The PMS process plays a vital role in India's broader economic growth. Companies that integrate structured performance management can see 15% higher employee up to productivity. ultimately driving better business results. This positive ripple effect extends to the economy as a whole, fostering innovation and enhancing overall competitiveness.

With over **200 IPOs expected** shortly, and many MSMEs eager to participate, the need for structured performance management has never been more critical. As these businesses scale and seek new opportunities, a robust PMS will ensure they are well-prepared for success, both in the short and long term. As the world of work evolves, so too must our approach to leadership. The Ahimsavadi manager recognizes that effective leadership is not about control but about empowering others to succeed. When we focus on people as much as we focus on performance, we create organizations that are not only more successful but also more human.

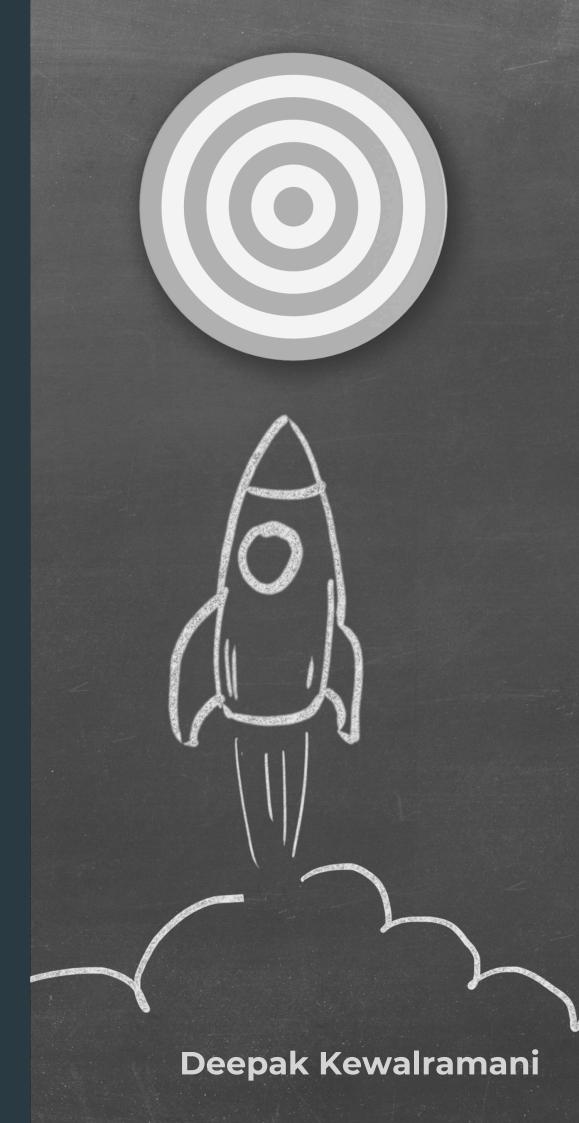


"So, the next time you review your team's performance, take a moment to reflect:

### "Are we nurturing people, or simply managing outcomes?"

The answer could shape not just the future of your organization but also the future of India's economy.

### MASTERING CFO LEADERSHIP **TRENDS SPOTTING:**





It's crucial for each CFO to understand the latest trends, the rising challenges and growing opportunities to help them become effective leaders and successfully play their role in today's complex and rapidly changing business environment.

### WHAT'S TRENDING-

It is critical to constantly upskill and upgrade one's knowledge about the different aspects of financial management that have been evolving as well as the new innovations that are emerging. It enables to reduce the reliance over redundant practices and gain a leverage by implementing the latest practices.

### The most noticeable trends have been-

### **1. DIGITAL TRANSFORMATION**

Digital transformation is reshaping the role of CFOs, requiring them to lead the charge in adopting new technologies and processes. It is providing quicker solutions and assistance in inputs for decision making and enhancing the value of reporting, business operations and procedures while they eliminate the risk of manual error by reducing human intervention to minima.

Globally the most trending move noted was of the finance team at **Walmart** led by CFO Brett Bigs, as they implemented a cloud-based financial planning system that reduced budgeting cycle time by 30% with decent accuracy.

Digital transformation has been rising in India as well, it was recently admitted by the CFO of Bandhan Bank that digital transformation emerged as а cornerstone of Bandhan Bank's strategy, as they aimed at enhancing customer experience and operational efficiency. He further stated that- "Greater digital offerings will provide seamless experiences for retail and commercial clients". The bank plans to leverage digital tools extensively to streamline operations and improve overall productivity.

### 2. DATA-DRIVEN DECISION MAKING

Marking the words of Radi, a data analyst at Centogene "Data analytics is the future, and the future is NOW! Every mouse click, keyboard button press, swipe or tap is used to shape business decisions. Everything is about data these days. Data is information, information and is power." Data driven decision making has become critically process important across all financial teams in all industries as many CFOs are increasingly leveraging big data and analytics to drive strategic decisions.

