



Project Omega: Being agile to changing dynamics and growth

Business Case:

At UltraTech we have experienced 80% organic and inorganic growth in the last 5 years across geographies. UltraTech is now spread over 55 manufacturing locations all over India, incorporating 23 Integrated units, 25 Grinding units and 7 Bulk Terminals (Exhibit 1). The continuous growth and multiple acquisitions, provided the challenge of cultural as well process integrations including the designing of One Manufacturing Structure, one that is agile, lean and paves the way for smooth integration. The People function stepped up their game and truly partnered with the business. The growth also created multiple new opportunities. Thinking beyond manpower optimization, eliminating inefficiencies that have crept in over the years, learning from the practices of the acquired businesses, while putting people first and creating an organization that not only integrates the past and the present but is also prepared for the future. Being agile to changing dynamics and future growth plans while restructuring and at the same time, leveraging on internal employee strengths was a key focus. While in case of restructuring, a conventional approach could be to downsize people with exit plans, we made a turnaround by leveraging and respecting the skills of out in-house talent.

Methodology:

The overall structure of UltraTech is defined by multiple business verticals i.e. Cement Manufacturing, Cement Marketing, Ready Mix Concrete, Birla White, Building Products, and UltraTech Building Solutions. (Exhibit 2) Each of these verticals has its unique organizational structures and processes that suit the overall purpose of the vertical and are aligned with business strategy. For the Manufacturing vertical, the structure is cluster-based, being divided into six clusters i.e. North, South, West, East, Central, and Vidarbha. Each cluster composes of multiple units mainly of two types:

Integrated Unit (IU): A unit that consists of both clinker manufacturing and grinding facility to produce cement

Grinding Unit (GU): A unit that consists of a grinding facility for cement production from the clinker received from an integrated unit

Few Clusters also have Bulk Terminals (BT) to support cement dispatch logistics

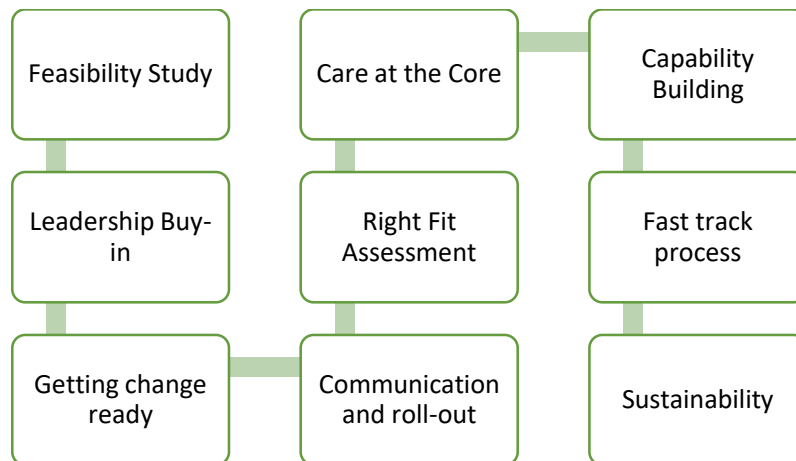


Figure 1 Process roadmap

Feasibility Study: The journey started with conducting a feasibility study and studying the existing processes and principles. It had been more than 10 years since the structure was revisited. The idea here was not to become biased by the existing status but learn from it and go on to create a structure based on a fresh outlook. A cement producing business unit of UltraTech has multiple functions like technical, human resource, commercial, mines, and power plant, as a part of the structure. Different task forces were constituted to study and create a base structure for all functions. The team also did benchmarking with best practices in this area. These teams had to come up with standard structures for both integrated units and grinding units.

Leadership Buy-in: Changing the structure of an organization or even a small unit is always faced with a lot of resistance. To create primary acceptance for a change in the system, it needed to be accepted and sponsored by the leadership. In UltraTech’s case, this leadership would extend to the leadership in the manufacturing units where the actual change will be taking place. Keeping this in mind, the first step towards achieving this was to take them on-board every step of the way.

