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Synthesis

INHOUSE MAGAZINE OF SYNTHITE INDUSTRIES LTD



Scripting Growth

Job banding to help employees design their career graph

Synthite Industries Ltd has embarked on a path-breaking exercise. Perhaps in a first for a Kerala-based company, it has introduced job banding, a management system prevalent in the world's leading corporates. The programme, introduced as part of its efforts to professionalise operations, seeks to ensure that each employee can maximize her performance and attain full potential

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From the
Chairman's desk

Grab the opportunity

In the last forty years, we have travelled quite a distance as a manufacturing company. From a single product which was sold to a sole buyer in a foreign country, our product bouquet today comprises more than 500 items. From less than 20 employees, the company has grown to employ more than 2000 people. We have production facilities not only in India, but in China as well. Our products are consumed in virtually every country in the world.

But this is not all. The Synthite management has drawn up an aggressive roadmap for growth. One of the key targets is to take the turnover to ₹3,000 crore by 2020. This is no simple task, and calls for a lot of changes in the way we function today. This is the reason why we took the significant policy decision to draw inspiration from examples of changes that helped companies elsewhere in the world.

To professionalise the organisation was one such important decision. As you all know, the directors will henceforth concentrate on the strategic areas, leaving the day-to-day running of the organisation to professional hands. I am sure that this is the way for a forward-looking organisation.

The next big change is job banding. We have decided to adopt this concept because we want to hand over more responsibilities to our people, reward performers and achieve overall growth targets. From now on, the career growth of efficient people will be faster. They will be given more responsibilities and will be compensated accordingly for their contributions. On the other side, a mere attendance and routine performance of duties alone will not earn people their promotions.

I request everyone to treat this as a golden opportunity to perform and achieve bigger heights in their professional life. I am sure that the HR department is taking adequate care to ensure that people who want to acquire new skills are able to do so. I am also sure that the entire process is implemented in a most transparent way.

As chairman, I would also like to reassure each one of you that even while we implement these changes, we would not change our core characters. We would continue to be a compassionate company, taking care of all our people. We are committed to the welfare of each one of you. These changes will only strengthen it.

Recognition time

Udyog Rattan Award for Dr Viju Jacob



Dr Viju Jacob, Director, Synthite Industries Ltd, receives 'Udyog Rattan Award' at a function held on March 13, 2012 in Bangalore

The Institute of Economic Studies (IES), the New Delhi-based research organisation, has conferred Dr Viju Jacob, Director, Synthite Industries Ltd, with the prestigious 'Udyog Rattan Award' for the year 2011. The IES also selected Synthite Industries Limited for its 'Excellence Award'.

The IES said it conferred the award on Mr Jacob for the outstanding performance in the field of industrial development in the country while it honoured the company

for showing excellence in industrial development.

Some of the eminent personalities who have been recipients of the award include Mr. Ram Kishan Bajaj (Bajaj Hindustan), Mr Hari Shankar Singhania (JK Industries), Mr. Vijay Mallya (UB Industries), Mr L Madhusudhan Rao (Lanco Infratech), Mr. Thomas Pantleon (Mercedes Benz-R&D India) and Dr P C Sehgal (Mumbai Railway Vikas Corporation).



Dr Viju Jacob, Director-Hospitality, Synthite Industries, receives the award from Dr Rashid Al Leem, Director-General, Sharjah Ports & Customs & Hamriyah Free Zone Authority, UAE

Ramada Cochin is Emerging Hospitality brand

Ramada Resort, Cochin, a Synthite group concern, has been awarded the 'Emerging Hospitality brand' at the Kerala State Business Excellence Awards 2012, organized by the Indian Chamber of Commerce & Industry and *Cochin Herald*.

Dr Viju Jacob, Director-

Hospitality, Synthite Group, received the award from Dr Rashid Al Leem, Director-General, Sharjah Ports & Customs and Hamriyah Free Zone Authority, UAE at a function held in Kochi on March 18, 2012. The other dignitaries present on the occasion were Mr K Babu, Minister for Excise & Ports, Mr K C Joseph, Minister for Rural Development- Planning & Culture, Mr Dominic Presentation, MLA, Mr Hibi Eden MLA, captains of industry, media etc.



