Chapter 11
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11.1 Capability Building of Business Associates and Good Fuel Promise

The following categories which have emerged from the interviews and other company records have been mapped with Atlas.ti for their properties, causal conditions, strategies and consequences. Through a process of theoretical sampling and constant comparison the categories have been developed in the following pages of this chapter.

Category 8: Capability Building of Dealers

Category 8(a): Good Fuel Promise

Category 9: Capability Building of Dealer-men

Researcher in this chapter worked on Category 8, 8(a) and 9 which deliberates with the use of grounded theory on strategic capability building in HPCL dealers, 8(a) Good Fuel Promise and then Category 9 on dealer-men capability building. These categories arose from the interviews and company records and have been brought out in this chapter.

11.2 Category 8: Strategic Capability Building - Dealers

In HPCL Retail Outlets is the place where customer interface happens. Good interface would lead to delighted and happy customers. In the interviews that were recorded the first concept that stood out was fathoming of dealer needs which would enable them to serve the customer better.

11.2(a) Understanding Dealer Needs

S Roy Choudhury C&MD HPCL (Excerpts from his interview in when he was Director-Marketing in early 2010)

‘That means in terms of questions of our dealers and our distributors, because we have got a huge network. We have got … petrol dealers… So what we said, let us see think they are part of the organization.. They are party to the growth and prosperity of the organization. …during this last five or six years I personally have met almost about 8,000… has given us real insights. We have known what are the people are facing, what kind of support they need from the organization. And these things are not known earlier, because nobody used to talk to them...’

Shri Roy Choudhury was Head of Marketing for about 6 years, at that time and his observations is significant. His interview speaks how he was the first director to realize the need to meet the dealers and they were part of our growth and prosperity. This is a change in
the philosophy of business. It also gives with the Corporate Vision for dealers. The change in philosophy helped him to personally meet 8000 of the dealers and he talks of valuable insights being received from them, apart from understanding the dealer needs. This is depicted in Fig 11.1 drawn with help of codes and concepts mapped in Atlas.ti. He talks that earlier nobody at his level met them which again indicates a shift in philosophy of how business would be carried out and therefore shift in culture.

![Figure 11.1](image-url)

11.2 (b) Competency and Skill Building of Dealers:

The Chairman and Managing Director Mr Arun Balakrishnan at the time of interview said:

‘... strengthen softer skills and we put in place a number of things … almost 25% of our network is operated by SC ST recruits … give them a mini MBA course so that they know how to do business, Now I think we have trained ... these men and women go back into the field they are doing a much better job as a dealer.

... There were 5 key areas which all these 250 successful dealers had. Others the 6th was there in some the 7th was always different, you know, tuned to the locality or the language they spoke or something else. But there were 5 key business areas which these guys excelled in. And then we started implementing that… we involved IIM Ahmedabad to the team... So now we are training the dealers as well as the sales officers in these 5, what we call the KSF’s – Key Success Factors… soft interventions there is always a gestation period, ... built
up over a period of time and these are things which can never be copied by anybody else; … and 5 KSF is also coming in … Chhattisgarh, Jharkhand, Bihar. These are virgin states …

The third intervention …is kind of a peer group rating and discussion. So we have this concept of quarterly dealer meets, sales area dealer meets. … The difference between the lowest and the highest was normally about 10 times or 5 times depending on the. So we used to ask the top … guys …so that the others can share…We get the dealers to talk about safety if there are any accidents in the retail outlets. They discuss how it can be No1, what are the things which are holding …So there is a peer group review which takes place amongst the dealers and that is the best that they can learn. …this where the alignment amongst the dealers started coming in…’

The codes and concepts which came out of the above is

- Developing Softer Skills in Dealers
- Mini MBA Program for SC&ST Dealers
- Gestation period for results from soft skills
- Inability of Competition to Copy Soft Skills
- Research by IIM-Ahmedabad on Key Success Factors for HPCL Dealers
- 5 Key Success Factors taught to other dealers
- Learning from Peer Review by Dealers

Perusal of the IIM research was done by researcher. The research selected very high volume dealers of HPCL from across the country and found 5 key success factors in them. These key success factors were taught to the other dealers.

