

Leadership style of deepak parekh essay sample

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1. INTRODUCTION

Good Leaders are made not born. If we have the desire and will power we can become an effective leader. Good leaders develop through a never ending process of self-study, education, training and experience. Leadership is a process whereby an individual influences a group of individuals to achieve a common goal.

A leader must have an honest understanding of who he or she is and what he or she can do. To be successful a leader has to convince his followers to give their best so that they achieve a common goal. The leader has to be practical and realistic, yet must talk the language of the visionary and the idealist. One of the most important qualities a leader must have is vision. No matter how much hard work is put into the attempt unless a leader has in sight the goal, is focused on it and then paves the way to reach it, little can be achieved. With this definition, Deepak Parekh, chairman, Housing Development Finance Corporate Ltd (HDFC) makes for a perfect example.

For, not only has Parekh steered the company into one of India's top housing companies, it has brought to fruition the dream of lakhs of middle-class Indians of owning houses. Both the company and Parekh have come a long way since he joined it in 1978 as deputy general manager. He was appointed as the managing director of the company in 1985 and made the chairman in 1993. So strong is Parekh's connection with the organisation that he is heard to have said that it would be difficult for him to stay away from HDFC after his retirement.

2. EARLY LIFE AND CAREER

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Deepak Parekh was born to a banker in Mumbai on 18th October, 1944 in India. He completed his schooling from St. Xaviers School, Mumbai.

Thereafter he pursued his Bachelor of Commerce degree from the Sydenham College of Mumbai University. Although a shy and average student in school and college, his personality blossomed when he moved to Britain to pursue his higher studies. He completed his CA studies from the institute of Chartered Accountants in England and Wales (ICAEW).

2. 1 CAREER

Mr. Parekh started his career as a chartered accountant in Ernst & Young Management Consultancy Services in New York as a chartered accountant. When he came to back to India, he worked with Grindlays Bank and Chase Manhattan Bank as the assistant representative for South Asia. In 1978, he joined HDFC (Housing Development Finance Corporation Ltd.) which was founded in 1977 by his banker uncle as a Deputy General Manager. He was promoted as the Managing Director in 1985 and thus became the Chairman in 1993. Besides this, in 1997, he became the Non-Executive Chairman of IDFC (Infrastructure Development Finance Company Ltd.) which is a Government enterprise for projects of infrastructure.

He also served as the Non-Executive Chairman of Glaxo India Ltd. till 2008 and is the Chairman of Burroughs Wellcome (India) Ltd. and worked on the Board of Castrol India Limited, Hindustan Unilever (since 1997), Siemens Ltd, Mahindra & Mahindra (since 1990) and Indian Hotels Company (since 2000). He is a member of the proactive advisory board of the world's biggest student determined organization AIESEC India.

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Along with this, he has also been a part of several Committees made by Indian Government. In 1964, he was made the Chairman of the high level of expert committee which was formed to suggest the ideas for the growth of the Unit Scheme. He was appointed the Chairman of the Advisory Group for Securities Market Regulation by the Reserve Bank of India. Later on, he became the Chairman of the National Thermal Power Corporation Ltd. He has served the Singapore Telecommunications Ltd. as a Non-Executive Independent

Director, has been a Director of WNS Global Services Pvt. Ltd. and a Director of Steel Authority of India Ltd., Airports Authority of India and Lafarge India 2. 2 JOURNEY AS A LEADER HDFC which began as a first of its kind mortgage provider to the Indian living class household over the course, has evolved into a financial powerhouse in the three decades since its founding. With activities diversified into banking, asset management, life insurance, BPO, credit bureau and Real Estate venture fund. All this could not have been possible without the vision, entrepreneurship and astute leadership of Deepak Parekh.

He has contributed significantly over the years to the growth of finance and accountancy profession, and his efforts have been widely acknowledged and honoured with his appointment or inclusion to various committees and commissions constituted by the government to address many a challenge. He was conferred with the international outstanding achievement award for 2010 by ICAEW in recognition of his phenomenal achievements as well as his influence on the financial sector and business in India.

It is said that it was purely on the basis of humanitarian philosophy which he shared with his uncle, that he was able to further the cause of which HDFC was founded- to provide housing finance to the Indian middle -class , despite very little early success and not much coming in terms of investment - barring some occasional help from the World-bank. Today, with a 30, 000 strong network of agents, HDFC has been able to help fulfil the dreams of millions of Indians of owning a house, which has in turn seen it register an astonishing annual growth of 30% year after year.

