



‘Needs’ were emphasised over ‘Wants’

By Anmol Jain



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The lockdown took us all by surprise. None of us has experienced anything like this before - a zero-revenue month was unheard of, historically. The whole world was sailing in the same boat.

However, the leadership team got together immediately to tackle the situation at hand. They brainstormed, discussed, outlined solutions to ensure business continuity to stay afloat.

Communication was vital with every stakeholder - employees, customers, suppliers and all service providers. Continuous communication was essential in ensuring support and collaborative efforts.

Cash flow was the biggest challenge in these unprecedented times. Therefore, cash flow management became key. Micro-managing every expense, deferring investments and closely monitoring creditor-debtor etc., became part of the daily review.

Steps taken to maintain the plant and machinery during the lockdown have become the key priority from the manufacturing operations perspective. We believe that the safety of our people was paramount. During the lockdown key teams were stationed at the plants, ensuring that the plant and machinery are in satisfactory

condition when we resume production and face no setbacks due to breakdowns.

The challenge is to instil our employees' confidence and morale during the lockdown period and help them manage their health, family welfare, and finances. I state again that the safety of our people was the most important. We connected with our people from even before the lockdown was imposed. Regular town-halls helped us reach out to them.

Two-way communication channels were established with staff and workers. We ensured that the management messages reach the last mile and percolate to everyone. We were all in this together, and we had to stand by our people in this time of crisis. These communications did not merely focus on organisational performance, but emotionally connect, building bonds and engaging families with more focus on beyond work. The results of this connection established were phenomenal; the teams felt cared for, motivated, charged and raring to go back when the plants resumed production.

We pretty much revisited and reset everything; things taken for granted were all changed; new lens to see the situation and the world: new initiatives – cost

optimisation, structural changes, which helped us maintain our resilient self. When things improved towards normalcy, we saw ourselves stronger, capable of handling any adversity. We had an in-house doctor on board to support our people in this challenging time. He was accessible at all times to offer guidance and support.

The most effective motivating factor in this crisis is Communication, Communication, Communication- I can't emphasise more on the importance of communicating factual, honest and clear information.

We learnt to balance between work and family life. Huge shift from the past where work, travel, meetings took preference over everything else. The biggest change one has seen is that we have made 'family first.' Virtual meetings were more productive, time and cost-effective. 'Needs' were emphasised over 'Wants'.

We innovated and created new ways to have social events; our first-ever cultural event involving over a 1,000 people, was done virtually. The event was a huge success with participation from all, including top management. We all celebrated the Lumax-DK Jain 75th anniversary virtually where we also had many of our ex-employees also participate.

The initiatives taken to energise the value stream down the line are many. As a Tier-1, it was imperative to handhold and support the suppliers as we received the OEMs' support. We supported them from the revision of credit terms to additional help needed in operations, especially during resumption of production. We extend manpower support wherever required to bridge the acute manpower resource shortages due to migrant workers' exodus to their native villages.

This was all done to ensure uninterrupted supply chain.

Policy Changes

The new safety protocols established are here to stay. These are essential features in our workplace now. The immediate policy input was to introduce a medical COVID insurance cover for all employees.

Medical insurance policy cover, Term Life insurance cover for all employees, was also introduced. We created Quarantine Centres with seven beds at our Gurgaon and Pune/Chakan facilities to extend support to employees who tested positive and needed to be in quarantine.

Voluntary Pay-cuts

The employees came forward for voluntary salary cuts/ reduction; it went a long way in supporting the organisation. Unprecedented support was also received from the blue-collared workers, significant support in resuming operations, including salary reduction. This was due to the organisational culture of Respect, Integrity, Trust established over the last 75 years.

Capex for Q1 months was completely on hold and put on the back burner temporarily. Regular maintenance Capex came back in Q2 so as to ensure that when production was resumed, no disruptions and breakdowns are faced. Q3 saw a V-shaped recovery in the automotive industry, which was a welcome positive sign. This provided the impetus to resume the investment cycle to add capacities, expand in geographies.

We are always optimistic about new markets, new customer opportunities in the same markets, and new products, which made partnerships stronger. Our partners supported us a lot during the lockdown. We entered into new product portfolio and partnerships. Invest in the diversified product portfolio. We made progress with newly signed up partnerships in the year gone by and continued to engage with the potential partners, kept in line with future growth strategies and roadmap. Long term things will improve. India is an important market.

In the midterm, it is important to keep neck above water, withstand the challenges and stay on the strategic growth roadmap. Substantial ground has been covered, green shoots have been visible October onwards. 📈

NB: Anmol Jain is the Managing Director of Lumax Auto Technologies. Limited. Views expressed are personal.

