

# EXECUTIVE VIEW



**Sanjay Behl**  
Chief Executive Officer

- Raymond Limited

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Sanjay is the CEO of Raymond Lifestyle and is responsible for Textile, Apparel and Retail businesses. He is also an executive board member of Raymond Apparel limited.

Over the last 5-years with Sanjay leading the Raymond mandate, the company has more than doubled its revenue, tripled its profit and increased the enterprise value by over four times. Apart from the continued growth in all the core segments of Raymond, the company has successfully forayed into many new segments like branded shirting, ethnic clothing, khadi etc. and has set-up Raymond subsidiaries in U.S., Europe, Japan and middle-eastern markets.

Besides a little under 5-years in Textiles industry, Sanjay has over two decades of prior work experience with 10-years in FMCG and 10-years in Telecom. He has worked with Hindustan Unilever, Nokia and Reliance in diverse functional and business leadership capacities across all the organizations, in India, Asia Pacific and Globally. He has led some of the top Indian and Global brands – Vim,

Surf, Rin, Sunlight, Nokia, Reliance amongst others; and has 3 Global IPR's in Brand & Marketing operations.

Sanjay has business and brand leadership experience ranging across consumer goods to service industry – project set-up, operation scale-up and managing large established brands and businesses. Through his career he has led teams of diverse skill sets, experience, scale, structures, locations, cultures and nationalities.

Sanjay graduated from IIT BHU (Varanasi) and is an MBA from Sydenham Institute of Management, Mumbai. He is also an avid enthusiast of technology and gadgets, a die-hard cricket aficionado and enjoys painting in his leisure time.

## *What were the highlights in your remarkable journey in the corporate world?*

My corporate journey of over 25 years has indeed been very gratifying. I consider myself fortunate to have worked on diverse assignments ranging across consumer goods to service industry, in India and in global markets; and from scaling-up start-ups to managing & transforming large, established and complex businesses.

I have also had the privilege to work with and learn from some of the finest people, best brands, reputed businesses and world-renowned organizations. I started my career with Hindustan Unilever in 1993; and every day, of a little over a decade spent in HUL, was inspiring and invigorating. The next decade of my career in telecom industry between Nokia India and Reliance Group provided me with an unmatched excitement of scaling-up businesses from mere ideas; this opened me up to the true power of dreaming with my eyes open.

There have been many highlights and defining moments that shaped my career but none more than the tougher assignments that came my way, a few seemingly insurmountable adversities and a fair share of failures that I have had along this journey. Further, I have been blessed with inspirational and tall mentors guiding me through my professional journey. Early in my career as a sales manager at HUL, I was confronted with the challenge of diffusing the first ever trade boycott of Unilever products in India for want of higher retail margin. Managing the militant trade amicably, constantly engaging with the organizational leadership, providing measured responses to media and eventually maneuvering an unconditional withdrawal of product boycott helped me gain tremendous confidence as a business leader at a fairly young age. There-after as a brand manager, the disruptive success of Vim dish wash bar opened up a whole new realm of possibilities for household care business in India. However, following this significant success was an abject failure of a new brand launch in the low cost segment of the same category. Leading marketing of Nokia mobile phones in India was like a roller coaster adventure, where-in we managed to double brand market share to over 80% in an exponentially growing market in less than 2 years. My stints in Reliance were varied from overseeing the group brand across diverse industries at one end to start-up of satellite television venture on the other.

The last 5-years at Raymond have been very eventful and extremely fulfilling in my role as a leader as we continue to transform a 9-decade old legacy market leading textile fabric organization into a contemporary and cutting-edge fashion, lifestyle and retail institution. With over 5 years into this journey now and the real transformation of the brand to its true

leverage yet to truly unfold, I have felt only more exhilarated and inspired with every passing moment by the exponential growth opportunity in this hyper connected planet, limitless potential of my brands, a fiercely committed team and an institution called Raymond.

*You have actually worked in different industries- what are some of your professional learnings and what has really worked for you?*

What has really worked for me in every assignment and across diverse industries are the 4 basic agreements that I made with myself early in my career, inspired by teachings of Don Miguel Ruiz.

1. I will always be impeccable with my word,
2. I will never take anything personally,
3. I will not make any assumptions,
4. I will always do my best.