Dr Viju Jacob with the Ramada Cochin team

Focusing future

Synthite creates new division to strengthen application knowledge base

For a growing organisation, change is a constant companion. It reinvents itself in critical areas of functioning, identifies areas of growth and creates an environment to address the challenges. And if it calls for breaking the status-quo, so be it.

Synthite Industries Limited, which has introduced sweeping changes in its management practices by handing over day-to-day operations to professionals, has reconstructed its Research and Development Division to create a New Products Development Division (NPD) with a larger and futuristic mandate.

“There was a little demand for application knowledge,” says Mr Aju Jacob, Director in charge of NPD, explaining the thought process behind the creation of the new division. “We used to get inputs from the customer and make products as per the directions they gave. In the rare cases when they wanted a change, we did it with limited recourse to innovation. We are masters today in meeting any client demand.”

But this cannot fuel a fast-paced growth, Mr Jacob said, especially since the food ingredients industry is expanding across the world, throwing up new opportunities. Hence the decision to create a division with focus on the future.

The NPD will consist of a part of the innovations team, R&D division, the technical service department and

marketing programmes.

The NPD has a specific set of mandates:

- To ensure sustainable growth for the company and its customers
- To create and disseminate knowledge
- To enhance organizational image
- Discover holistic solutions through team work

“We are assembling a team which would pick up signals from markets—existing as well as future—and help the company come out with futuristic products,” Mr Jacob said. This also goes in tune with the company’s declared policy to move up the value chain to the maximum extent possible.

The company had in the past set up Synthite Naturals to introduce products in the natural products segment due to the increasing demand worldwide for natural solutions. “One of the thrust areas for the division will continue to be natural colours,” Mr Jacob said. Anti-oxidants and specialty



ingredients for flavours, in which the company has already made its presence felt, will be other areas of concentration. “We have also identified certain consumer areas where there is significant opportunity for growth in the immediate future and are working on solutions,” he said.

The company will focus on cost-effective products. “The segment is price sensitive and we cannot come out with products the markets cannot afford,” he said. The company will bank on the world class infrastructure it has created over four decades to meet this critical criteria, he said. The company, at the same time, will invest in developing and introducing new technologies.

Mr Jacob said the NPD has a small team now, but would be expanded in due course of time. There are certain prerequisites for such a team to work to their full potential. “We want them to be creative, and functional autonomy is one critical input to make it happen. While they would work with the rest of the company in areas where required, the NPD will be freed from day-to-day hassles. Their mandate is to make the company future-ready, and will be given a new environment to function from.” A new state-of-the-art infrastructure is being readied for the purpose, he said.

We want them to be creative, and functional autonomy is one critical input to make it happen. Their mandate is to make the company future-ready, and will be given a new environment to function from, said Mr Aju Jacob, Director in charge of NPD

Performance pays

It's a big leap forward for a Kerala company. But when it comes to Synthite Industries Ltd, it is not unusual: the company is used to thinking global, and bringing in the best of practices around on to its campus.

Synthite Industries has implemented job banding, a well-known concept in human resource planning which seeks to maximize employee potential, in its ranks. Job banding is a simple, efficient concept: Instead of arranging positions and promoting people to fill them up, as is done now, it fixes skill sets that would take the company forward. Anyone who possesses those skills would occupy the post. It puts career growth on an auto pilot route, and promotes sustained efforts to acquire new capabilities.

Job banding: what does it mean?

In job banding, jobs are assigned to different clusters based on the responsibility and experience required, levels of accountability and impact of decisions. It also means:

- Re-aligning the designations and levels to achieve the organisational objectives.
- Introduction of promotions based on merit and performance.
- Creation of a vertical and lateral career progression path.

“We have gone for it because the company has set for itself certain big targets,” said Mr George Paul, Director in charge of Human Resources. “We had to align every practice in tune with the new direction we are following, and it is natural that it is reflected in human resource management as well. This is intended to promote a culture of employees acquiring new skills and preparing themselves for inorganic growth in career. He said the move is expected to benefit all stakeholders: employees, clients

and suppliers; and in turn, the company, too.

