

Scenario-based Strategizing to set a 5-year strategic direction in Indian Telecommunications

CHALLENGE

Tata Communications (TCL), part of India's Tata Group, is a global telecommunications provider and one of the only 17 global telecommunications providers with a Tier 1 IP network. In India, TCL's leadership position as an enterprise connectivity provider needed to be secured in a market that was forecast to grow rapidly, but where the industry and competitive landscape was increasingly disruptive and uncertain.

TCL's leadership recognized the need to perform a thorough, systematic foresight-based analysis to inform their long-term strategy for the Indian market. In a joint collaboration with Tata Business Excellence Group, Tata Group's in-house consultancy arm, Rohrbeck Heger was invited to perform a scenario-based strategy process to guide leadership in developing a robust strategy towards 2023.

IMPACT

Common future vision

Scenarios and industry insights created a common future outlook among leadership. Equally important, this outlook was built on differing viewpoints, engaging leadership in a deeper, systematic understanding and discussion of industry dynamics than had previously been the case.

Industry dynamics model & insights

TCL received an in-depth overview of the tipping points and key drivers of change in the Indian telecommunications space. These insights were developed and validated through extensive research, triangulation and over 30 internal and external interviews of leadership and management experts globally and in India.

3 scenarios for the Indian enterprise connectivity market

We developed 3 plausible scenarios outlining how the Indian enterprise connectivity market could shift by 2023. Against these scenarios, strategic responses were suggested for how TCL could respond for example to a disrupted competitor landscape, accelerating technological innovation, and unfavourable regulatory interventions.

Strategy stress-test & playbook

Rohrbeck Heger's approach provided TCL management with a structured overview of strategic options in a 5-year horizon. The leadership team stress-tested strategic responses against the 3 industry scenarios and set a robust strategic direction in the face of uncertain market developments.

APPROACH

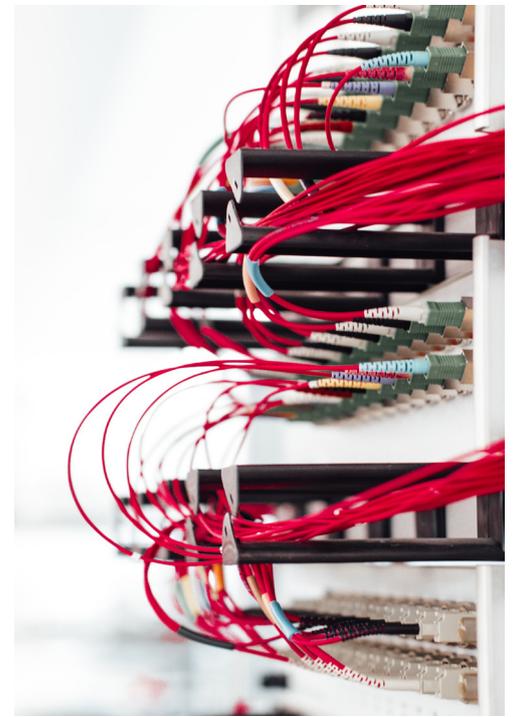
Both scenario and strategy development were performed in deep collaboration with Tata Communications' strategy team and selected stakeholders from across the global leadership team.

We consolidated organizational understanding through interviews with key stakeholders, and supported findings with external interviews and research. Through this, we identified over 300 change factors and strategic industry parameters impacting the Indian connectivity market.

A systematic, software-supported approach was then used to build scenarios. We analyzed cross-impact and uncertainty to determine key change drivers and plausible scenario clusters. These clusters were validated by key stakeholders, before we further deepened the scenarios with qualitative narratives, emphasizing key drivers and tipping points.

Simultaneously, we developed a strategic option framework in order to stress-test different strategies against the scenarios. Using a collaborative, workshop-driven assessment, we led the management team through an evaluation of strategy performance under the different scenarios.

Using this structured and collaborative, qualitative and quantitative foresight-based strategizing approach, Tata Communications leadership team were able to narrow down to three strategic priorities for the next 3-5 years.



BENEFITS

✔ Strategic agility

The scenarios and strategy playbook provide Tata leadership and the management team with a lean but structured strategy development tool that enables swift, yet thought-through strategy adjustments in case of changing circumstances.

✔ Foresight-driven planning

By using a structured strategy playbook approach, team members very quickly deepened their knowledge of strategy - and developed a common understanding of the business area's different strategic options.

✔ Early warning

The strategy team monitors for tipping points in industry developments, keeping leadership informed of strategic implications and potential shifts in the environment that requires action.

ABOUT THE CLIENT

TATA COMMUNICATIONS

-  Mumbai, India
-  > €2 billion
-  Worldwide
-  12000+ employees



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