



Create a future-ready organisation

During the year we underlined a four-pronged approach to building a future-ready organisation. It entailed a restructuring and re-alignment of organisational functions, strengthening of business capabilities, harmonisation of systems and processes and becoming a purpose-led organisation where everyone works with a unified vision.



ON TRACK TO BUILDING A FUTURE-READY ORGANISATION



INTEGRATED ORGANISATION RESTRUCTURE

Through the organisation re-design, we created building blocks for a multi-category presence. This means that we leverage a common frontend and a common backend to gain synergy benefits across categories. This structure has been crafted to enable future readiness, so

that any new categories we add on can make the most of the common infrastructure.

Approach
Tata Consumer’s reorganisation was focused on the dimensions of Organisation, People and Process.

	Organisation	People	Process
Ambitions	<ul style="list-style-type: none">• A future-ready and efficient organisation• Readiness for multi-category play• Drive cost and revenue synergies	<ul style="list-style-type: none">• Lean and streamlined organisation structure• Aligned JDs and KRAs/ KPIs• Harmonised ways of working• Continuous engagement and communication	<ul style="list-style-type: none">• Harmonise processes across operating functions in Foods and Beverages• Transform key processes to make them future proof
Guiding Principles	Ensure minimal disruption and design for future, while continuing to operate as per agreed annual plan	Keep people front and centre through the process, engage continuously to keep morale high	Reduce complexity, cross-pollinate best practices while preserving uniqueness where needed. Keep adequate focus on digitisation

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STRENGTHENING CAPABILITIES ACROSS FUNCTIONS

While crafting the new organisation design, we focused on building for the future. This meant that we identified key capabilities that we needed to acquire or strengthen in order to become best in class.

Chief Digital Officer
This year saw us bringing on board T. V. Swaminathan as our Global Chief Digital Officer (CDO) to the Executive Committee. He is responsible to chart out and help execute a digital roadmap. He is also focusing on strengthening our analytical capabilities and IT infrastructure.

Shopper Marketing
The function is dedicated to crafting go-to-market strategy, while executing and tracking business plans. It represents the sales function in Integrated Business Planning and centrally runs the entire sales activity calendar. The function is responsible for channel loyalty programmes, field-force effectiveness/ productivity programmes and sell-out activations to aid offtake.

R&D
We re-organised the structure with focus on four key pillars – category-centric R&D verticals, scientific research, analytical services and global packaging to drive future innovation pipeline. The key focus for R&D is to deliver innovative products with stronger nutritional claims or which are new to market, across business categories.

E-commerce
We enriched the distribution channel with a potent mix of in-house and experienced professionals from the industry to sharply focus on customer, category, digital reach and serviceability.

Revenue Growth Management
The RGM organisation works closely with functions, such as Brand, Sales and Finance to leverage analytics in discerning customer perception of product value and then sense, predict and shape the consumer's path to purchase, by optimising product, assortment, price, place, pack, promotion and availability.

Investor Relations
We have a dedicated Investor Relations vertical to provide best-in-class transparency, communication and two-way engagement between the Company and our investors. The vertical acts as a conduit to keep investors updated on key business, strategic and financial developments regularly, and in turn collect their feedback and communicate it to relevant stakeholders within the organisation.



The making of our largest packing plant
The tea packaging unit of Tata Consumer Products, located in Gopalpur Industrial Park of Tata Steel Special Economic Zone, will soon start commercial production. Constructed over an area of 16 acres, with a Rs. 100 Crores investment, the unit has an annual production capacity of 60 Million kgs. Production has commenced at the unit. It will be operated by M/s Amalgamated Plantations Pvt Ltd. (APPL), an associate company of Tata Consumer Products.

Spanning 16+ acres, the plant comes with integrated production and warehousing facilities as well as future expansion capacities of ~1.25 Lakh sq. ft. It will be the largest tea packing plant for our products, and the first to pack both leaf and dust variants, thereby providing higher flexibility to the network. State-of-the-art packing machinery and Internet of Things (IOT) configurations enhance operational efficiency while one of the largest solar power units in the network aligns with our sustainability agenda. The factory will generate employment for ~250 people in the first year.

60 Mn Kgs
Annual production capacity

16+ acres
Packing plant with integrated production and warehousing facilities

ENABLING A HIGH-PERFORMANCE CULTURE

Employees are at the heart of our journey and their development is integral to our progress. During the year, we put in place the following motivators for our employees to focus on their professional development amid the pandemic.

- A robust learning and development platform to enable employees to continually develop skills that would be relevant for today and the future
- Best-in-class recognition programmes to appreciate good performers in a wider forum
- Recognising the top 5% of employees every quarter through a medium called Great Job Café that provided an opportunity for interaction with the leadership team



How Tetley managed to keep shelves stocked in UK during demand uncertainty
The last year was a lesson in the importance of planning ahead for businesses. As a far-sighted organisation, our efforts to ready ourselves to meet future challenges was in full swing before the pandemic even hit. We leveraged the findings of an ongoing study to keep Tetley products stocked on shelves across UK during the pandemic. Read about this strategy below.

Challenge
Manufacturers often strive for high levels of asset utilisation to maximise return on their capital investment. This results in assets running harder in the short-term and being left with little capacity in case of sharp spikes in demand. This hinders the ability to deliver on time, in full to the customer at the lowest operating cost, in a sustainable and responsible way. Promotional strategies, such as Buy-One-Get-One (BOGO) distort the demand signal, making it less predictable. Larger buffers need to be put in place to ensure that customer demand can be fulfilled. Understanding demand patterns for individual products and the commercial strategies that drive them (demand profiling) is an essential aspect of supply chain management. The need was to find an approach that was tailored to our business and customer needs.

Solution
We undertook collaborative research and explored different configurations to optimise the supply chain through buffer management by examining the trade-offs between inventory and capacity buffers and the alignment of buffers with commercial strategy.


Using sales and stock data, product demand profile was analysed at a stock keeping unit level. Models were developed, which tested different configurations of supply chain, stock level and investment. They identified an optimal level of utilisation that would keep the business competitive, while allowing spare capacity to deal with fluctuations in demand. When panic buying, triggered by the COVID-19, resulted in a huge demand wave for tea in supermarkets, we could respond with agility to the rapidly shifting market conditions and gain competitive advantage.

Outcome
We were able to deliver 35% surge capacity to supply our customers and consumers and keep the UK drinking tea. Putting the strategy to application, we had spare capacity, optimal stock levels and a highly flexible and committed workforce who could transfer their skills to multiple lines. This helped us take the lead in market share during this period, demonstrating how a flexible supply chain helps build competitive advantage and future readiness.