

The honourable and highly esteemed Chairman of the Institute, Dr Veerendra Heggade; Vice President of SDM Educational Trust, Mr Surendra Kumar; Prof. S. Prabhakar, Secretary of SDM Educational Trust; Director of the Institute Dr N R Parasuraman; Deputy Director Dr H Gayathri; Professor Operations Dr R Jagadeesh; Members of the Governing Council, learned faculty, distinguished guests, proud parents and dear students of this distinguished institution.

I am delighted to be here this evening, at the campus of this glorious institution, at the 24th Annual Convocation of Shri Dharmasthala Manjunatheshwara Institute for Management Development. And, I truly consider it to be an honour and privilege to deliver the Convocation Address to our bright young minds and future leaders of this great nation. But, before I begin my address, let me first congratulate and felicitate the students who have been conferred the prestigious degrees for their efforts, on this day of great joy and fulfilment. I must also add here that I had a chance to spend some quality time with Dr Parasuraman nearly a month ago, informally chatting with him on imperatives of education, leadership and the India story, and I must confess that I was highly impressed and touched by his aspirations and this Institute's continuing commitment to the laudable mission of high quality higher education, well blended with its core values.

Today, as our future leaders step out into this fast paced, complex and exciting world of business & commerce, duly interspersed with societal imperatives, it is important to understand the opportunities, responsibilities and the challenges that this presents, and how each one of us should strive to build our own recipes of success going forward.

Friends, having covered a moderate distance as a nation since our independence, we are today at the cusp of a major and an unprecedented socio-economic transformation on the back of rapidly changing times, and the confluence of several converging factors, all happening at the same time. We are living in exciting times with possibilities to not only leap frog but pole vault, being the second largest country by size, largest potential labour pool on the back of favourable demographics, robust

macro-economics, the third largest economy on purchasing power parity basis, fastest growing large economy and a stable democracy. Yet, India's single biggest challenge is to create sustainable economic opportunities for all which will trigger an unhindered virtuous cycle of growth and prosperity; it is no longer enough to provide education and skills to young Indians if these do not lead up to economic opportunities for them.

The impending change & global transformation

However, there are a few contrasting forces, working both together as well as in different directions, as India looks to take on the global centre-stage. Indeed, a tidal wave of change is sweeping our world and may render our current ways of working un-recognizable a few years from now, impacted mainly due to the following 6 mega trends :

- a. Rapidly evolving and disruptive technologies – catalysed by digitalisation*
- b. Changing business models – from asset led to asset light & idea led*
- c. Rapid Urbanisation*
- d. Changing workplace attitudes, pivoted on culture & work-life balance*
- e. Changing geo-political dynamics, with a country-first narrative*
- f. Sustain ability becoming a serious concern*

All of the above is happening concurrently and it is important to understand the implications of each one of the above mega trends. Another exciting and daunting aspect of the above trends is the pace & scope which is exponential in nature.

The Emerging India Story

I envy our younger generation because you all are in the process of witnessing a new India which has opportunities galore. Let me share with you how India is transforming, and the good part is that the lead actors in this story will be you.

After years of low growth and anguishing delays in public policy regime, the India story has now started to emerge explicitly with sustained higher growth rates, robust macros inspite of temporary moderations due to bold structural reforms (notable being the GST, IBC and RERA), inclusive and transparent policies, and growing digitalisation in governance. These, in turn, are leading to a pull and demand for better infrastructure, evolution of an aspirational young population, fast mushrooming of a new breed of entrepreneurs, war on corruption and growing urban middle class with rapid urbanisation.

India is today an example of how right structural reforms and strong macroeconomic stability can be pivotal for a country in strengthening its investment climate. After a few hiccups, the economy has recovered from temporary disruptions caused by demonetization and introduction of GST. Although the GDP growth rate dropped below 7% in the fiscal year 2017, it has since recovered to 7.3% in 2018. Government's mechanism to deal with supply side constraints has contained inflation below the target of 4%. India took the bold step of creating Invest India, a one-stop shop to promote foreign direct investment, which has helped in streamlining and making processes friendly to investors. India is amongst the top 2 countries globally on many dimensions of digital adoption, with 1.2 Bn people with Aadhar cards (which is world's largest unique digital identity program). India has already turned into an attractive investment destination. As per Bloomberg data, India leads its counterparts China, Indonesia, Vietnam, Malaysia, Philippines and Thailand when it comes to political and currency stability, high- quality products, anti-corruption, low cost of production, strategic location, and respect for IPR. Of course, there is a long way to go and improve on the parameters such as infrastructure, tax privileges, and quality of living for investors, and the need for a sustained war on corruption.

