

Cyrus Mistry sets up Group Executive Council to reshape Tata Group

A new body named Group Executive Council (GEC) comprising young leaders is formed by Cyrus Mistry to give strategic direction to the Tata Group. This council will function under the Tata Sons' Board. The new council will take into its fold all the roles earlier performed by Group Corporate Centre (GCC) and the Group Executive Office (GEO), the internal panels which will now be scrapped. The GEC's responsibilities will include managing return on investment with a long-term perspective; support for and shaping the agenda for philanthropy, and preserving and enhancing the reputation of the Tata name. Other tasks assigned to the council include defining and driving a Tata way of working for group companies and playing a proactive role as a global corporate citizen.

The GEC members will include NS Rajan - who will take charge of human resources, Mukund Rajan - to head brand, communication, ethics and corporate social responsibility and Madhu Kannan - to oversee business development and public affairs. Except NS Rajan (51) all others are in their 40s. The young council set up by Mistry is likely to bring fresh thinking.

Commenting on the development, Kavil Ramachandran, Thomas Schmidheiny Chair Professor of Family Business and Wealth Management at the Indian School of Business said, *"Mistry is building his own team, where he can influence decisions with the blessings of Tata. Power will move from the old guard to GeNext at Bombay House."*

Within Tata Sons Mistry has set up teams that head different businesses. *"It is a very clear long-term approach of team-building that goes beyond the old guard. The advantage is that he'll be able to bring in some fresh thinking in terms of defining the destiny of the company. It is also part of the succession planning,"* Ramachandran added.

Source: Economic Times, May 1, 2013