

## Boyce to men: Godrej & Boyce is getting sexier, in a hurry

*Focuses on a disruptive innovation strategy*

Kala Vijayraghavan | 07 October 2015, 5:01 AM IST



Navroze Godrej, the 33 year old executive director of consumer conglomerate, Godrej & Boyce is spearheading a pilot project on a disruptive business model. A service brand in the Interio and appliances space that will offer a buyback scheme to consumers. So if a consumer intends to part ways with a product, the company will buy it back, refurbish and resell it. It is part of Godrej & Boyce's pilot project on sustainable short-term furniture and appliance rental service for "transient consumers" who travel frequently or have transferable jobs.

For Godrej & Boyce, the holding company of the Godrej Group with 15 diverse business divisions offering consumer, office, and industrial products and services, the project is part of its disruptive innovation strategy. Backed by an ethnographic research that studied urban housing and its effect on purchasing trends, Godrej & Boyce found that mobile urban consumers are choosing not to invest in appliances and instead spend more on travelling and eating out. Navroze is using design-thinking to help the organisation move out of its oldworld, engineering driven mindset. He is not averse to bringing in external elements to broaden perspective. He is attempting to change the culture through collaboration rather than disruption. And he is in a hurry for it to get more agile.

"Technology is radically changing consumer behaviour and we need to be relevant. We realise that organisations can't exist in isolation. We have to leverage expertise through collaboration to solve complex problems" he says. It is part of what Godrej & Boyce is reinventing itself to do: "Giving consumers what they want and not what companies think they want," he adds.

A great example of invention and reinvention is Chotukool. It began life as an affordable disruptive innovation launched in 2008, a refrigerator for the rural India. But Chotukool soon encountered challenges in scaling up in the smaller markets. While it was the cheapest refrigerator in India priced at Rs 3,500

and Rs 3,800, it faced distribution and infrastructure challenges in rural areas. It tied up with India Post and launched awareness campaigns, but these measures were not enough. Ever since Godrej & Boyce has focused on reinventing Chotukool backed by consumer insights. "It helped us find various usages for it: today it is a lifestyle product that people use in cars. We reinvented its shape and design, offering limited editions and tapping different sets of audience. The idea with disruptive innovation is to stay invested," says Navroze.

He has also kicked off an organisational transformation initiative to reinvent the company as design, innovation and consumer focused. Part of it is becoming more collaborative, bringing in younger talent and encouraging them to come up with ideas that will be funded by the company.

Hierarchies are being broken with younger employees involved in strategy discussions and cross functional teams working on innovation. As an organisation we have got younger; the average age being 34 years, says Navroze Godrej.

Anil Verma, executive director will take charge as the new president next month from Phiroze Lam, executive director and president of the company who retires after almost four decades from Godrej & Boyce. The company is also getting the younger employees to be part of strategy discussions and come up with ideas. Navroze says a lot more design orientation is being brought into thinking and planning by getting in talent from diverse backgrounds. A key change is to hire more non-engineers. The belief: a new tide of people empowered to dream like never before will help the company shape the future. "In 3-5 years, we expect half our revenue to come from products and categories that are not currently in our portfolio. Each of our businesses have focused strategies for international expansion. In consumer durables, our goal is to design products for India, but have universal, global appeal. For our industrial businesses, for example, our Forklift and Logistics businesses, we will focus largely on the Middle East, Africa and Asian markets. Our Heavy Engineering and Process Equipment businesses already export to the rest of Asia, Middle East, North and South America, and will continue to grow in these markets."

Godrej & Boyce also wants to be more global in tapping growth opportunities in sectors like security, lifestyle, health, energy and wellness. Appliance and furniture contribute the lion's share for Godrej & Boyce. Godrej and his colleagues are working collaboratively on projects such as "the future of security, as a solutions provider" to digital products and working with real estate companies to conceptualise what future home interiors will look like. As well as research projects that lead to insights that can be picked by existing businesses to create new businesses. "We are democratising innovation, so it is a larger canvas involving individuals both within and outside the organisation," he explains.

Tina Jain Mehta. co-founder of Pineapple Consultancy. a brand consulting

company says the challenge for Godrej & Boyce is not external but internal. "Godrej has been making its brand contemporary externally, but I think the challenge for them would be to be disruptive internally as an organisation. Many a times I find that, older employees in organisations are unwilling to take the younger generation along. That is a loss for an organisation because many good ideas are missed out on. Balancing the old and the new to create a relevant future is critical for organisations to ensure their products and brands remain contemporary," she says. It's the ultimate challenge: to see if an organisation that ain't broke can be fixed to run better.