Classic data driven decision making was demonstrated by Netflix's finance team which uses predictive analytics to forecast viewership trends, enabling content investment decisions worth billions of dollars. The streaming giant uses data to recommend personalized content to users, optimize its content library, and even produce original shows based on audience preferences.

In India **Zomato** uses data visualization to analyze consumer behavior, optimizing their services to meet user preferences and predicting market trends. By visualizing user data, they can tailor their marketing strategies and improve customer satisfaction.

**Ola** leverages data visualization to optimize their ride-sharing routes. By visualizing traffic patterns and user demand, they can reduce travel time and enhance the user experience, ensuring efficient service delivery.

### 3. AUTOMATION OF FINANCIAL PROCESS

Financial process being one of the most crucial processes for any organization suffered an inherent limitation of lacking controls as predominantly the tasks were carried out manually and were prone to errors besides frauds. Mitigating this

limitation had been a challenge but with automating financial process human intervention has gone null or reduced to a larger extent ensuring no scams and errors. Robotic Process (RPA) and Al Automation are streamlining financial processes as operations become the more standardized and flexible to be carried out better.

**JP Morgan** has optimized the use of automation to the maximum and more by implementing RPA in its reconciliation processes, reducing the time taken from 5 hours to just 100 seconds.

Insurance is one of the major beneficiaries of robotic process automation. **Kryon Systems**, an RPA Solutions provider, helped a global insurance company in reducing their claims payment processing time.

In India banks have leveraged process automation in the customer payment processes, where PAN data needs to be uploaded and validated across multiple systems, bots are now handling it end to end.

This amounts to approximately 75,000 transactions per day leading to over 80% savings in manual efforts. Additionally, the bot is handling over 20,000 customer requests per month for the customer debit card servicing process. This alone has resulted in a 90% reduction in manual efforts at the banks' back office.



## 4. EMPHASIS ON SUSTAINABILITY AND ESG

Traditionally businesses focused on maximization profit to sustain without any consideration of the impact on environment and society. Driven by **global warming**, limitation of resources and the negative impact the environment FSG on implementation including ESG Investing, ESG Reporting and acquiring much sought green skills has become critical. FSG is implemented to largely set standards that help in measuring a business's impact societv and the on environment, including transparency and accountability of the ESG efforts.

Globally **Unilever's** CFO Graeme Pitkethly has been instrumental in linking the company's sustainability goals to its financial performance, including issuing green bonds. In India Havells India and Godrej Consumer Products are among the 12 Indian companies that are going to be included in the Dow Jones Sustainability Index (DJSI) 2019, used for assessing environmental, social and governance (ESG) performances. Havells eliminated the use of trace Kr-85 radioactive isotope from the entire CMI (ceramic metal halide) lighting range a few years back. No product of Havells now has radioactive components. In addition to this, the company has four zero water discharge facilities, two renewable energy initiatives -- biomass and solar four lamps and resource conservation initiatives across all its plants.

**Godrej** has successfully increased its renewable energy portfolio to 30 per cent, achieved 37 per cent reduction in specific greenhouse gas emissions, diverted 99.5 per cent waste from landfill and reduced specific water consumption by 32 per cent.

### 5.INCREASED FOCUS ON RISK MANAGEMENT

Gary Cohn, Former Deputy Director of the National Economic Council of the United States quoted "If you don't invest in risk management, it doesn't matter which business you're in, it's a risky business". CFOs with their finance teams have been noticed for taking more proactive steps into risk management and optimizing their benefits of it by mitigating risks associated to their total output in form of sales, return to stakeholders and the workforce they carry out the operations with.

**Goldman Sachs** understood the power of how risk mitigation can ensure smooth functioning and enhanced the role of the risk management team by ensuring that the Chief Risk Officer reported directly to the CFO, enhancing risk oversight.

Shriram Housing Finance Limited (SHFL) has achieved the significant milestone of surpassing INR 10,000 Cr in AUM and has now positioned itself third-largest affordable as the housing finance company. This achievement is attributed to the steadfast commitment to robust risk practices. management Thev established and implemented robust risk management policies designed to mitigate and effectively handle various risks, including asset-liability mismatches, interest rate volatility, credit risk, and currency risk. SHFL maintains a robust Risk Management

Framework that delineates their risk appetite, risk tolerance levels, and the roles and responsibilities of different stakeholders in risk management. Their credit risk assessment processes the gauge creditworthiness of borrowers and the asset quality on their balance sheet. They establish credit limits, conduct routine credit evaluations, and monitor portfolios for signs of stress.

