

Consulting Ahead...

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"Consultants as knowledge workers constantly need to upgrade their knowledge base and skills. The management needs to provide them an environment promoting the above and opportunity to demonstrate their capability for innovation and creativity...."

Umesh Shrivastava
Founder & Executive Chairman
HOLTEC Consulting Group

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CONSULTANCY DEVELOPMENT CENTRE

In conversation with A leader in Consulting Profession

Umesh Shrivastava is a Graduate with distinction in Civil Engineering from the Banaras Hindu University, followed by Advanced Management Program from the Harvard Business School.

*After a decade-long stint in engineering design & professional training in India, Germany, USA, Canada and Switzerland, Mr. Shrivastava, at an early age, founded **Holtec Consulting Private Limited** with the principal objective of servicing the engineering & management consulting needs of the global cement industry. Under his charismatic & enthusiastic tutelage, HOLTEC has today become a leading cement advisory, worldwide, with a footprint of nearly four thousand consulting assignments in over eighty countries.*

Mr. Shrivastava's professionalism, experience and innate ability to make a difference, have led to, memberships on the Boards of various corporates and honorary positions in a variety of professional associations. They have benefited enormously from his positive outlook, integrity, relationship development skills, sustained hunger for excellence, innovation and customer focus.

Mr. Shrivastava has done pioneering efforts towards the development of the engineering consulting profession in India and its successful promotion, overseas. He has held key positions in various Consulting Engineer fraternity Associations, during which he has made invaluable contribution in their promotional, collaborative and regulatory activities.

In an interview with the Consulting Ahead (CA), Mr. Umesh Shrivastava (US), elaborated as follows on various issues raised by CA:

CA: You have five decades of experience in consulting! How does it feel looking back at the professional journey?

US: When I ventured into consulting domain, it was in a nascent state in India. Only Dasturco and



Umesh Shrivastava



Mr. Umesh Shrivastava receiving prestigious Lifetime Achievement Award by the Consulting Engineers Association of India (CEAI) in a glittering ceremony held at New Delhi on December 12, 2012.

The award was presented to Mr. Shrivastava in recognition of his exemplary contribution towards supporting the promotional, collaborative and regulatory role of the association, in the development of the engineering consulting profession.

Development Consultants were somewhat known names. From a humble beginning Holtec Consulting has grown to a global company, albeit traversing over rough and tough terrain from time to time. Looking back at the life-journey so far, I do get a sense of nostalgia.

CA: Tell us something about your initial years as an engineering graduate including the reasons for joining the consulting profession?

US: After graduating in engineering from BHU, I started my career with Chandigarh Capital Project and was involved with Design of some interesting Buildings, which I enjoyed. After about a year I got transferred as Sub Divisional Officer of a Building & Roads Sub Division involving construction and supervision of mid-size projects. The nature of work did not satisfy my intellectual needs. I hence decided to move out to Germany to gain experience in design of structures. Reconstruction after 2nd world war had just started and working with reputed companies like Fried Krupp, August Kloenne, Hein Lehmann and Eisenbau Bleichert, I got the opportunity to design a variety of Industrial Structures, High-rise Buildings, Hydraulic Structures and Bridges apart from exposure to nuances of consulting practices for over 3 years. Thapars picked me up from West Germany and at a young age of 28 years appointed me as Chief Design Engineer and Contracts Manager for their Design and Construction Company in Kolkata. This gave me an opportunity to understand the Indian Industry a bit and the seed to start something of my own got planted in my mind. After 5 years with Thapars, by which time my fascination for consultancy profession had largely grown, I founded HOLTEC Consulting in 1967 in collaboration with <<HOLDERBANK>> (Now HOLCIM) group of Switzerland for rendering consultancy services to Cement Industry. This association lasted for over 3 decades and provided us enough chances to carry out assignments in scores of countries.

CA: You serve an important constituent of the infrastructure sector, can you share your impressions of this sector in 60's and 70's and the business scenario for a consultancy startup at that time?

US: Our chosen industry segment was CEMENT because I felt that there was virtually nobody in India rendering consultancy services to Cement Industry and the global knowledge and know-how of

HOLDERBANK could be leveraged to find a foothold in the Indian Cement Industry. The initial period was full of challenges. The industry's perception was that all needed consultancy services were provided free of cost by the Plant & Machinery suppliers, hence where was the need for independent consultants and that too on payment of fees for the services! HOLDERBANK's knowledge of handling similar situation in other countries provided us logic to convince the clients about the need for consultants and the role they could play for the benefit of the industry. The clients in the beginning came in as a trickle but once we carried out some assignments satisfactorily, the word spread rather fast and the trickle assumed a significant dimension. After that there was no looking back and HOLTEC CONSULTING went from strength to strength.

