

19 AUGUST 2020 Last Updated at 8:18 PM | SOURCE: PTI

Communication most important in crisis time, say former Sebi, SBI heads

Mumbai, Aug 19 (PTI) Transparent communication was called out as a key attribute for leaders while dealing with crisis situations by two former heads of financial sector entities on Wednesday. M Damodaran, who chaired capital markets regulator Sebi, UTI Mutual Fund during its darkest time and also IDBI Bank, said a leader needs to "take it on the chin" if need be but needs to be very clear and transparent in his communication. The remarks come at a time when the country, along with many others world over, is dealing with the COVID-19 pandemic. SBI's former chairman O P Bhatt, who is credited with adding vigour to the largest bank, said a leader must communicate very honestly with all the stakeholders during a crisis and not lie either by "commission or obfuscation" while conveying a situation. Speaking at a seminar organised by NSE, Bhatt lauded New York Governor Andrew Cuomo, who has been speaking at a designated time everyday as a case in point, where he fields questions from the press. New York, which was the epicentre of infections is not so any more because of the fastest recovery rates, Bhatt said, hinting that clear communication helps. Drawing from his experience, Damodaran said establishing credibility is essential when dealing with a crisis, and transparency in communication along with trust in the people, is essential to deal with the challenges. "Normally, what tends to happen in a crisis is that persons tend to go into a shell. They don't communicate. You need to tell the people what it is like. Don't mislead, be completely clear, be completely transparent, be prepared to take it on your chin if there are difficult questions asked but if you hold back, you have a problem," Damodaran said, reflecting from his experience very early into his UT stint which posed an "existential" threat. Damodaran said Sebi always goes through some or the other crisis every two or three years but added that he did not go through much of a difficulty. The former bureaucrat, however, admitted that relations between him and the Finance Ministry were not at the best during the three-year stint as the chief of capital markets watchdog but added that he went ahead with whatever he wanted to regardless. Bhatt mentioned that he had to face a few crisis and specifically mentioned the controversial "teaser loans" among them, but added that his bigger task was to show a mirror to the bank's 2.5 lakh staffers and get them to know that the bank had to correct on many fronts. The banker, who now sits on many company boards including largest software exporter TCS, said starting with a five-day offsite near Lonavala, he was able to communicate his apprehensions to all. Damodaran also said that at Sebi, he found the self-esteem and self-confidence to be very low and had to drill lessons on self-realisation in a two-day offsite meeting. Oil major BPCL's former chairman and managing director Ashok Sinha said he also dealt with crisis situations in different ways during his career, but regretted the state-run company's entire staff going on strike as his biggest failure as a leader. Bhatt wished his stint had not left behind a large quantum of sour loans on the bank's books. PTI AA MR

Disclaimer :- This story has not been edited by Outlook staff and is auto-generated from news agency feeds. Source: PTI