3. LEADERSHIP QUALITIES

Deepak Parekh is also known to be the Man for all Seasons. By his vision and values he shows what a true leader is about. However, his passion is not limited to making businesses grow. A great believer in youth and leadership in them, Parekh is a board member of AIESEC, one of the world's largest student organisations. The leader in Parekh also holds values such as integrity, transparency and trust in the highest regard - values that are questioned time and again, but have, in the end, worked best in any sphere of life.

Thanks to his leadership qualities, Parekh is on the board and advisory boards of several leading companies across sectors - Mahindra and Mahindra, Siemens India Ltd, GlaxoSmithKline Pharmaceuticals, Indian Hotels Company Ltd, Hindustan Unilever only being some of them. His skills have also been recognised by the government and Parekh has been a member of several government committees such as RBI's chairman of the advisory

group for securities market regulation and chairman of the Expert Committee to look at reform road in the power sector.

He also advises the government from time to time and his forecasts about the markets and economy carry a lot of weight. Deepak Parekh as described by HDFC employees is a hard taskmaster, yet always accessible & helpful. As per time management quality he can cram 48 hour schedule into 24 hours. His People Retaining Skills reveals as no HDFC senior employees (Directors, GMs) have left over past decade. According to Mr. Deepak Parekh two leadership qualities have become indispensable in today's world.

The first is business acumen, more commonly called 'being business savvy'. The second is adaptability, in order to keep pace with the ever changing needs and preferences of the people. To accomplish this one should be well grounded, good listener, constantly seek feedback-both positive and negative. As the business environment is changing constantly, so he always believed that there is an essence for raising the bar for leadership. Some qualities which are always essential are - discipline, integrity and unity of command. He firmly believed that:

People who do not work make no mistakes...

People who do less work make less mistakes...

People who lots of work make lots of mistakes...

He did not emphasise which category one must strive to be in. Making mistakes but learning from those mistakes will enrich people. And no experience is more enriching than learning by doing. The sheer value of learning everyday is what that keeps people going. Life is based on seeing,
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listening and experimenting. But experimenting is the most important. At a recent strategic meeting at HDFC, Mr. Deepak set the principles for ethical business conduct which is known as the 'HORICA Principles' which are :

- * Honesty - There is no substitute for truth
- * Openness - Be frank and straight forward
- * Respect - Value each individual and treat them with dignity and respect *
- Integrity - Say what you will do and do what you say
- * Care and Concern - Show it for all stakeholders
- * Accountability - Be personally responsible for all your conduct and actions.

4. AWARDS AND ACCOLADES

Deepak Parekh was honored as the Businessman of the Year 1996 by Business India. He was also given the prestigious JRD Tata Corporate Leadership Award by All India Management Association (AIMA) and was the first to receive the Qimpro Platinum Award. Mr. Parekh was the youngest man to get the respected Corporate Award for the Life Time Achievement by the Economic Times.

He was also honored with the Padma Bhushan in 2006 and in 2009 he attended the state dinner at the White House hosted by US President Barack Obama in honor of the Indian Prime Minister Manmohan Singh. Besides this, he received the Outstanding Business Leader Award from CNBC-TV18. In 2010, for his input to the finance and accountancy profession from many years, the Institute of Chartered Accountants in England and Wales honored him with an Outstanding Achievement Award.

5. CONCLUSION

Deepak Parekh has played a very significant role in developing the financial sector of India and has also contributed in establishing French firms in India. According to the Government of France, Mr. Parekh has improved the relations of India and France in the economic sector. Mr. Parekh made it possible for the middle class people of India to own their houses or flats by providing them with loans at affordable rates. According to him, it is very important to stick on to moral values and ethics, only then can one become a great businessman. Following immoral methods will lead only to the loss of reputation.

Though HDFC was founded in 1977, it was Parekh's vision and entrepreneurial acumen that enabled the company to create a niche in housing finance and emerge as the market leader. Leadership styles of Indian entities tend to differ from those in the West. The rise of the Indian economy has shown that the country's leadership style can stand successfully with the Anglo-Saxon and Japanese leadership models.

For instance, many Indian business leaders tend to focus more on motivating employees and setting the right example than on giving importance to shareholders and stock markets. Interpersonal relationships with employees are of utmost importance. Subordinates expect personalized guidance and supervision. Indian leaders assume responsibility for the followers and, in return, seek loyalty.

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