

## Tata Steel shares its Shikhar 25 practice with Tata 1mg

Tata 1mg is actively pursuing a path to profitability and aims to achieve a positive EBITDA. To enhance efficiency across its operations, the company is embarking on efficiency improvement initiatives. It is keen to gather insights on establishing a comprehensive, company-wide programme for this purpose. In particular, Tata 1mg seeks to draw lessons from other Tata group companies that have successfully executed structured EBITDA enhancement projects. The objective is to assess the feasibility of implementing a similar programme within Tata 1mg to accelerate its journey towards profitability.

To support Tata 1mg in its pursuit, Tata Business Excellence Group (TBExG) organised a best practice sharing session centred on 'Shikhar 25', on August 16, 2023. During this session, Abhijeet Singh, Head BPE TSM, Tata Steel, presented insights drawn from Tata Steel's four-decade journey of improvement. 'Shikhar 25', a pivotal component of Tata Steel's Total Quality Management framework, is designed to identify and expedite improvements within projects related to operational excellence across the entire value chain. Mr Singh delved into the governance structure of 'Shikhar 25' and threw light on its four-step process:

- > Diagnostics and potential mapping
- > Ideation and prioritisation
- > Solutioning and sign off
- > Implementation and tracking: Evaluate fulfilment of targeted KPIs and assess achieved savings.

Shikhar 25 employs a five-stage-gate classification system (D0 to D4) to monitor the implementation progress of selected ideas, which are eventually developed as projects. These projects pass through a series of five stage-gates, gaining maturity as they move from concept to implementation.

A group project management system is utilised to oversee the journey from idea to execution, with all projects centrally tracked in the 'Impact Centre'. The Impact Centres are inspired by the PDCA concept and serve as spaces for managing change projects, displaying all relevant data. Each operating unit of Tata Steel has its Impact Centre. These visual displays in the Impact Centre link performance metrics with change initiatives, enabling employees to drive improvements in their daily work.

At the Impact Centre, the idea team participates in a 30-minute project review. Finally, mentors ensure the project is aligning with planned benefits and identifies if further enablers are required to achieve desired project objectives. An assessment of the Impact Centre's performance is conducted, leading to awards based on their maturity. Implemented initiatives receive rewards at various levels, and all savings, whether positive or negative, are meticulously tracked.

Tata 1mg found the learnings to be highly useful and is now exploring the feasibility of using the information to kickstart a similar company-wide initiative.

### Participant speak

The team at Tata 1mg found the session to be very insightful and are confident that this will guide our efforts to structure company-wide projects for EBITDA improvement. Hearing about the years-long sustained effort and consistent execution at Tata Steel, and the resulting outcomes, was truly inspirational for us.

— **Nikhil Doegar - VP, Business Intelligence and Analytics, Tata 1mg**