### 6. INTEGRATING STRATEGY WITH OTHER C-SUITE EXECUTIVES

To formulate a concrete business strategy it is necessary that the involvement of all C-suite executives is applauded. It not only ensures that the formulated strategy is concrete but it also helps in implementing the strategy across all business functions in a smooth and effective manner. Hence it is noted that these days CFOs are increasingly collaborating with other executives to drive overall business strategy.

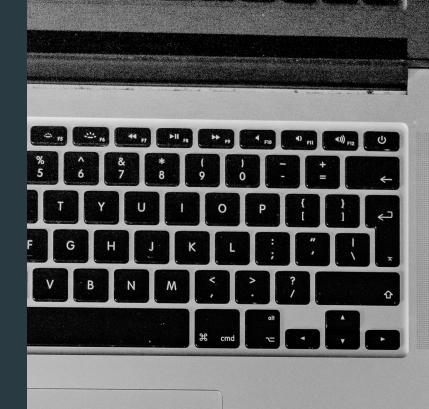
**Amazon** wanted to leverage the growing technological innovation in their business and the CFO Brian Olsavsky closely worked with the CTO so that he could align financial strategies with technological innovations. Example being the AWS expansion which benefitted the organization monetarily and

otherwise. Vishal Haikerwal, Director -Large & Key Enterprises at **Oracle** India, stressed the importance of collaboration, communication, and growth in the relationship between CFOs and CIOs. He outlined six key factors for improving this relationship, including alignment of objectives, business knowledge, collaboration establishment, defining roles, execution planning, and fostering a collaborative culture.

Haikerwal said, "The relationship between CIOs and CFOs is enhanced by establishing collaboration, communication, and then chasing growth."

CM Grover, MD & CEO at IBSFINtech -The TreasuryTech Company, discussed the challenges companies face when CFOs and CIOs work separately and the evolving role of technology in finance departments. He highlighted the need for real-time connected ecosystems and emphasized the importance of collaboration between CFOs and ClOs. Grover also noted the changing dynamics where CFOs are becoming more tech-savvy and actively shaping technology investments. Grover said, "The CFO breed is changing, they becoming tech-savvy are and they're telling the CIOs what tech they need."





Aditi Angel Patro

# 66 — Unfiltered Stories from the World of Flipcarbonites



Harikesh Shaji: Talent Acquisition Specialist

The opportunity to learn from highly experienced colleagues has been a truly invaluable experience. Observing their problem-solving approaches and engaging in meaningful discussions with them has not only broadened my understanding but has also fueled my determination to achieve my goals. Their mentorship and support have been instrumental in shaping my aspirations, and their example continually motivates me to strive for excellence and embrace new challenges with confidence.



# Sristi Shah Client Engagement Manager - CFO

At Flipcarbon I have established a harmonious balance between work responsibilities and personal life. Its flexible policies have led to improved productivity. Flipcarbon created an environment where I can successfully manage my time and commitments. The positive culture in this organization really motivates me to perform at my best. I appreciate how the organization values open communication and teamwork.



Rahil Rahman: Business Development Executive

Joining Flipcarbon as a Business Development Executive has been an exhilarating experience! Even in my first three months, I've already learned so much and grown professionally. The guidance I receive from experienced colleagues is invaluable. The culture is fantastic - open, supportive, and truly encourages growth. Plus, I have a great work-life balance, which allows me to thrive both personally and professionally. I'm excited to see where my journey with Flipcarbon leads!

# Fun Beyond the Workplace



**Independence Day Celebration** 



**Office Birthday Celebration** 



Birthday Bash Of Abhimanyu







Embracing the spirit of Budget 2024

FLIPCARBON

# We collaborate with our clients to achieve success together



At WES Foundation, Rajesh Sahay joins their virtual class to speak on the importance of education



We are honored by mentions from our valued clients on LinkedIn.



Change Management Workshop @Gemini

FLIPCARBON

# **Client partnerships drive our** shared victories







# United in purpose, we achieve greatness



Manufacturing Exellence Training @K Ahuja Foods







# Together, we unlock potential and achieve greatness



Employee Engagement Survey @Agriplast Tech





@Agriplast Protected



# What's New In Flipcarbon







Team Building Workshop at IT Consulting Firm

# NEWS

# Celebrating collaborative achievements.



# News



**On July 6, 2024,** the **Srijan Jharkhand Startup Conclave** was held with the goal of revitalizing the startup ecosystem in Jharkhand and paving the way for future growth.

Among the distinguished speakers was **Prabhash Nirbhay,** who had the opportunity to address the audience on critical topics related to supporting startups in emerging Middle India.

This event emphasized the vibrancy and potential of Jharkhand's startup landscape, setting a strong foundation for ongoing development and success in the sector.



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