Getting change ready: Adapting to change and implementing it requires thinking new. We started with conducting few design thinking workshops where the unit leaders could become aligned with what lay ahead in the project. This opportunity was also used to identify probable risks in collaboration and based on that, a mitigation plan was created.

Communication and roll-out: Before roll-out a communication strategy was planned. It was necessary to counter the power of grapevine and feelings of insecurity while ensuring that employees are in line with the purpose of the project. Communication was ensured to be multi-channel, real time and continuous. It was ensured that communication has a uniform message irrespective of the stakeholder from whom it is originated, and also has a feedback loop for correction. Overall, employees are given the confidence that the organization is there to support them and go the extra mile for them.

Right Fit Assessment: As per the new structure, a right fit assessment is done and the employees are placed in new roles accordingly. The employees who couldn’t fit into the new structure now become part of an internal talent pool which is available to be hired at new roles that open up in organization and in Aditya Birla Group as a whole.

Care at the Core: Throughout the journey, flexibility is practiced in such a way that employees don’t miss their life milestones like children’s education, their marriages etc. No genuine concerns go unnoticed or no employee is forced to relocate when they are close to retirement. Health concerns of employees are also taken into account.

Capability Building: We see it as a huge opportunity in terms of creating avenues for multi-skilling and capability building of the employees involved. Multiple focused initiatives are part of this keeping the 70-20-10 learning approach in mind. These initiatives create avenues for employees to work in different areas and functions. They take up cross-functional projects as per their potential and interest and learn on the job. Under Margdarshan, we have created a mechanism for technical skill building by learning from peers and seniors. Additionally, multiple classroom and e-learning opportunities are there through our in-house academy, behavioural trainings, soft skills trainings, interaction with leaders etc. Using these experiences and new skills, they can anchor into new roles. A focused initiative called “Parivartan” was launched to give employees opportunities to work in different areas and functions.

Fast track process: A digitized placement portal has been developed for speed and seamlessness. Hence, a real-time digital dashboard is visible to the concerned stakeholders for easy access. Hiring process is automated and database is available for quick turnaround. External hiring was frozen for the time and prioritization is given to omega talent over other modes of hiring.

Sustainability: The project has been managed in a way that weekly reviews happen with the top leadership. Key metrics are tracked continuously. Goals and targets are completely aligned with business goals. Omega related targets are part of individual goals of senior leaders.

Five C’s of the process at the core

Change Management - The idea while coming up with a new structure was not to become biased by the existing status but learn from it and go on to create a structure based on a fresh outlook. For the overall process, a customized change management framework (fig. 2) was adopted and followed.



Figure 2 Customized change management framework

Changing the structure of an organization or even a small unit is always faced with a lot of resistance. To create primary acceptance for a change in the system, it needs to be accepted and sponsored by the leadership. In UltraTech’s case, this leadership would extend to the leadership in the manufacturing units where the actual change will be taking place. Keeping this in mind, the first step towards achieving this was to conduct design thinking workshops for the aforementioned where they could become aligned with what lay ahead for them and the units. This opportunity was also used to identify probable risks in collaboration and based on that, a mitigation plan was created.

Contextualization - A cement producing business unit of UltraTech has functions like technical, human resource, commercial, mines, and power plant, as a part of the structure. Different task forces were constituted to study and create a base structure for these functions. The teams together have come up with standard structures for all types of business

Machine	Age, capacity, technology
Method	Process, improvements
Measurement	Output, quality, complexity
Man	Automation, skillset, value curve

units i.e. integrated unit, grinding unit and bulk terminals). However, the overall aim was to have a standard structure to create uniformity while having customization to address the diversity of business units related to Machine, method, measurement and manpower (Table 1). Additional positions, as deemed essential, are created to address unit-specific challenges.

Capability Building - The project is seen as a huge opportunity in terms of creating avenues for multi-skilling and capability building of the employees involved. The units are guided and supported in advance to take up the task of upskilling and multiskilling the employees. A focused initiative called “Parivartan” has been launched to give employees opportunities to work in different areas and functions. Employees are given the opportunity to take up projects across functions as per their potential and interest and using this experience and new skills, they can anchor into new roles.

