Technology – Disruptor, Friend and Challenger

Good Morning, and welcome to the Executive MBA batch. I am delighted to be here on your wonderful campus at IIM Vizag. I have come here before as part of the Strategic review committee a few months ago. Thank you, Professor Chandrasekhar for inviting me to do this commencement speech of the EMBA class.

I am sure that all of you are eager to start your classes this week, having come here while spending time in industry. I will in this commencement speech cover thoughts on technology, on the MBA degree and how you can get the most from the MBA degree.

There is a lot of discussion on technology these days and its impact on jobs, its impact on learning, on skills, etc. Numbers are being thrown around – 10% impact on jobs to 70% impact on jobs. I don't think anyone knows the exact answer and I will explain why.

Let’s look at a few technologies of the past and see what was predicted and where we are today.

Technology when it is new to the world is a disruptor, simply because no one can imagine what it can do and cannot do. It is over time that we see the benefits and challenges of technology crystallizing.

1. When books were first introduced, they were opposed by royalty. The royalty opposed it because they thought that the common man with access to books will be intelligent and the royalty will no longer have an advantage. How wrong they were.

2. When Television was first introduced, people labelled it the idiot box and said that people will stop reading books and hence lose the benefit of reasoning etc. Nothing like that ever happened.

Television was introduced by governments to communicate the progress made by the government. In later years all of television was privatized and is now run as a business.

Whenever a new technology comes in, the incumbents of a product or service that could get disrupted pooh-pooh the new technology, point to the obvious deficiencies, then actively spread false information on it and finally join the bandwagon by introducing their own version.

3. When mainframe computers were first introduced, Thomas Watson Sr of IBM said that there was a market for about 5 such large computers globally.

4. When the Wright brothers first flew an airplane most commentators and futurists predicted a big personal aircraft market since they have seen one person on a

flight. Everyone imagined in the early days that individual flying machines would be the norm. The aircraft that transports 500 people across 18 hours wasn't seen then. It is subsequent technology improvements that led to this. So, while a technology starts at one-point, subsequent improvements and innovations push it way beyond the original idea.

5. When telephones were first introduced, Alexander Graham bell thought that each town would have one phone. And, when they were first introduced, telephones were sold in pairs. The first consumer of the telephone set was a lawyer who fixed one set at home and the second set in his office. There was no network effect then! That happened years later.

6. When Nokia wanted to go big on mobile phones, they asked a management consulting company to estimate the market potential. This management consulting firm came back with a total market size of 500 million phones globally. Nokia threw the report into the dustbin and scaled up dramatically. Today, we see billions of phones being sold. In Nokia, around 2007, we would say that when you leave home, you will not need to carry your house keys or wallet or car keys, all three will be built in to the future phone. This prediction has come true.

7. Audio books were predicted in the 1930s but took a long time to happen. Online commerce was predicted in the 1950s as sitting in front of your television and ordering via the telephone. It too another 50 years for E commerce to happen.

Mark Mc Cormack in his famous book “What they don’t teach you at Harvard Business School” said, “If Edison were an MBA, we would all be reading with bigger candles and scented candles. Technology innovation rarely comes from the company where some part of the need is being met. Technology innovation mostly comes from the outside.

Technology has helped mankind live longer, average life expectancy of anyone born in Europe today is 100 years. Simple basic clean plumbing, simple products like soaps, detergents have made health and cleanliness accessible to all and improved living standards. Technology breakthrough has helped fight every type of big health challenge in the world like cancer.

Adopting technology quickly for the needs of citizens helps countries frog leap. Let’s take India as an example.

India has a rich digital infrastructure which is unique and unparalleled. Unique Identity or Aadhar as we know it today is available for most Indians and is the platform on which thousands of innovations and services have developed. At a basic level, Aadhar is about TRUST, the government conforms that you are who you say you are and hence people can deal with you. The most amazing use of Aadhar I have seen is in a matrimony site which said boy or girl is Aadhar verified, which is such an important trust issue in matrimony.

