

## Tata Motors on Comeback Trail

The automobile company of the Tata group, Tata Motors, has developed a strategic roadmap for recovery. The company had been underperforming specifically in the passenger vehicles segment, where its market share dropped from 16% to 6% in a decade. It has been criticised for poor product quality and after sales service, delays in product roll-outs, lack of blockbuster products and high employee attrition. The successful Jaguar-Land Rover arm has been the only silver lining. The new group head, Cyrus Mistry is taking several measures to improve the company's performance. He is looking to hire expert professionals as new CEO and CFO of the company. The company has opened product design centres in Italy and UK with an aim to achieve 'world class manufacturing' and address issues of product quality. It has introduced 'Launch Quality Operating System' to focus on practices and procedures to help adhere to product launch-cycle timelines. The company has introduced a 90 minute express service and a logistics management system for speedy delivery of spare parts. It plans to introduce a crossover SUV and a compact SUV to augment its product portfolio and change popular perception about the company's passenger vehicles.

All the corrective measures are being meticulously implemented to ensure the company's recovery. Putting Tata Motors' passenger vehicle business back on track is going to be the acid test of Mistry's leadership. Experts are confident that through his effective leadership Mistry is likely to pull the company off to success. Kavil Ramachandran, Professor and Executive Director of the Thomas Schmidheiny Centre for Family Enterprise at the Indian School of Business, observes that Mistry has passed many tests since taking over the leadership of the Tata group. *"Mistry has, with quiet confidence, led the group through the current turbulence. He seems to be focused on consolidation and selective growth,"* says Ramachandran. Mayank Pareek, the company's Head of Passenger Vehicles is confident about the positive changes directed at achieving success. *"Our processes have changed, materials have changed and the engineering itself has changed. We are on a growth trajectory and will continue to grow every month,"* says Pareek.

Source: 'Can Cyrus Mistry Reinvent Tata Motors' - Business Today, Edition: August 2, 2015.