Communication - Communication is an essential a part of managing this change. Countering the power of grapevine and feelings of insecurity while ensuring that employees are in line with the purpose of this project and have confidence in the system was paramount at this stage. A communication strategy has been rolled out incorporating the anticipated challenges and solutions. Communication is continuous, multi-channel and most importantly, has a uniform message irrespective of the stakeholder from whom it is originated. Employees are given the confidence that the organization is there to support and go the extra mile for their placement. Positive reinforcement through success stories is also done.

Care - The complete project is in line with the philosophy of “care” that is at the heart of building enriched life for employees at Aditya Birla Group. It makes one of the four pillars of the employee value proposition at UltraTech. Throughout the journey, flexibility is practiced in such a way that employees don’t miss their life milestones, no genuine concerns go unnoticed or no employee is forced to relocate when they are close to retirement. Psychological safety is a matter of utmost concern to the organization. Through counselling sessions and personal communications even with the family members of employees, it is ensured that no one is left feeling unsafe or left behind.

Business Impact/Outcome:

Table 2: Key Business Impact Areas
Manpower Cost Savings
Higher Employee Productivity
Lean & agile structure - future readiness
Skill building & fungibility
Specialized internal talent availability

It has created a win-win situation on all fronts. Generally, restructuring is associated with layoffs but with Omega, it has meant skill building and a better future. For business, apart from cost optimization, it has inbuilt agility and created a future ready structure. Business continuity is ensured and at the same time, we have got internal talent availability which is also equipped with cement knowledge.

For people, apart from job continuity and safety, it created new avenues for movement, and opportunities for upskilling and multiskilling. Agility has not been a prerogative only of the organization only but also of employees. This big change has been taking place and we have seen absolutely no grievances from employees on this which is incredible.

The project started in July 2020 and at the mark of a year into the project, it stands at more than 50% completion, well ahead of its initial goal of July 2023. Until now, hundreds of employees have been developed and successfully placed in suitable roles. 12% of these employee moved up and 12% moved cross-functionally. It has achieved direct cost savings of crores. Project Omega addressed the need of the hour and set a path for the future UltraTech. Omega showed the way forward for a manufacturing giant at a turning point.