How do employees take the revolutionary change, especially in a social milieu which seems happy with status-quo? Synthesis talked to a cross section of people to know their understanding of the job banding, their expectations from it and their apprehensions, too.

For Jimmy Mathew, plant operator who has been with the company for the last 13 years, the new exercise is a way forward. “It is a good move for the employees. At Synthite, every one works hard, and it will benefit them all.” And if anyone chooses not to work, then this will be a disincentive for them to continue to be so, he opined.

One has to be a dynamic professional to grow in career, says Mr Mathew. “I have been to various units

Ms Manjula Venugopal of QA department backs job banding as “you move to the next band based on your performance. That is, you have earned a promotion, and not that you are given one. This is of immense professional as well as personal satisfaction”



of the company. I was once sent to Marudur with a specific target. I was able to meet it. Such varied experiences will count more with the introduction of job banding, and hence I am looking forward to reaping the benefits of it.”

Mr Mathew has made significant progress in his career after joining Synthite. “I want to rise further in my career, and I am willing to put in my best efforts for that. A system which recognises merit and hard work will be a boon for employees like me,” he remarked.

Mr Mathew points out that the new generation of employees want to take risk, perform well and move fast. “A system which rewards performers would entice smart people to join us.”

Mathew reasoned his support for the larger cause: “The mindset is the key. You can be open to it, change and grow. Or you can choose to stay out. For me, the choice is very easy.”

For Ms Manjula Venugopal from the Quality Assurance department, the new system will make career growth fast. “Earlier, it used to take five years for a promotion,” she said. “Now it won't be so. It is open, and is up to you.” Ms Venugopal pointed out an important point the system has brought in. “We used to get our promotions irrespective of our performance. The new system makes it clear that you move to the next band based on your performance. That is, you have earned a promotion, and not that you are given one. This is of immense professional as well as personal satisfaction.”

She is mindful of the flip side too. “From now on, there will be no assured move up the ladder, and you have to work hard to get there. But that is fine by me.” She says the success of the new system will depend a lot on the ability of the organisation to have a foolproof data maintenance



My request is that the company make arrangement for our continued training and exposure to new technologies so that we always keep ourselves ready to adopt new technologies, says Mr Manoj Kumar R of IT department

system. “With the implementation of the Key Performance Indicator (KPI)-based Performance Management Process (PMP), we have a reasonably well-defined data on the work each one does. This will ensure transparency of the functioning in the new system.”

Job banding has given more responsibility to Ms Venugopal, but she is not complaining at all. In fact, “I get to oversee the entire process and whenever it is needed, I can fine-tune it. It shows the importance of the job that I do, and it is a great moment in my career.”

Ms Venugopal said the opening of the promotional avenues across departments is a refreshing change. “Now if you have an inclination to work in a different department, and have the required skills, you can move over. This is beneficial for both the organisation and the individual. For the organisation, it gets an insider well-versed with the system and can be productive from day one. For the individual, working in a new environment would be challenging, and would put infinite energy into one.”

Ms Venugopl backs the system because it rewards people with extraordinary capabilities. “Now they can ask for more responsibilities, prove their merit and move up. This will ensure that performers are rewarded and everyone can be convinced about a decision.”

For Sajan George from the Production department, who has been with Synthite for the last 20 years with a brief interregnum, the new system will help fast-track his career. “I was nothing as a professional when I joined Synthite after my ITI,” he said. “But I got an opportunity to be part of every expansion, and it helped me learn new things. I am sure that job banding will help me demonstrate my skills better and move to new assignments.”

Mr George expects a qualitative change in the work environment as the system promotes merit. “We will be working under people who are there by sheer merit. More knowledgeable than us, they would be able to guide us more effectively. This will help us individually, and the organisation as a whole.”

When there is system to assess the performance of the employee, one need not worry about whether the top bosses are really in the know of things. “The assessment need not be done at the top; it can be done at our levels, and that too, in a more transparent manner.” So the recognition of performance will be more easy. “Our performance—performance alone—will argue our case,” he averred.

