**Did the headquarters fail to support Silvio Napoli, or did Napoli mismanage the autonomy he was given? And in this context, was his leadership style effective within the cultural and organizational context of India?**

To answer these two questions, I believe we need to bear in mind three critical aspects that were missing in this case:

**1) The importance of attention from headquarters to subsidiaries**

Silvio Napoli was left on his own from the beginning. He worked alone during the initial nine-month study of the Indian market to investigate the project’s feasibility. He was also alone in hiring the top management for the Indian subsidiary.

Then, for the first eight months before Bonnard’s visit the headquarters had **no real understanding of the subsidiary’s performance** or the strategy Napoli was pursuing. We saw that a correct level of HQ attention to subsidiaries enhances performance; this lack of strategic attention clearly had a negative impact, mainly because Napoli was implementing a **global strategy**, focused on standardization and efficiency, but in a market like India, a **transnational strategy**, balancing global integration with local adaptation, would have been more effective.

Napoli himself expressed this sense of loneliness by stating: "You know the expression, It's lonely at the top?' Well, Im' not at the top, but I feel lonely in the middle…”

**2) The importance of clear communication and leadership skills**

Napoli also showed **weaknesses in leadership and communication**. One of the first signs of this was the fact that, in the first two months, his team accepted two orders that required product customization. This clearly shows a **lack of alignment between him and his employees** and also poor communication and leadership.

From the HQ’s perspective, Napoli was described as a **“single-minded manager”** meaning he was highly focused, but rigid,not open to compromise, and not particularly open to dialogue. And that had negative consequences. People working with him in India often kept their opinions to themselves, even when they disagreed with his direction .

Also, while it’s true that he was isolated by HQ, he also didn’t make an effort to reach out to his superiors for advice.

Another important point is that **no knowledge transfer took place**. Schindler could have learned a lot from this experience on the Indian market through **reverse knowledge**, but because communication was lacking, that didn’t happen.

**3) The importance of international experience in managing subsidiaries**

We know that when selecting a leader, there needs to be a balance between age and international experience, but Napoli was hired into a senior role straight out of his MBA at Harvard. That inexperience led to several mistakes.

A more experienced manager might have given more importance to the impact of Indian culture on business practices. For example, we saw on the graphs that the most influential factor for elevator purchases in India was **service**, including customer care and personalization.

If Napoli had studied the market better, he would have understood that the initial stages of an elevator’s life cycle only represent 20% of the total profit, while the post-installation service represents the 80%. As a result, annual maintenance contracts (meaning the service part) were vital.

He showed inexperience also in thinking to gain 20% share of the market in 5 years, especially because it’s true that India was an emerging market, but at the same time Schindler had a lot of competitors, especially Otis, which had 50% of market share with an installed elevator based of 26.000 units.

Finally, when he realized that import prices were **30% higher than expected**, he had **no** **backup plan**. His only response was to accelerate the orders, which cannot be considered as a long term solution.

To sum up we can say that both the company and Napoli made some mistakes, this was caused because they didn’t give him attention and at the same time he mismanaged that autonomy he was given; of course he also lacked some important leadership skills**.**