CA: Share something about the growth trajectory of Holtec's consulting business over the years.

US: Commencing operations in 1967, Holtec's business has grown significantly to a value in the proximity of ₹ 100 crores per annum. Over the last decade, the annual compounded rate of growth has been of the order of 20%. This has been principally achieved by:

- Expansion in the portfolio of services offered to the industry
- Increase in the number of countries in which assignments are executed
- Increase in the number of clients serviced in each country
- Enhancement of fee premiums (consequent to value additions effected for each client)
- Augmentation of execution capacity.
- Adding Infrastructure, Power and Business Consulting to our service offerings

CA: When and how did you enter foreign markets? What are the incentives and drawbacks of international consulting assignments?

US: Earlier, Holtec was associated with Holcim (then called <<HOLDERBANK>>) Group of Switzerland. Most of its overseas forays (spanning 25 countries, in all) were an outcome of that specific collaboration. Since our separation from Holcim, in Financial Year 2000-01, a mix of aggressive strategies were adopted by us to expand our global presence which currently spans a total of 83 countries. Currently, other than an exemption of Service Tax, no other statutory incentive exists for earning overseas income. Other than business expansion, international repute and exposure of our staff to global arena, our principal driver for seeking overseas income is the 4-5 times multiple in the "consulting fee per execution man-hour" that can be earned. Drawbacks, which are more applicable in the initial stages, are largely irrelevant in our current context where we are already widely and firmly ensconced in the global arena. Minor impediments include:

- Discontinuities of physical presence, which affect the availing of all business opportunities.
- Visa procurement issues, which sometimes affect timeliness of deliveries
- Exchange rate fluctuations
- Language issues
- Differentials in engineering codes & standards
- Difficulties in offering liability insurance.

CA: When did you integrate Management (Business Consulting) Services to your bouquet of Technical Consulting Services and why?

US: While Business Consulting Services were informally offered since 1985, the formal addition of these into our bouquet of service offerings

happened in 1989. The intensive exposure to Business Management received by me through the exclusive and coveted Advanced Management Programme (AMP) at Harvard Business School, USA in mid-eighties gave a boost to this initiative. Other than a distinct opportunity for business expansion, these services considerably strengthened our ability to address industry needs, more holistically. Integration of Business Consulting with Technical Consulting enabled us to offer optimization solutions to our client's problems.

CA: What is your 'mantra' for creation of a strong global consulting brand?

US:

- An indomitable faith in SELF-ESTEEM. The Indian brains are as sharp as those in the developed countries; hence there is no need to feel inferior to anyone.
- Create a service differentiation. The amount of differentiation a service has is inversely proportional to the amount of substitutability it has.
- Commitment once made must be honoured at all costs.
- Be original – not a COPY-CAT.

CA: Consultants are knowledge workers, is it different to lead a team of consulting professionals in contrast to leading management and technical professionals in industry?

US: Consultants as knowledge workers constantly need to upgrade their knowledge base and skills. The management needs to provide them an environment promoting the above and opportunity to demonstrate their capability for innovation and creativity. Further desirable is to encourage "OUT OF BOX" thinking

rather than treading on beaten tracks and treat them with respect they truly deserve.

CA: What is your opinion about the quality of engineering professionals being produced in India presently and your suggestions for improvement, if any?

US: The quality of engineering professionals in the country has of late gone down substantially. The primary reason appears to be the proliferation of engineering colleges mushrooming around the country churning out product hardly employable. They neither have adequate infrastructure nor the qualified and experienced faculty. The quality of students in such colleges is also below par because often they are selected on considerations other than merit. Even IITs and some top engineering colleges are said to have 30-40% shortfall in faculty. Some good teachers have migrated to sectors other than education or joined colleges of lesser repute primarily for financial reasons or lack of faster growth opportunities. Education, more so the technical education should get top most attention of the Government to reinstate the erstwhile recognition as the most respected profession and due attention needs to be given to the salary structure for teachers. The

selection process of the students entering engineering colleges needs to be more effective, so that only the meritorious and deserving students get picked up.

CA: Sir, CDC has seen your association in a variety of ways towards development of consultancy profession in India, do you have any unfulfilled dreams which you like to accomplish?

US: I was one of the first member of National Association of Consulting Engineers and its 3rd President. I have been a founder member of CDC as well as CEAI and served on the Governing Councils of both for several terms. It has been my constant endeavour to promote the consultancy profession in India, improve its brand equity within and outside the country and obtain for it the place which it rightfully deserves. The development of consultancy is said to reflect the status of development of a country. My dream is to see every single consultancy organisation in the country to join CEAI and/or CDC, offer services of global standards and take pride in playing a role in accelerated growth of our country. Indian consultants should become synonym with honesty, integrity and efficiency and hold the Indian flag high across the globe.