Clearly, the New India is emerging to be the land of a Billion Opportunities. NITI Aayog has projected that by 2025, we will build 10,000 km of new high-speed Railways, 400 Airports will be re-developed, 35 Logistics' Parks created, 1,000 km of Metro-Rail, 175 GW Renewable Energy, 20+Dry Ports, 800 new Express Highways, 100+Smart Cities,

5 Industrial Corridors, 600+ World Class Railway Stations, 40 Km per day of road construction, et al.

Embracing & addressing the critical imperatives for realising our future

However, in this fast changing global landscape, there are a few critical imperatives which the young and emerging leaders like yourselves must not only take serious cognisance of, but also help to enable and drive forward responsibly.

1. Skill development and employment for the future workforce

According to the World Economic Forum's report “The Future of Jobs 2018”, more than half of Indian workers will require reskilling by 2022 to meet the talent demands of the future. They will each require an extra 100 days of learning, on an average. First, we need to revamp our systems. We should focus on gaining conceptual knowledge, rather than tangible skills which ensure employability. Second, there are more jobs in the informal economy than in the formal economy (80% vs 20%). And third, India has one of the lowest participation rates of working age women in the labour force, merely 25%. Therefore, massive efforts are required to ensure that the vision of providing right skills and gainful employment to “working age majority” is realized.

2. Socio-economic inclusion of rural India

By 2030, 40% of Indians will be urban residents. However, there will also be more than 5,000 small urban towns and more than 50,000 developed rural towns with similar income profiles, where aspirations are fast converging with those of urban India. Three critical “access” barriers currently constrain the aspirations of those living in rural areas in India. First, constrained physical connectivity; second, lack of digital connectivity; and third, limited financial inclusion. A high priority is infrastructure development to enable access. We already have programmes such as Digital India that are transforming India into a digitally empowered society, leading to JAM trinity (Jan Dhan-Aadhaar-Mobile).

3. A healthy and sustainable future

Although we were successful in eradicating polio, we are grappling with alarming rates of congestion and pollution that deteriorates quality of life. Whilst growth is important, sustainable growth is not only crucial, it is in fact the key to our future.

Sustainable solutions have to be seen in the context of economic viability, environment friendliness and social inclusiveness, in whatever we embark upon. As a nation, we need to balance the short term growth objectives with the long term sustainability imperatives. The imperative of sustainability is not only good for the society and the environment; it also makes great business because it pushes us to the path of innovation. Innovation to find alternative and disruptive technologies, to reduce the use of fossil fuels, reduce carbon foot print and green-house gas effects, automation to reduce congestion, to reduce the incidence of road accidents, et al. Look at opportunities in recycling, re-manufacture and up-cycling.

4. Youth & their Aspirations

As the fastest growing economy today, India is home to a fifth of the world's youth. Half of its population of 1.3 billion is below the age of 25, and a quarter is below the age of 14. India's young population is its most valuable asset, but at the same time, presents the most pressing challenge. It provides India with a unique demographic advantage. However, this opportunity can be easily squandered without proportionate investment and determination in human capital development. India will not be able to realize its true growth potential if its youth are not able to participate adequately and productively in its economy.

At the moment, less than 17% of India's graduates are immediately employable. Only 2.3% of the Indian workforce has undergone formal skills training (compared with 80% in Japan and 96% in South Korea) and India will, therefore, need to educate about 100 million young people over the next 10 years, a task never before undertaken in history. But, many things are happening for the first time in India and, therefore, this too is achievable provided we all exhibit grit and determination.