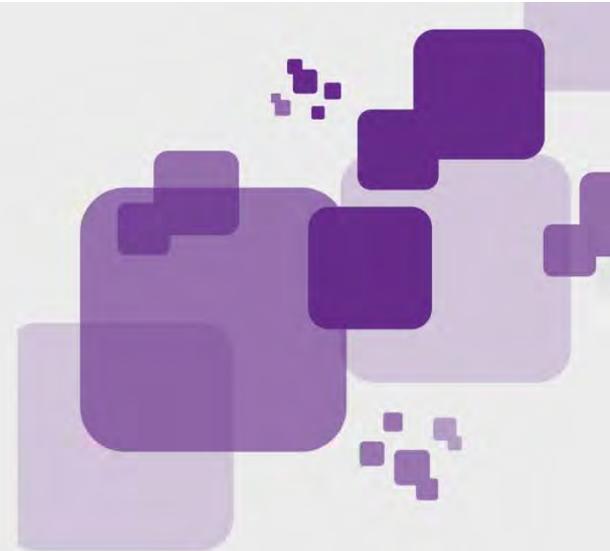
My top 3 professional learnings are

- 1. Winning is a state of mind and not the market:** We almost always win in the mind before it gets actualized in reality. Over the years, I have learnt that winning mind-set can be cultivated – be it business, sports or any other field. Cultivating a winning mind-set involves dreaming big, courageous goal setting, meticulous planning, and visualizing the journey and feeling as a winner. Exponential growth starts by setting bold goals basis ‘Total Addressable Opportunity (Future based)’ and not limiting them merely to the ‘Total Addressable Market (Current based)’. This requires us to stop framing future basis our existing mental models. Thereafter we need to fuel the bold goals with a diligent process and ruthless discipline.
- 2. Choose Purpose over Mission:** I often ask myself ‘What makes winning worthwhile? Why do we exist in the first place?’. In my experience, I have found that clarity of purpose in all we do, and not limiting our existence around any brilliantly written mission statement, means that life and work seamlessly create harmony that encourages



meaningful engagement at personal and professional levels. The shift to purpose also transforms number of key organisational practices including how a strategy is developed, resourced, executed and tracked. I firmly believe that all leaders must have a relentless pursuit of purpose.

3. **Fail Fast, Learn Fast, Fix Fast:** The world is moving faster than the knowledge and skills that most of us have today. In this ultra-turbulent and complex world, we have little choice but to constantly learn and adapt. No plan ever withstands contact with the real world, and real competition the way we envisage. In our relentless zest to win, there are bound to be some failures or setbacks along the way. To me, such setbacks are a great opportunity to learn and help us raise our game. Continually unlearning and relearning is the new stability for any organization in today's era. In sum, it is not 'scalable efficiency' but 'scalable learning' capability that is the real competitive edge in today's era.



*Raymond has come a long way since you took over. What have been some of your key drivers for growth in Raymond? What are some of your key focus areas in the short and medium term?*

One of the foremost drivers of the on-going transformation at Raymond has been a clear articulation and effective cascading of a decadal vision early into the initiation process in 2014; and enrolment of all the key stakeholders onto the shared vision and an enabling strategy.

This encompassed spelling out a 3-phased transformational path of "Vision, Mission and Strategy", in 3 distinct time buckets termed as Raymond 1.0 (2014-2017), Raymond 2.0 (2017-2020) and Raymond 3.0 (2020-2025). To clarify our transformation paradigm to my colleagues, I often use an analogy of metamorphosis with my team comparing Raymond 1.0 with our journey to becoming a healthy caterpillar, Raymond 2.0 to transitioning to a pupa phase and Raymond 3.0 to emerging as a vibrant & awe-inspiring butterfly.

Raymond 1.0 comprised of organizational restructuring, portfolio sorting, talent sourcing, brand repositioning and retail renovation and expansion. In this phase of organizational transformation, we managed to double our revenue,



triple our profitability and quadruple the enterprise value. More importantly, many businesses are now free cash flow with a very healthy ROCE and a favourable fiscal leverage. The second phase 'Raymond 2.0' began in 2017 encompassed entry into new product segments viz. Ethnics and Khadi, global expansion into key markets like U.S., Europe and Japan, retail expansion into smaller tier towns in India, digital integration across all nodes of our value chain, remodeling of our integrated supply chain and purposeful investments on talent and leadership team. The third phase 'Raymond 3.0' beyond 2020 will largely be about our evolution as a 'solution' based lifestyle organization, expansion into many more newer consumer segments and making digital a 'way of life' at Raymond. The foundation of all the 3 phases has been firmly based on human level transformation and instilling a new organizational culture.

My near term vision for Raymond group is to emerge as a cutting-edge men's fashion and retail conglomerate in India, and in select global markets by Yr.2022. Raymond brand will continue to build on its position as classic bridge-to-luxury offering for the full wardrobe needs of a discerning male with a brand purpose to make men 'look good'.