The company has already put in place extensive training programmes to get employees ready for the task and to shoulder more responsibilities. “This creates a lot of confidence among employees,” Mr George said.

Unlike in the past, every company faces uphill tasks in the market place. “We live in a liberalised world, and we have to be competitive. Our survival and growth depend on the survival and growth of the company. So it becomes a collective responsibility for us all to work together. In such a situation, it is natural that people who come forward with better skills

are rewarded promptly.” He, however, said there are people who are apprehensive of the new system. “The company should explain to them in detail the pros and cons. Everyone must be taken into confidence,” he said.

Synthite generally promotes innovation, Mr George said. “But they are being implemented faster now. We recently made a suggestion which could reduce cost and improve results in a system. It was assessed fast and is being implemented now.” Mr George feels that it happens because the new system has made people at all levels more responsible and answerable and that there is very little incentive for people to drag their feet. On the other hand, everyone will benefit if the job is done fast. “Such fast response to our suggestion will encourage more people to come forward with suggestions. This augurs well for us all.”

Mr P M Eldo, who is part of the engineering department, is not overtly worried about the implications of the job banding programme. He has been working with the company for the last 20 years and has seen its growth and the benefits it will bring to the employees. “As of now, I have not been affected by the new system. I do my job to best of my ability and am not

Mr P M Eldo, who has seen the labour-friendly management from close quarters, believes that the new system would harm no employee, though it may not benefit all



worried about anything else.” He, however, wants the company to ensure that the system takes care of the people with lot of experience in various departments.

“The company must ensure that experience is rewarded. And people who want must get an opportunity to train themselves and move to the next band,” he said.

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Ms Selly Peter, who has been working with the Logistics department, is a direct beneficiary of the new system. However, getting noticed for a sterling performance is nothing new to her. “I got my first promotion in eight months after joining here. That was the reward for an extra-ordinary effort in an extra ordinary situation.” She looks forward to job banding as it seeks to put in place a mechanism which, by itself, identifies performers and rewards them in a most transparent way. “I was willing to do extra

Sajan George from the production department says from now on, assessments will be done “at our levels in a more transparent manner. Our performance—performance alone—will argue our case,” says he



work, and I have always been asked to do. I have been rewarded also,” she said. “We have been called to add efficacy to the system. The company passes through a really challenging phase as it adds more products to the export-import bouquet. And I am geared up for it.”

Mr K K Sasi of the engineering department is of the opinion that people with loyalty to the organisation need to be taken care of. “Educational qualification is not all,” he said. “There are people who become experts in their areas merely because of their long stints. The system should be able to take care of them as well,” he said. The management of Synthite has always been a compassionate one, and Mr Sasi expects no change in that character. “This is what differentiates us from several other companies.” There should be transparent systems to ensure that the right people get right encouragement, he said. The parameters must be made known to all, and everyone should be encouraged to compete, he said.

For Manoj Kumar R of the IT department, the challenge is different. “I am happy with a system which promotes performance and skills,” he said. However, we at the IT department face a unique problem. We have very little option to get exposure to newer technologies, like the way professionals get in a software company. This might affect our performance, and could harm our prospects of moving to a higher brand. My request is that the company make arrangements for our continued training and exposure so that we always keep ourselves ready to adopt new technologies.” His voice reflects the demands of smaller departments that they should be given a level-playing field so that everyone gets a chance to prove their mettle.

The HR department bespoke the concept of job banding to the culture of Synthite before implementing it, said Mr M R Rajesh Kumar, Head, Corporate HR. “We ensured that there is a cultural infusion in the process. We also communicated the features and opportunities the system offers in detail to all the employees.



Mr K K Sasi of engineering department says the management of Synthite has always been a compassionate one, and expects no change in that character. “This is what differentiates us from several other companies”

Apart from circulars and presentations, we held town hall meetings where doubts were cleared and apprehensions addressed.” Mr Rajesh Kumar said the company got professional consultants to study the system before designing and implementing job banding. “There are complexities when the system changes in an organisation. This is all the more complex as Synthite is a manufacturing company, and we have done a very diligent job of it,” he said. He said compensation packages are not linked to job banding as of now; and if there is any, they are only positive changes. “However, going forward, the system would compensate people as per their contribution to the growth of the company.”