UPI is the next big technology innovation in India. With UPI, we have many millions of people in the informal sector becoming part of the formal economy. Setting up a bank branch costs more than a few million rupees and the resultant cost of running it also expensive. Today, many people have not been to a bank in years. The security proof points

Technology helps governance as can be seen through the GST collection data and the transparency between governments and citizens. Almost everything a government does is now up on a website for people to see and comment. New policies are test marketed in beta mode, comments invited and then finalized. Today almost everyone tags the aviation minister when a flight is delayed or there is something abnormal.

ONDC is the next big technology breakthrough in India where you will see millions of buyers and sellers interact on the same platform. This is again a first of its kind in the word.

There are challenges with technology too. Let me turn to a few things people opine on.

Has technology made us lazy?
I think technology has made some people lazy and some people hyperactive. Let me give you

a simple example. We are in the midst of a blistering summer. I see many ice cream carts standing on the roads with little business even in the evenings. When I was a child, I would walk with my parents to the central part of the city and the walk was rewarded with an ice cream. Today, families don't walk the way people did in the past. They order in and the business model of carts is at stake because people are lazy and don't walk anymore.

You all have work experience and the next example will connect with you. We get a lot of presentations on e mail in every company. The first thing most managers do is to have a folder and dump all ppts there. No one reads them fully.

Very few people are responsive to e mails and Wapp messages. So, what do we do we use technology to catch them, we send BCC to the whole world and we ask for a message received notification.

The event management industry has understood this the best. They send you a mail, reconfirm with a phone message and finally will call you on the day to reconfirm. Does technology make us impatient? I would say yes. Everything is in seconds and nano now. When someone sends you a message, then they are waiting for the blue tick to happen. If you dint respond, they send you a question mark message and after a few minutes call you up to check why you haven't responded. This happens most between parents and children. When we send someone something electronically, we expect an instant answer.

Does technology make us challenge experts? Almost certainly YES. The biggest challenge for doctors is patients who they call Google Doctors or Bing Doctors. Doctors are tired of people telling them what they think the problem is and what they want to do about it.

With a search engine everyone is some kind of expert on whatever he chooses.

Has technology taken out human errors? Almost certainly YES. The big strides in quality in every industry is a result of automation, is a result of constant improvement. All repetitive, boring tasks have transitioned from human beings to machines. This does not mean that there is no role for the human being. I would say that the human being has to supervise and move on to more value-added tasks.

Let’s look at another area where technology has taken out human errors. SPORTS.

Sports was full of unfair claims and errors helping home teams or certain players. The introduction of technology in tennis has ensured that there is no John Mc Enroe Vs Umpire match on the sidelines.

Take cricket, if you see IPL, technology has challenged cricket umpires to get better. The use of the DRS system is a good thing for sport and players and commentators having different opinions is a thing of the past. Technology is seen as neutral in sports which is a good thing.

Let's look at Airlines now. Most airlines accidents happen in 11 minutes, the first 3 minutes of take-off and the last 8 minutes of landing. Technology has made all modes of transport safer. The Economist had a joke a few years ago. They said that air travel in the future will have a pilot and a dog in the cockpit. The pilot to give confidence to the 200 people in the aircraft that there is a human being at the controls and the dog to ensure that the pilot doesn't touch anything. Today planes land in thick fog due to Instrument landing system. Such technology is not replicable for cars immediately since there are more variables at play but one day, they

will become standard feature in autonomous cars.

The recent win of space travel is a great win for technology where rich citizens can travel to space.

The informal bets that students and adults have with each other are now settled immediately by checking it on a search engine.

My point on technology is that it is normally a force for good. However, if used wrong or used by the wrong people the it can lead to great harm.

Nuclear technology is great if you think of energy, however, it is terrible when converted to an atomic bomb.

Social media is great to communicate, keep in touch and learn However, in the wrong hands it creates hatred and anguish to many people.