In the long run, my vision for Raymond is to evolve as a unique and compelling 'lifestyle' platform with a compelling brand purpose to make consumers 'feel good', with its offerings going beyond just the full wardrobe solutions, extending into a few relevant categories like male grooming and personal care.

***You spent many years with Unilever and Nokia-how were they different from Reliance and Raymond?***

Every organization that I worked for has had a unique impact on me as a professional; and it is the awesome blend of their uniqueness which has truly shaped me to where I stand today – still in the process of 'becoming' from my current state of 'being'!



While Unilever and Nokia were great platforms to learn & perform in a structured environment, Reliance and Raymond unfurled myriad opportunities for me to experiment and grow in an entrepreneurial set-up. While most of these organizations have been very successful in context of markets they operate in, the operating code of each organization is very different from one another, and strongly defined by the leadership of these iconic companies in each era. Working with these companies, I have learnt that every organization eventually becomes the physical manifestation of its leader.

I found Unilever's operating code pivoted strongly on stakeholder well-being including its employees while Nokia was rooted on agility and innovation. Reliance is consumed with shareholder value creation while Raymond is driven by customer trust and product excellence.

### *The Indian economy is now looking positive after an initial slowdown. How do these phases impact your business in India?*

In the past 2 years, Indian economy appeared to have hit some roadblocks in the form of rising crude oil prices along with impact of certain radical reforms undertaken by government like demonetization and GST. This was reflected in the slowdown in GDP as well. However, in the fiscal year 2019, we have recovered well with stabilization of crude oil prices and increase in GST revenue. The reduction of the peak GST rates for most products and amalgamation of a few slabs is a sign of good things in store and we can look at exciting times ahead.

India's GDP has expanded at a healthy rate and even touched 8.2% in the first quarter of FY2019. We are currently a \$2.85 trillion economy and expected to become a \$ 5 trillion by 2022. Displacing France in March 2018, we became the 6th largest economy in the world. We are well place to overtake UK soon, facilitated also by the enormous political turmoil in UK due to Brexit. Mounting trade tension between US and China can have a positive effect on Indian economy, especially benefiting our core manufacturing sector. Also, aiding India in its quest to become the fastest growing economy is its strong and young workforce.

The annual growth of the Indian consumption market is estimated to accelerate to 7.1% during FY21-FY25, which in monetary terms currently amounts to an estimated consumer market of Rs 50 lakh crores (Vs. 34 lacs in the preceding 5 year period). These projection pegs India as the third-largest incremental GDP growth engine for the planet by 2030.

It has been our firm belief that India's long term growth story is intact hence we have continued to stay invested. We have more than doubled our manufacturing capacity and retail reach over the last 3-4 years. With this augmented capacity and reach, Raymond is not only the largest manufacturer of 'Textiles & Apparels' in India but also the No.1 fashion retailer in the country with over 1400 exclusive brand stores in 600 unique towns; and growing every day. We believe that Raymond and our portfolio of brands will be amongst the foremost beneficiaries from increased formalisation of economy, enhanced consumer aspirations, better retail infrastructure and higher discretionary spends.

***What are your views on disruption in today's business scenario? New technologies, products and business models are fast-changing the market dynamics. How should Indian companies approach disruption?***

The erstwhile concept of 'disruption' has evolved to become 'destruction' today – where-in we are witnessing a combination of 'destruction' and 'disruption' simultaneously. Newer business models across diverse industries on the back of open API's and 'internet of things' are leading to 'destruction' of traditional business models, ranging from public transportation (Uber, driverless cars) to hotels (Air BnB) to retail platforms (Amazon) . At the same time, most of these new-age tech based business models are experiencing exponential growth curves which are often beyond the cognitive ability or conventional wisdom to decipher. It is perhaps the first time in the history of mankind that humanity is lagging the pace of evolution of technology, with the latter paving ways for hitherto unknown benefits for humanity at large. Never in the human history have we seen so many technologies moving at such pace. And as these technologies intersect, they accelerate the innovation even further, thereby creating a multiplier in the equation. But within this rapidly setting-in of 'The New Normal', I do see a tremendous opportunity for all the current industries, businesses and start-ups to turn the conventional VUCA upside down; and get ready to operate within the new realms of Vibrant, Unreal, Crazy and Astounding environment.

Buoyed by limitless possibilities of wireless technology, improved bandwidth and internet of things, we are witnessing an acceleration of 'Market-creating innovations', the one's which open up markets which didn't previously exist. However, in such unprecedented levels of uncertainty, we need to base our strategy on things that won't change with elapsed time viz. purpose, people, values, brands or core propositions; rather than things that may change with time viz. customer preferences, technology platforms, company assets or business models. What organisations need today to succeed is 'Strategic Agility', rather than just The 'Operational Agility', which did serve well in the past.