Atlas.ti was used to map the codes and concepts and the following diagram depicts the relationships.
11.2 (c) Dealers: Partners in HPCL Growth

Mr. Partho Ganguly Senior Regional Manager Raipur in his interview brings out the concept partnering each other in growth very vividly. Excerpts from his interview are below:

“I can give you an example of an area which was selling on a highway in Raipur to a forest in Khana... to Jabalpur...So Raipur to Jabalpur road it was a long stretch of the market in fact there is a place called Amarkantak...where a lot of lime stone deposits are there and a lot of trucks were moving on that road...the last area of Chhattisgarh and then the forest and the naxalites area would start people never thought of starting a petrol pump there because it is a far flung location. We thought first to advertise for that location just like that... we advertised sometime in 2004-05 we could select a dealer just like that because he happened to be the local influential person, ...started selling from the very beginning because of its market potential 150 kl-200kl ...reason being that he was very enterprising he was having his own monopoly in the market , it was a monopoly market of HPCL and people ... was establishing a very good rapport with the customers and he was giving extra help to the persons who were coming, ...anybody get stranded he would provide crane services he would provide some ambulance services ... helping the drivers with the money also because if there is anyone coming from a town area and ...
...volume gradually started increasing to 250 KL and gradually touched 300 KL...l we thought about putting up another petrol pump there because we thought that if we don’t, some other company fellow will put up and we will lose … because it’s a monopoly market and because of him only we put up a pump there...now how to tell that fellow were going to do like this. So we decided that we will go to his petrol pump be there for a day and then decide how to tell him...him his morale would go down and he might focus on all the other business that he has. So we would lose out on what we have as well...then later one day we called him to our office and told him that other companies are looking at setting up a petrol pump....so what are his view on the same....he said then it will be good if HPCL only should set up another pump there instead of somebody else putting up a pump there....then we asked him if he has anybody his cousin or brother or relation anybody who is having the land there...then he came up that yes I am having land there..’

The Codes and Concepts:

- **Sharing Growth Plans with Dealers**
- **Seeking advice from Dealers**
- **Discovering Mutually Beneficial Growth Propositions**

The Concept and its properties are mapped in Atlas.ti in the diagram below:

![Diagram](https://via.placeholder.com/150)

Figure 11.3
11.2 (d) Category: 8(a) Good Fuel Promise: Quality and Quantity:

Ganguly Sr. Regional Manager

‘...before having a belief on a particular fellow that you are having the correct quality secondly when he is saying he is ensuring you and not cheating you as far as quantity is concerned...if you’re getting one litre you are getting one litre......so a wide range of campaign of customer feedback customer thinking...be studied and then changed to be in a number one position...not only the hard way factors that you make so many number of petrol pumps and you will become number one...he is the purchaser you are the customer of my petrol pump and you should be a very satisfied customer. I may be giving you the correct quality and quantity but you may still be thinking that I’m a “chor”...so we have gone to the advertisements on TV and have put up very big hoardings, organised various campaigns in the various forums.....we have called the IG’s DGP’s state secretary and principal secretary and even chief secretary also...participated by the customers, dealers, newspaper people and informed on e-filtration ...

...by arranging regular campaigns we were trying to educate the customers to come personally and check these things in our petrol pumps then you satisfy yourself...then when they find that parent oil company which keeps on giving advertisements and giving campaigns we would show it to the customers what is an e filtration for quality check...how much control we maintain and us being the first mover in the state we got a full benefit and advantage so far as sales volume is concerned’

The code that is available from the above:

- **Need to change beliefs in Customer on our Quality and Quantity (Good Fuel Promise)**
- **Educating Customers on Quality and Quantity checks**
- **Encouraging Customers to conduct Quality and Quantity Checks**

The above is also borne out by Public Intimation on Hindustan Petroleum Web-site

**Filter Paper Test (to check petrol)**

- Ask your friendly HP dealer for a filter paper.
- Clean the mouth of the nozzle to remove stains.
- Put a drop of petrol on the filter paper from the nozzle.
- The drop of petrol should evaporate in about 2 minutes without leaving a stain on the filter paper.
- If you notice a stain, then there is a possibility that the petrol is adulterated. (Sometimes the area of the filter paper where the drop of petrol was put remains pinkish; it is the colour of the petrol and should not be mistaken for a stain.)
Density Check (to check petrol and diesel)