5. Jump the Bandwagon with Technology & Innovation

Innovation is the key to an inclusive and sustainable growth and is rightfully becoming the buzzword. The proliferation of the internet, higher rates of literacy and greater exposure to the outside world have fuelled sector-based innovation in IT, artificial intelligence, IoT (Internet of Things), finance, healthcare, biotechnology, education, agriculture, and logistics, to name a few. The country suffers from a dichotomy : on one side, it has a huge unmet need for affordable healthcare, safe drinking water, agriculture, and pollution and disaster risk reduction; and on the other side, it has a growing pool of young technology enthusiasts and innovators. This uncommon phenomenon ideally positions Indian start-ups and companies to collaborate with their global counterparts under the umbrella of bilateral innovation funds, to develop effective technological solutions for addressing social issues, with the potential to scale up for global markets.

6. Closing the discomforting Gender Gap

India's women are the secret to a potential economic boom and your ticket to economic growth. By 2050, India's population will increase by 323 million, the largest population increase of any country. Women constitute almost 50% of the population. Sadly, women education in India is still a topic of discussion. The world average female literacy rate is ~80%, while in India the average rate is ~65%, and female participation in the labour force is ~25%. Indian women in politics amount to a meagre 12%.

73% of new mothers leave their jobs to take care of their children. 50% resign at the age of 30 to take care of children. 48% out of these drop out within four months of re-joining the workforce. Only a paltry 27% mothers return to work after hiatus, while only 16% achieve senior leadership roles. Demography is not the ultimate economic destiny, as the low and falling economic participation of women remains a red mark on India's otherwise laudable economic reform report card.

I would urge the youngsters present here today to capitalise on the opportunities that our country and the world presents, and contribute positively to the idea of an India that is inclusive, prosperous, robust, caring

and progressive. If you channelize your energies and efforts in building the nation and the world, you can potentially change face and outlook of our entire world. For a minute, just imagine the scenario where recruiting from a country of 1.3 billion skilled people can make our corporations champions, and selling to a country of 1.3 billion consumers can create wealth for all of us, and for the world.

It is time you realized your opportunity, power, role and your responsibility, and I personally believe that each one of you is capable of doing so. In fact, you all are a unique combination of progressive and "out of the box" thinkers. Go out there and be wholly experimental & entrepreneurial, be creative and take calculated risks – because, only with the full utilization of your talents, can the country and the world become a better place.

What we have today are the “global young Indians” who do not walk the narrow lanes of chronic biases based on language, region, gender, ethnicity, faith or any other exaggerated stereotypes or notion of glories. You are educated, confident, inclusive, professional and metropolitan. You have a craving to achieve pre-set goals to progress and live in a new India. This craving for transformation is replicated at every level and which will have an ever lasting impact on India's place in the world in the coming decades.

Additionally, one of the critical success factors is building and nurturing the “Brand Bharat” or “Brand India”, embedded with a value proposition that enshrines reliable quality, trust, innovation, sustainability and competitiveness. Let me reiterate that each and every one of you will play an important role in building “Brand Bharat”, because while you work towards it, you will in parallel, build your own individual brands.

Before I close, I would encourage you to also refer to the below shown six-pronged framework, which could assist you in achieving your goals and aspirations:

1. **PAP** : Align your Purpose, Aspirations & Passion; identify what 'sets you apart', and put your 100% behind it. Clearly share your strategic direction.

2. **CSS** : Balance 'culture' and 'structure' steering systems of your organization.
3. **EEG** : Empower, excite & galvanise your teams towards shared aspirations, using effective and open communication
4. **TTC** : Develop a mind-set of trust, transparency and collaborations.
5. **DIS** : Encourage diversity, habit of innovation & experimentation; disrupt the norm and constantly embrace holistic sustainability
6. **ToC** : Stay relevant to your customer and enhance value creation through co- creation- identify the weakest link, using the concept of 'theory of constraints' (ToC)

I am well aware that your generation of young Indians yearns for and has the appetite for global leadership. When I look at the young population across the globe, I see young Indians as cohorts of like-minded people and there is absolutely no reason why the world should not run by your rules.

You are amongst the country's best and brightest and, with the fast evolving new eco-system of growth and competitiveness, I have no doubt that you all will have an amazingly successful future.

Congratulations on your graduation and wish you 'only the best' in your upcoming endeavours!

Warmly,
Kamal