Another concept of relevance in this newly evolving world is of 'scarcity moving to abundance' in almost all spheres of life. Seamless intersection of diverse technologies across industries are creating new business models of 'excess' at marginal costs, thereby challenging the base viability of many traditional industries. Be it hotels, transport, energy, media or banking – the benefit proposition and price value equation in almost every industry is evolving in ways inconceivable to us in the recent past. Air BnB gives unlimited access and options on rooms in every part of the world thereby making the prevailing concept of conventional hotels redundant, Uber drives us in car of our choice at a cost lesser than ever, Tesla is lighting up our homes without the need for conventional power, Netflix gives us appointment based unlimited access of video content at marginal costs, and so on and so forth. However, our organization structures have evolved to manage scarcity where-in we have been trained to maximize asset productivity, extract efficiency and drive return on capital in a 'scarcity (of resources)' business model. The concept of "onus-ship" and "efficiency" worked well in scarcity driven models, but we now need to master a completely new set leadership competencies in an abundance led emerging world.

*How does one nurture such values which give emphasis to disruption and innovation within the organisation? How are you nurturing and supporting innovation and disruption within your organisation?*



Innovation thrives in an enabling organizational culture with a purposeful intent and demonstrable behaviour of top leadership team. The intent is demonstrated by creating a workspace that encourages creative self-expression, fuels fearless experimentation and has a robust mechanism to learn from a few expected 'misses' in the process. However, a common mistake to watch out for is to label every idea as fundable and pass down every miss as an unfortunate outcome of a well-intended risk.

Raymond has thrived for long on high impact product innovations backed by sustained investment in world-class manufacturing technology. However, pure play product innovation alone will not provide us with a sustainable competitive edge in medium to long term. To raise our game towards a more holistic innovation culture, we have continued to mobilise each component of our business value chain, from sourcing to retail; and even the process of post purchase life cycle management of our customers.

There has been a significant momentum on market creating innovations over the last 3 years at Raymond with launch of many new products like Technosmart, Whites; new product segments like light weight jackets, auto fit shirts or combo packs; new categories like Linen, Ethnics, Khadi; new retail models like mini Raymond stores, Style Play; new platforms like tailoring hubs and made-to-measure; new technologies like anti-crease or stretchable fabrics; and so and so forth.

However, I believe that we still have a long way to go before 'market creating' innovations become a 'way of life' for us at Raymond. We are deeply engaged in creating suitable organization and relevant team structures to foster innovation as their core DNA. This may additionally need a significant re-haul in our performance management systems alongside deliberate and conscious infusion of diversity among many others things to create a sustainable innovative ecosystem.

***Does your Industry face any significant people related challenges in terms of talent availability, training & attrition? How does your company manage these challenges?***

The bigger challenge today is not the availability of people resource but clarity on what really constitutes 'talent' in this super VUCA era. Further, given 'fibre to fashion' integration of our value chain, we need to remain constantly seized with infusing best available talent at every node to propel our organisation forward.

To stay relevant in our definition of 'talent', we constantly keep reflecting and betting on a dynamic set of leadership competencies required to succeed in each one of 250 unique roles at Raymond. This set has been integrated with a very rigorous recruitment process where-in competency assessment by an independent credible agency has now been mandated for every single role in Raymond Group.



On manning nodes of our value chain, we face a different set of challenges. Over the years, core manufacturing sector has ceased to be the preferred career choice for most bright engineers; and even if a few pursue it to debut their careers, it is only for a brief period to gain work experience before branching out to do an MBA or any other such seemingly more lucrative career options. On design front, we are relatively better placed in hiring talent with high quality academic infrastructure in form of NIFT and NID's in the country. However, on the other end of our value chain is retail, which is constantly plagued with modest skills and higher attrition.

To overcome these challenges, we have aggressively invested in creating a high impact in-house on-boarding and training platform at Raymond. We have institutionalised a world-class L&D team, framework and infrastructure which provides classroom and on-the-job training to over 10,000 employees

every year. This ranges from high intensity leadership programs in partnership with Ivy League Cornell or Harvard University for 'Top 75' leaders to providing coaching or mentorship to high potential talent via Raymond Leadership Academy (RLA) to facilitating massive online courses for self-nominees

*What are your views on cross-hiring from other sectors?*

*What are the key aspects you look for in an individual when hiring for leadership positions?*

My view is that every single leadership role must be manned by the best available talent at any point in time – whether in-house or cross hired. One amongst the five cultural tenets we live at Raymond is ‘Meritocracy’ and hence we never design any policy to restrict or impose any restriction on cross-hiring from other sectors.