Exhibit 1 – Map of UltraTech presence

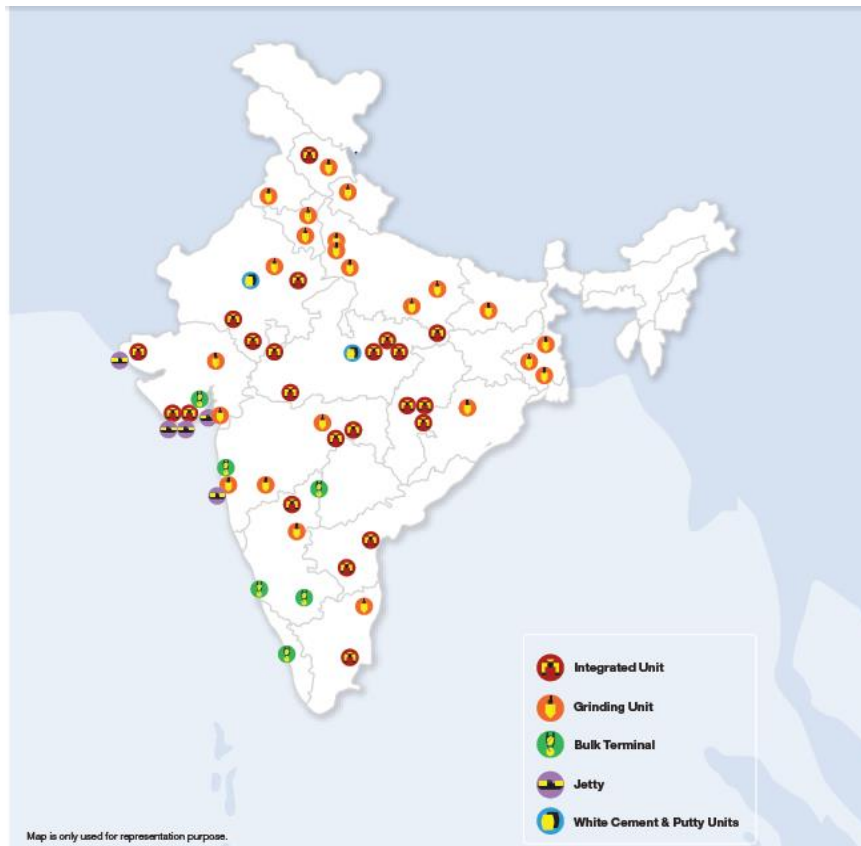


Exhibit 2 – UltraTech structure at a glance

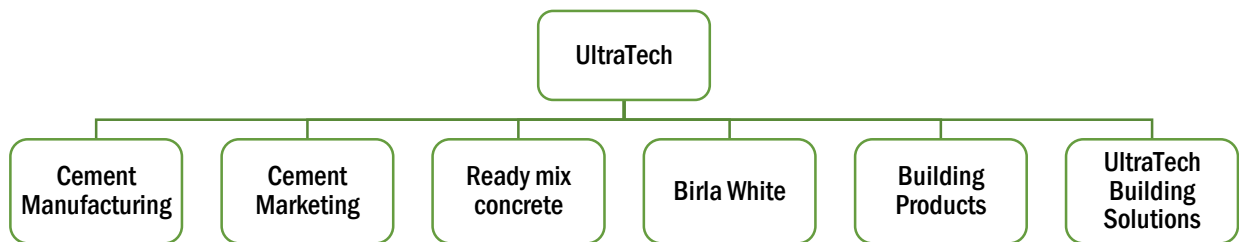


Figure 3 UltraTech business divisions

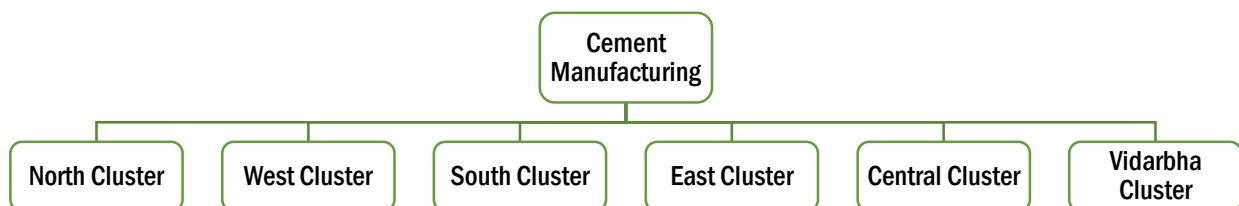


Figure 4 Clusters of Cement Manufacturing division

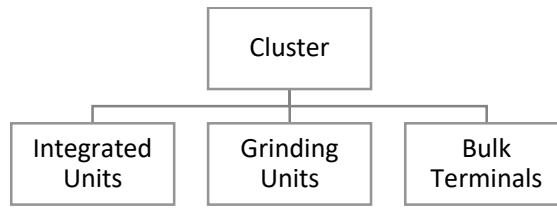


Figure 5 Sample Cluster structure

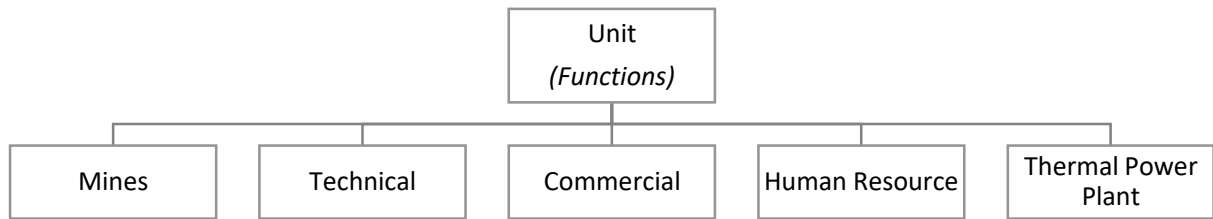


Figure 6 Sample Unit functional structure