Shapoor Mistry to spruce up the Shapoorji Pallonji Group

Pallonji Mistry has handed over the baton of the nearly 150 years old Shapoorji Pallonji Group to his elder son Shapoor Mistry (47), who is an avid horse breeder. Shapoor who was recently made chairman of the Mumbai based $2.5 billion construction and real estate conglomerate, has a challenging task ahead of bringing a new dynamism in the group by converting it into a more contemporary, globally oriented and integrated enterprise with synergies across the group's companies. The group has just completed a re-branding exercise with a new logo and slogan – 'Built to last' – aimed to convey trust and dynamism. Construction and real estate contribute over 60% to the group's revenues but the group is also present in the consumer goods segment with its home cleaning equipment, security systems and air and water purifiers. Shapoor wants the SP name to be more visible as a consumer brand.

Shapoor also wants to take the group to international markets through acquisitions, both in developed and emerging markets. The group has also hired experts to execute his plans. Former PricewaterhouseCoopers director Jai Mavani is a case in point who joined the group as Executive Director, Merger and Acquisitions. Besides injecting the fresh blood, the group has also initiated a re-structuring exercise based on the recommendations of Boston Consulting Group. The group has restructured businesses across 11 of its companies into 19 verticals. Verticalisation will help companies in overlapping sectors to work more in tandem.

As Shapoor settles in his new role, comparisons would be made with his younger brother Cyrus who would take over leadership position at the Tata group. *"A challenge will be the constant comparison that the brothers would have to put with,"* says Kavil Ramachandran, Thomas Schmidheiny chair professor of family business and wealth management at the Indian School of Business, Hyderabad. Convincing consumers and investors that the group is as good in making consumer products or residential housing, as it is in constructing ports and power plants, will also be challenging. *"The SP group has to communicate to all its stakeholders more frequently than earlier,"* adds Ramachandran. Besides shaking off the image of an old-economy enterprise, the group also needs to hire good quality talent from B-Schools and corporates to run its new businesses.

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