For leadership hires, some of the critical competencies that we assess are Leading Change, Passion for Results, Inclusive Leadership, Learning Agility and Customer Empathy. Additionally, we do a fairly rigorous assessment of all our hires on cultural fitment.

*What are the key things to look at in hiring senior leaders?*

The foremost criteria for senior leadership hire at Raymond is candidate’s visible passion to enroll to our vision, prima-facie alignment of purpose and consonance with our core values and culture. Every single senior leadership hire undergoes a set of psychometric evaluation tests and one day live business case simulation at an assessment centre run by a global leading agency. An ability to provide a compelling vision, manage complex mandates and lead diverse teams are a few key skills that we assess during our hiring process.

*How do you feel the executive search landscape need to evolve to suit the changing needs of clients?*

At the outset, Executive search partners need to be passionate about delivering the best leadership solutions to their clients. One amongst the foremost metric of success for any executive search firm should be to help organizations transform positively by unearthing limitless human potential. They must contribute constructively by enhancing talent pool, helping augment careers and creating stronger employer brands.

There is a dire need for a meaningful engagement between executive search firms and business leaders for real augmentation of talent pool in most organisations. For this, most executive search firms need to go beyond talent search basis role brief's and start partnering in truly understanding the vision, ethos and culture of the organisations.

Given deeper understanding of talent pools across diverse industries, Executive search partners are possibly best placed to shape a compelling employer proposition for organisations they serve – a role that they must own with pride. They are also the first touch points for the prospective candidates and therefore play a critical role in building the employer brand in the minds of the candidate.

***How should companies build the workforce for future? Companies will have to become more agile and change fast to the new business realities. How can business leaders ensure their teams have the adaptive quality that can handle any change?***

The future workplaces will be far more networked, flexible, integrated, open and innovative. To stay relevant and competitive, organisations will need to shift to spider webs of digitally interconnected employees from a variety of locations, instead of a co-located workspace of today. Another key workplace transformation will be an emergence of large and dispersed employee population outside a fixed payroll structure.

Building an effective workforce in the future workplace is an even bigger challenge facing business leaders today. A recent Forbes survey indicated that almost half of the working millennial generation conducts active job searches in their current jobs and two-thirds believe that their existing organisation does not have a strong sense of purpose or delivers any meaningful impact.

Amidst this evolving landscape of workforce for future, leaders have a fascinating opportunity to first evolve themselves to a leadership paradigm rooted on mindfulness or centeredness. This will necessarily imply providing leadership based on principles of empathy, influence, resilience, collaboration and enterprise.

To remain adaptive to rapid and complex changes, organisation structures too will need to evolve around principles of self-management, wholesomeness and purposeful existence. This necessitates that organisational capability shifts from speed to flexibility, adaptability to transformation, delegation to selective empowerment, product improvement to market creation and so on and so forth.

***Finally on an informal note, how does your average day look like? What do you do when you are not at work?***

First and foremost, work happens to me while I am living my life and not the other way around. A routine day in my life is filled with an innate drive and ensuing actions to max out life every moment – be it work, self, family or friends. I am an early riser and my day usually starts at 5.30 am. After an hour of yoga and workout, I like spending an hour sifting through the newspapers in the morning. I reach office latest by 9.30 am as I prefer having an early start to my work. Office hours are fairly organized and filled with many formal and informal meetings, intermittent with little breaks that I plug-in by design to have some free time to catch-up with TV, music or friends. I almost always leave office on time and get to be with my family well before dinner time. Given an advantage of relatively longer commute hours in Mumbai city, I am able to invest some quality time in reading books, surfing net or watching my favourite clips on you tube during the commute. Post an early dinner with family by 8.30 pm or so, I like streaming through Netflix or watching TV prior to retiring by 10.30 pm.



# ABOUT EXECUTIVE ACCESS

Executive Access India was setup in 1995 and is today one of the most prominent global executive search firms in India. We cover 9 industry practices and have till date executed more than 2300 search mandates at leadership levels. Our client list is a healthy mix of Fortune 500 companies as well as most respected Indian corporates. Although a firm with global capability and coverage we are still boutique at heart because we understand the need to be nimble and innovative.

Our core strength is undoubtedly our knowledge base and a team of efficient and experienced consultants with in-depth understanding of their chosen sectors. We are the pioneers of the “Accountability Clause” in the Indian retained search industry and we always strive to align our business model with the industry needs.

## Our services include the following

- Executive Search
- Leadership and Board Consulting
- Executive Intelligence
- Capital Introduction Services

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