The HR department will continue to educate the employees about the benefits of the system as it allows lateral and vertical career growth. “The Synthite Centre for Learning and Development, our in-house training centre, will take up more programmes to ensure that employees get adequate training to move up,” Mr Rajesh Kumar said. “After all, it is one of the most-employee friendly systems, and we want everyone to benefit from it.”

SAFETY WEEK CELEBRATIONS



Dr Viju Jacob, Director, receives the 'Outstanding Safety Performance-Runner Up' award, instituted by the National Safety Council from Prof K V Thomas, Union Minister for State (independent charge) for Consumer Affairs, Food & Public distribution at a function held in Kochi on March 4, 2012



Ramu Butler wins Smart chef award

Mr Ramu Butler, Corporate Executive Chef, Ramada Resort Cochin, has bagged the 'Smart Chef Award for India -2011' by the Indian Federation of Culinary Associations. Mr Butler received the award from the president of the World Association of Chef Societies at a glittering ceremony held as part of the IFCA-2012 Congress held from March 22 to 24, 2012 in Bangalore. Around 700 chefs from India and abroad participated in the events.



Mr P A Sainudeen, Deputy Transport Commissioner, Central zone II, Ernakulam, delivers the Safety Day Message at a function held at the company headquarters



Collage of the winning team of Safety Day competition

In search of new growth formulations



Participants with Director Mr Aju Jacob and facilitator Mr M P Sriram at the two-day NPD meet held on 27-28 February, 2012 at Riviera Suites Cochin

Synthite Harihar celebrates 10th anniversary



Dr R R Hanchinal, Vice-Chancellor, University of Agricultural Sciences Dharwad, Karnataka, the chief guest at the function, lights the ceremonial lamp

December 28, 2011 is an important day for Synthitians: this day, the Harihar unit of the company has successfully completed 10 years of operations. In the decade passed by, the unit has developed into a major exporter of bio ingredients.

An idea of logistics advantage to have a unit near Byadagi market

sparked the process. It was a modest beginning as an extended unit of Kolenchery with a turnover of ₹5 crore in the first year. The unit was making intermediate from Byadagi Chilli and sending it to Kolenchery for further processing.

After adding up the purification and blending facilities, the unit

started direct export from November 2005. At present, products from the unit are exported to US, UK, Middle East, Japan, Turkey, Spain, Singapore, Mexico, Australia, South America, Thailand, Indonesia, New Zealand and South Africa.

The unit celebrated the occasion with a colourful function. Dr R R Hanchinal, Vice-Chancellor, University of Agricultural Sciences Dharwad, Karnataka, was the chief guest at the function.

Dr C S Rathor, IPS, Superintendent of Police, Haveri, Mr George Paul, Mr Aju Jacob, Mr Ninan Philip (Directors) and Mr Praveen Venkataraman, COO, Bio-ingredients division, Synthite Industries, attended the function.

A magic show, comedy show and musical orchestra added to the glitter of the function.



Dr Abdul Salam, Vice-Chancellor, University of Calicut, inaugurates the Synthite Day celebrations at Synthite Calicut on January 21, 2012

Synthite stars



Synthite Star winners for January 2012 with Chairman Mr C V Jacob. (From left) Mr Pramod A N, Mr Eldho Paulose, Mr Linson Sajan, Mr Raju B T, Mr Sebastian Michael, Ms Sijimol T K, Mr Gibin Varghese, Mr Anoop G and Mr Baby C K



Participants of the second session of 'Being Synthite' Managerial Excellence Programme with Mr Ajay Shrivastava, trainer; Mr Rajesh kumar M R-Head Corporate HR & Training and Mr Vineeth P Mathew, Sr. Specialist L&D. The session was conducted on January 27 and 28, 2012. (Below) The participants with Comdr. Madhusoodanan, Kalypso Adventures, for their final Experiential Learning Session. The programme was conducted on February 17-18, 2012 at Munnar