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Ratan Naval Tata is an Indian businessman and chairman Emeritus of Tata Sons. He was born in a famous and prominent family, belonging to Mumbai's wealthy Parsi community on 28 December 1937. His childhood was troubled as his parents separated in the mid-1940s. He was seven years old at that time.

Ratan Tata-Industrialist, Investor, Philanthropist

Later, he completed his BSc degree in architecture with structural engineering from Cornell University in 1962 and the Advanced Management Program from Harvard Business School in 1975.

Ratan Tata journey of an Entrepreneur

He joined the Tata Group in December 1962, after turning down a job with IBM as per the advice of JRD Tata. He was first sent to Jamshedpur to work at Tata Steel. He worked on the floor along with other blue-collar employees, shoveling limestone and handling the blast furnaces.

With time, Ratan Tata proved to be instrumental in ushering in a wide array of reforms. It was under his stewardship that Tata Consultancy Services went public and Tata Motors was listed in the New York Stock Exchange. In 1971 Ratan was appointed the Director-in-Charge of The National Radio & Electronics Company Limited (Nelco). At that time Nelco had 2% market share in the consumer electronics market and a loss margin of 40% of sales when Ratan took over. With his handwork and perseverance, Nelco eventually grew to have a market share of 20%, and recovered its losses in 1975.

During his tenure, he worked as the chairman of major Tata companies such as Tata Steel, Tata Motors, Tata Power, Tata Consultancy Services, Tata Tea, Tata Chemicals, The Indian Hotels Company and Tata Teleservices.

As he stepped down from being the chairman of the 100 billion worth Tata conglomerate, the team will sure feel his absence, but even the citizens of India will have a reason to miss his retirement. That was the type of a man, Ratan Tata was, not only looking for ways to upgrade and thrive in his business but also the best interest of his environment and surroundings. An economist once wrote, 'by standing out against graph so publicly and consistently, Mr.Tata was ahead of his time.' For instance, an episode in which the Tatas were in conflict and took tough decisions and had to relocate their plants in Gujarat from West Bengal, the team when moving out offered 400 acres as a gift to the affected farmers in the area on which Tata Motors had their plants. One of many of the fine gestures and the kind of generosity that sets the Tatas apart from other large industrial groups.

Considered as one of the most influential people in Indian history with huge work ethics, we shall be elaborating the life of the Indian business magnate, Ratan Tata.

He spent the first years establishing his authority over the satraps his uncle and predecessor, the great J.R.D. Tata, had fostered under a decentralized structure. He then embarked on a journey to make the group's companies more efficient. The third phase was one of globalization. Global operations today make up around 58% of the group's revenue, from an insignificant share in 1991 (the exact figure isn't available). The fourth phase was one of innovation. And, just the way it should be, phases two, three and four continue to run concurrently to this day.

The story of the Tata group and Ratan Tata over the past 20 years is one of growth and competition, productivity and efficiency gains, and globalization and innovation. The Tata story is replete with run-ins with the establishment and the political opposition, and failures and frustrations. And, in some ways, it is the story of India itself, only with a happier ending.

"Tata was at the right place at the right time, and could see what was happening around him and respond accordingly,' said business historian and author Gita Piramal.

It wasn't a journey that began well though.

Tata was a surprise choice to head the group after JRD (as J.R.D. Tata was popularly known).

He studied at Cornell University, specialized in architecture, and had an offer from International Business Machines Corp., but returned to India because his grandmother was unwell, and joined Tata Steel Ltd (then known as Tata Iron and Steel Co., or Tisco) as an apprentice on the shop floor of its Jamshedpur plant. The year was 1962.

Career

In 1962, he started his career with the Tata Steel division where he shoveled stones and worked with the furnaces along with the blue-collar employees. It was a difficult job and helped him gain a better understanding and respect for his family business.

In 1971, he was appointed as the Director-in-Charge of the National Radio & Electronics Company Limited (NELCO) to help its struggling finances. He worked towards building a better consumer electronics division but the economic recession and union strikes prevented him from achieving success.

In 1977, he was moved to Empress Mills, a struggling textile mill within the Tata Group. He proposed a plan for the mill but the other Tata executives rejected it and the mill was shut down. Later, he was moved to the Tata Industries.

In 1991, J.R.D. Tata appointed him as the new Chairman of the Tata Group of Companies. This decision came under scrutiny following objections from other executives of the company and questions were raised regarding his ability to run the corporation.

Marketing Strategy

The Tata Group, one of India's largest business conglomerates, was established by Jamshedji Tata in the second half of the 19th century. Jamshedji's vision for the group was in line with nationalist goals and ideals then, and was envisaged to make India self-reliant. After Jamshedji, Jehangir Ratanji Dadabhoy Tata (JRD) became the Chairman of the Tata Group and played a significant role in continuing the vision of the Group. Tata's assets climbed from INR620 million in 1939 to INR100 billion in 1990. Tata Motors had increased its sales to INR1 million in the year 1991 and it had rolled out 3 million vehicles in the same year. In 1991, Ratan Naval Tata took over the Chairmanship from JRD Tata. Although he was initially criticized for his poor performance, over the years, Ratan Tata disproved his critics. He restructured the Tata Group's business operations and made the group compete globally. Under Ratan Tata's chairmanship, Tata Consultancy Services went public and Tata Motors was listed in the New York Stock Exchange. Starting from the late 1990s, Ratan revamped the operations of Tata Steel and made it one of the lowest-cost steel producers in the world. However, as the Tatas lack an heir who can succeed Ratan, the group is at a crossroads to decide who will be the next chairman. After Ratan Tata's retirement, the dilemma is who will succeed him and carry the vision.