

How TVS Logistics tackles HR complications of acquisitions worldwide



How TVS Logistics tackles HR complications of acquisitions worldwide

With over 16,500 employees spread across India, Europe, the US, Australia and South-East Asia, TVS Logistics Services Ltd (TVSLSL) has over the past decade- and-a-half evolved into a global player with a spate of acquisitions.

This growth brings with it a key challenge.

How do you integrate operations, accommodate disparate working cultures and instil confidence in employees who see a new company take over?

After over 20 acquisitions TVSLSL has a well- rehearsed system.

“We have developed a blue book that charts out what needs to be done in the first 90 days,” says E Balaji, President, People Service (HR), TVSLSL.

Most importantly, in its acquisitions, the local management team is retained. This not only helps employee comfort, but they are also the ones who know the market conditions, he points out.

In an interaction organised in Singapore recently to announce yet another acquisition, Balaji gave some insights into the process to a group of journalists from India. The company has acquired freight-forwarding and contract logistics business of Singapore- based Pan Asia Logistics.

Employees as an asset

The emphasis is on communication and reassurance, he says. R Dinesh, Managing Director, TVS Logistics, meets with management representatives, and addresses town-hall meetings with employees on the various aspects of TVSLSL — finance, technology and branding. “TVS is a more-than-a-century-old group and has a unique heritage, he (Dinesh) speaks about that,” says Balaji.

The company also demonstrates that employees are an asset that is nurtured . Instances of workers who have joined in entry-level positions and have grown up the ranks to management positions, people who have stayed decades with the company, are highlighted.

At the helm, apart from the apex board headed by Chairman Suresh Krishna, there is an operating-level board including five CEOs — two British, two US and one Indian representative

— and other senior management representatives. There are also functional groups or communities spanning HR, IT, operations and marketing with representatives from various geographies. They share the best practices and come up with solutions to specific problems.

‘Shadow boards’

A novel initiative is the creation of ‘shadow boards’ consisting of young talent, usually dynamic employees less than 35 years old. There are five such shadow boards, each with 10-11 members — two in the UK, two in the US and one in India. The shadow boards present their ideas at the global board meetings and the Managing Director meets the members regularly to listen to new ideas, Balaji says.

The writer was recently in Singapore at the invitation of TVSLSL.