- To check this, you will need a 500 ml jar, hydrometer, thermometer and ASTM (American Society for Testing of Materials) conversion charts. A hydrometer is a very simple instrument for measuring the density of any liquid. All these are available at the HP retail outlets and are made available in case you wish to check the products.
- Fill about 3/4th of the jar with the product, through the nozzle of the dispensing unit.
- Dip the thermometer and the hydrometer in the jar and record the temperature and density as indicated.
- Convert the density recorded into density at 15 degree centigrade with the help of the conversion chart. This converted density is then compared with the density shown by the records maintained at the retail outlet on the basis of the density recorded on delivery challans. (Density at 15 degree centigrade is mentioned on each delivery challan issued by the supplying depot for every load sent to the retail outlets.) If the difference is more than +/-3.0, it requires further testing at approved laboratory. In such case the customer should immediately get in touch with our concerned Retail Regional Office.

HPCL Interventions for Quality:

Mr Ganguly Senior Regional Manager is again quoted from his exhaustive interview. There are several other interviews which bring out the aspects of quality and quantity check and no fresh codes emerge out of them:

...and I sitting in my room would keep on monitoring what he is selling there....all meter readings of the stock and tank was available in my meter reading record...so by ensuring all these things checks and balances .....The tank will be showed like a pot up to which level it is filled up...how much he has sold...which dispensing unit is dispensing...and we would keep a total control on that petrol pump from my office...by which we never allowed him to sell anything( adulterated)....after doing all this we found that as such our sales volume is also increasing...as such you will tell a friend who will tell another friend and they are bringing more customers pool for our petrol pumps for the correct quality and quantity....then how to ensure that the product that I am supplying to my dealer is not getting corrupted en-route to the petrol pump ....when the product travels over 350 kilo meters how I can ensure sitting in my office that the quality is perfect and Vehicle monitoring system ...if he stops for more than required timings ....for e.g. a person will be standing to eat his food for 10-30 mins...if it is more than that or if he tries to tamper any of the fittings in the tanks then also we would come to know..Through the system anywhere in the country by any of our designated officers...so sitting in Mumbai head office they can find out which truck is moving where and what it is doing...

The Code and Concepts that arise out of the above are:

- **Technological Interventions for quality and quantity**
Inspections on Quality and Quantity

Excerpts from Mr Pranay Kumar Regional Manager Jamshedpur were interviewed and he says:

‘They should really deliver the HP, good fuel promise. And for that, we are concentrating on them. There is inspection by 3rd party, there is also inspection indirectly by the sales officer and we are seeing that most of our retail outlets’

Inspections are also carried out by mobile labs which travel from outlet to outlet and take samples for testing on quality and quantity. The HPCL website and interviews highlights it.

‘In addition, our sales officers carry out regular checks at all the outlets to prevent any malpractices. Club HP Mobile Labs and Industry Mobile labs also conduct surprise inspections in the Retail outlets on a regular basis’

The Madurai Regional Manager talks in his interview on the mobile labs and the inspections carried out by them on Retail Outlets which corroborates the HPCL website particulars on the initiative.

The Code that arise from the above is

- Third Party Inspections of Retail Outlets for Quality and Quantity
- Regular Inspections by Sales Officers and Mobile Labs
Good Fuel Promise: Quality and Quantity Assurance - the causal relationships as available from the interviews, company website data are mapped from with the help of Atlas.ti from the above codes and concepts. The diagram is shown as below:

Figure 11.4
11.3 Category 9 : Training Dealer-men for Superior Customer Service

Several People talked on the training and other initiatives focused on the Dealer-men who work at the Retail Outlets and are often the face of the company due to their interactions with Customers. The interviews are perused and significant codes are highlighted:

Dy General Manager – Highway Retailing (Mr T Sundaraman)

‘Training has been established in the system. Gurukul established itself. What I feel is that after the classroom training, … the role of the dealer and the sales officer is more important. As sales officers, whenever we visit any outlets, we make it a point to talk to people who’re standing there. Going to the island, observing what he’s doing, and pointing out right then that what he’s doing is good or needs improvement, is necessary and needs to be strengthened. … the dealer and dealer-men deal with buyers... They often face abuse at the hands of the customers... the dealer men who are the fellows who actually dispense the pump, they are ultimately the face of the company...if they get something better or less strenuous ...they obviously move on... how do we keep these fellows ... keep them motivated. …they are the dealer’s employees. …came out with a couple of things. ...did is that we took a dealer-men insurance policy... When you do this over a period of time, you saw results’

