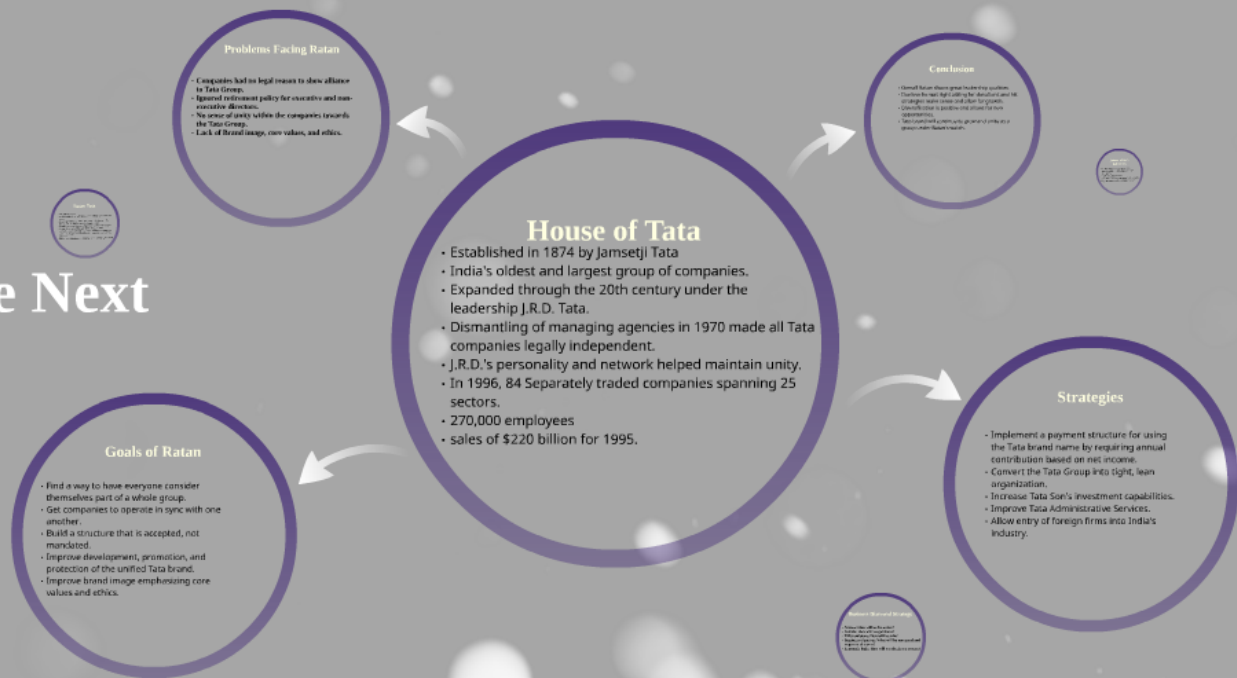
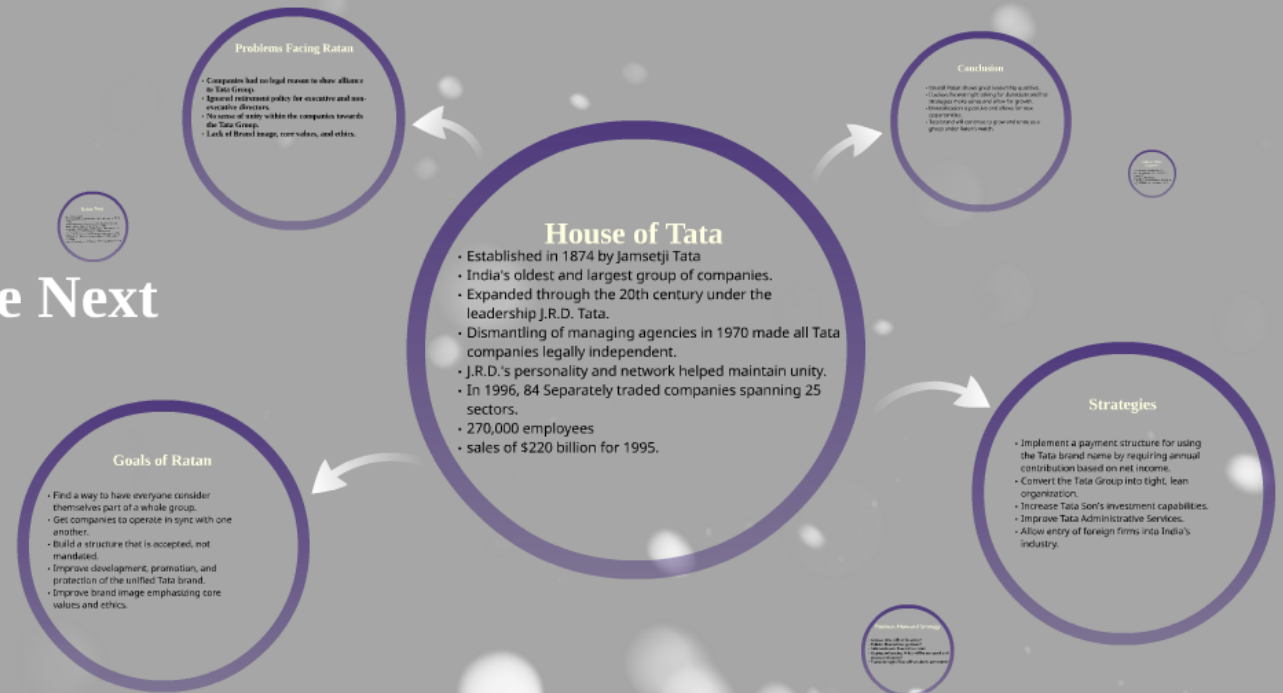


# House of Tata, 1995: The Next Generation (A)



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## House of Tata

- Established in 1874 by Jamsetji Tata
- India's oldest and largest group of companies.
- Expanded through the 20th century under the leadership J.R.D. Tata.
- Dismantling of managing agencies in 1970 made all Tata companies legally independent.
- J.R.D.'s personality and network helped maintain unity.
- In 1996, 84 Separately traded companies spanning 25 sectors.
- 270,000 employees
- sales of \$220 billion for 1995.

# Ratan Tata

- Son of J.R.D. cousin
- Unfailing ethical man who believed " the ends never justify the means
- Study engineering at Cornell University before being called back to India in 1962 to work for House of Tata
- Attended Harvard's Advanced Management Program in 1975
- Elected Chairman of Tata Industries Limited in 1981
- Successful entries into high technology and joint ventures for drilling oil and gas even without full support of Tata company Chairmen
- Elected Tata Industries Chairman in 1991 succeeding J.R.D. Tata

## **Problems Facing Ratan**

- **Companies had no legal reason to show alliance to Tata Group.**
- **Ignored retirement policy for executive and non-executive directors.**
- **No sense of unity within the companies towards the Tata Group.**
- **Lack of Brand image, core values, and ethics.**