What is truth, what is fake, what is false news will be a challenge in a chat GPT world. The past can be doctored to brainwash or changed to belittle someone. Machines need only 3 seconds of your voice to replicate it and use it. That is scary.
Plagiarism will be another big issue with chat GPT. Yesterday, a professor failed the whole class because the machine thought that the students had used Chat GPT. It turned out to be wrong.

Buyer behavior and citizen behavior is now a digital trail. If the data points are used well, then the consumer and citizen benefit. If they are used wrong, then we will see privacy issues and litigation issues. So, who decides what about privacy is crucial.

I have been part of many industry associations. I feel that self-regulation is noble but each company cannot have its own code on privacy which doesn't hold in a court of law or is open to multiple interpretations. Hence, I feel that governments will step in many of these cases to define a basic set of guidelines. A company can go beyond that if it wants.

So, in summary, I am an advocate for technology. I know it has its downsides. My point is that anything in the hands of the wrong corporation or individual will be a problem. The issue is not technology but the person and the system.

Let's now move to the MBA degree and your own aspirations from the degree.

Most people do an MBA degree for the financial outcome that it promises. In your case, it is likely that you are looking at

financial and also a function change and that's why you are here at IIM Vizag.

The MBA is a width degree and not a depth degree. You can specialize in finance or supply chain or marketing. The degree gives you an overview of how a business runs or should run. All of you have work experience and, in that sense, you will be more discerning as students.

The value of an MBA comes from the faculty. Engage as much as you can with your faculty, pepper them with questions, thoughts, alternatives. They can benefit from your knowledge too. Try and spend at least one hour every day with your faculty.

The next value comes from your fellow students. You are. Batch of 148 people with an average of 9 years' experience. That's a total of 1332 years of cross industry experience that you have. You should try and

leverage that knowledge in all your interactions with each other. You are the loser if you don't engage meaningfully with each other. Try and ensure that you work with different people in your various project groups. Rotate the group membership to help you learn more.

The more technology we have the more practical we need to be. Try and do some real-life projects for companies in and around Vizag.

In each project that you do please ensure that there is adequate scope in technology or digitization and adequate scope in sustainability. These will be key areas for every business and building them into your learning projects will only help you.

You are at a stage in your career where you have come here as a middle manager and want to leave this great institute as a General

Manager. A general manager has width in his/her thinking. Don't just be a one function wonder. I am sure most of you want to head companies or profit centers. In these roles, multiple people and functions report to you. So, you should be able to add value to every function.

So, have curiosity, ensure that you learn. You need focus.

FOCUS for me is available time minus distractions. You have 24 hours, take away 8 hours for sleep, you have 16 hours. How can you maximize these 16 hours. Don't fritter it away in club activities etc. Industry has no respect or regard if you have been the secretary of the bird watching club or whatever. Shoot to be absolutely good and not CV good. Nice to have things on the CV are just that – nice to have – they don't get you real jobs.

If you are good, money will follow, so try and be good.

Irrespective of how much technology we will see, there are three skills that almost everyone agrees are necessary for the future. They are:

CREATIVITY

COMPLEX PROBLEM SOLVING AND

CRITICAL THINKING SKILLS.
The MBA course is a case study defined system. I would urge you to take real life examples of what's happening around you – the EV market, the D@C war with legacy brands etc. and debate between your professors and classmates of likely future scenarios. There will be no right or wrong answer but it will develop you critical thinking, complex problem solving and put your creativity to test.

Formal education is good and a decent barometer for the job market, maybe the first job. Your jobs after that depend on self-education so try and start yourself education at IIM Vizag itself.

You have chosen a great Institute and a world class campus. I am sure you will enjoy the next year here and you will be tall leaders of global institutions.

You have come here after deliberate thought. Your family, your teachers, your institute and your fellow students will all have expectations of you. Don’t let them down. The trust they have in you is immense and something worth living up to.

Thank you, Professor Chandrasekhar, for inviting me and all the best to all of you.