Codes from the above interview are:

1. Training of Dealer-men at Gurukul
2. Training of Dealer men by HR and Sales officers in program “SadaApkeLiye”
3. Group Insurance for Dealer-men led to improved retention

Mr Barmon Regional Manager Bangalore interview excerpt is as under:

‘…you an example. Hardware to my mind does not make any difference. Anybody can do it. Software makes the difference. I’m very happy with the way our dealer-men training takes place. What they say and how they behave is very interesting. ..Maybe we’re the only oil company in the country which gives a very good training program for the dealer men. The module has been prepared dealer-men do a good job at the training’

No new codes are noticed in this excerpt on dealer-men.

The Rajahmundry terminal manager was interviewed and excerpts from his interview are as under:

‘We also train the dealers and the dealer men about safe loading and unloading. Loading is applicable only if the tank truck is there; the basic training is for unloading. As an O&D man, my responsibility ceases the moment I deliver the product at his premises.’

The above excerpt helps us with a new code related to safety

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4. Training of dealer-men on Safety

Director HR Mr Pushp Joshi who was ED HR at the time of interview spoke on dealer-men training but no new codes arose from the excerpt. It is quoted below:

‘The program is branded “sadaapkeliye” it’s the content of that is designed by the HR. It’s a common content people are trained in advance for it and they go to the field and deliver it.’

Ms. Sonal Desai GM Finance

For the dealer men, we have continuous training programs called ‘sadaappkeliye’ and ‘gurukul’. The former is conducted by our HR team while the latter is conducted by outsiders. In gurukul, they are taught how to greet, how to show 0 before they start filling, how to clean where there is petrol spillage, and other things which connect the customer to the outlet. The dealer men are the frontline people. So we take a batch of 20-25 boys periodically to train; if the training program goes on for 3-4 days, we make sure to attend 1 session.

New Code from the interview which arose:

5. Gurukul - Training on Customer Service to Dealer-men

Several Novel Initiatives has also been put in place for retaining and training our Dealer Men and also listed in the company website which are brought out as below:

- Several dealer-men were provided computer education.
- A number of dealer-men were recognized under the “Spot & Reward” Scheme.
- The Scholarship Scheme for “Club HP” dealer-men and dependent children was extended during the year to motivate the dealer-men.

The new codes that arose from the website information is as under:

6. Computer education for dealer-men
7. Rewards for dealer-men
8. Scholarships for dependent children of dealer-men of Club HP outlets

The network diagram for the category Dealer-men training and retention is based on the codes and concepts and category: discerned from the interviews and information on the company website and is mapped in Atlas.ti

HPCL has received several awards on our customer service and brand a few of which are downloaded below.

These validate the quality of fore-court service of HPCL dealer-men.
The above photographs are a just a miniscule part of the bevy of national and international awards HPCL won on Customer service, Branding and Fore-court Sales details of which are with me. These awards are consequence of Dealer-men training and their customer service.

Thus the Category - Training Dealer-men for Superior Customer Results is drawn with codes and concepts derived out of interviews and company records and are mapped in Atlas.ti package in the next page.
Figure 11.5 (Atlas.ti Diagram on the concepts from the interview and other records mentioned in the pages above).
11.4: Theoretical Contribution: Training of dealers and dealer-men to create customer delight from objectives that came from co-created vision, collective strategies and co-created balanced scorecards with strategy based funding does not find literature support in documented literature. Also, it is novel to note that HR people were training thousands of dealer-men to serve a customer which is not seen in research literature in any of the oil marketing majors in India. Also, many novel methods adopted were talked on action taken Good Fuel Promise. However, the researcher does not claim any theoretical contribution on strategy and strategy implementation on Good Fuel Promise. Cross functional Synergy is thus noted where functions are helping strategy execution like HR people involved in trainings tens of thousands of retail fore-court salesman at the Retail outlets for improved customer experience. This is not seen from research literature on any oil marketing major company in India and is theory addition on cross functional synergy.