

Confusion and Conviction

IIM Nagpur Convocation Speech

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Good Morning Director Murty, Board of Governors, happy teachers, graduating students of the 2 nd batch at IIM Nagpur, proud and doting parents, relatives and friends of the graduating class.

First of all, my personal Congratulations to each and every one of you, you are all proud recipients of your Business school degree today. This will go down as one of the sweetest moments of your personal and professional careers. Enjoy the moment.

I am also proud today since I was on the board of Governors of IIM Ahmedabad when the proposal to set up IIM Nagpur was discussed.

I am not going to talk about the economy or the next twenty years or tips to be a leader today. You have a lot of material that you can read on those subjects.

I title my speech today - 'Confusion and Conviction'.

People think confusion is a bad word. I would beg to differ. We get confused because we have to choose between two good options, we get confused because there is fresh information that begs our attention. The only way to deal with confusion is by developing clarity of thought and conviction.

The whole world is confused about change. Many predictions and forecasts have gone awry. There is confusion about the speed of change and the direction of change. We have new information at the speed of light. We are unable to classify information as black or white. We seem to have a lot of data but are not able to distil the data into actionable insights. No industry is immune to the digital tsunami. The size of a company is a guarantee of nothing in today's world. Many large companies that were classified as 'too big to fail' have failed in the last decade.

Some of you start as entrepreneurs. To the entrepreneurs in this batch, my salutations. You have courage in abundance to take this path. I was never confident enough to branch out as an entrepreneur even though I had some significant firms willing to back me with capital. Entrepreneurship is crucial for India and its impact on job creation is phenomenal. I wish the entrepreneurs in the batch the very best.

As you enter this world, you will seek clarity and conviction amidst the confusion. You will have your own doubts and with the wisdom of hind sight, I give you my point of view for your consideration.

First, I would ask you to prepare for the next five years and not worry about the next twenty. Things change too fast and hence any plan for the next twenty is likely to be off the mark. So, my first advise, take life in blocks of five years.

Second, when you start your job, you will be either noticed, not noticed or ignored. This depends on the firm, its culture, size etc. The only way to get noticed in the first two to three years at work is through high quality work. Any other way of being noticed or talked about is not valuable.

Third, the work place is different from college life at IIM Nagpur. In college, you choose your friends, you ignore others, you take subjects you want, reject other subjects, you attend the class you want to and pretty much are answerable to very few people. The workplace is different. You need to work with different types of people, you are answerable to many, you have to be on time, and you have to be part of the organization. The work place has far more discipline focus than the average business school. So, please get disciplined.

Coming to confusions,

Your first confusion will be about the workplace. The workplace is different from college life. As more and more young people come into the workforce, the climate is getting informal but policies are getting more formal about behavior at the workplace. You will be asking yourself whether you should be formal, informal or casual. When should you be formal? I would urge you to be formal in all external partner meetings and definitely be formal in all your dealings and use of language with the opposite gender. I remember distributors telling me that my company people were too casual and disrespectful as they were dressed in jeans and T shirts when they visited customers. You must have the conviction to be formal in your appearance but informal in

your behavior. I am always formally dressed for all important meetings. You must have the conviction that an informal style without discipline leads to a casual workplace. That leads to a chalta hai attitude, which is not helpful.

Your second confusion will be about your job. There are many dimensions to the job – quality of the job, should I take an operations job like sales or a staff job like finance or marketing, the relationship with the boss and colleagues on the team and finally the pay in the job. Job Quality is crucial. Job Quality is the sum total of the job you are doing and what you get paid for it. Never do a job which does not use your full talent even though it pays a lot more. I have seen many careers wither because they did lower order jobs in the early part of the career. You must have the conviction to have a job that stretches your capabilities and talent and not worry about the remuneration. The relationship with the boss and colleagues is important early in your career. Do not expect an understanding boss or a friendly boss. Bosses come in different shapes and with different intellectual bandwidth. Your role is to make the team and boss look good without being subservient to the boss. This will only happen if you have confidence in your abilities. Confidence in your abilities comes when you learn faster than everyone else. When you learn faster than everyone else, you will develop a teachable point of view. Have the conviction in your talent, be a lifelong student and a lifelong teacher. I try to read as much as I can and I do a minimum of one book a week.

The third confusion will be about ‘deserve and desire’. You will be asking yourself, when do I deserve what I desire? The

answer to this confusion lies in the means to the end. If you bridge the gap between desire and deserve through debt, then you will have to be careful. Debt is good for a company but bad for an individual, especially at the start of your career. Taking debt early in your career will make you take short term decisions like job switching etc. solely with the purpose of servicing the debt. These short-term decisions will hurt your long-term success. I am maybe the wrong person to say this since I have been debt free all my life. Being debt free gave me peace of mind and clarity to choose what I wanted to pursue in my career. Empirical evidence shows that you earn more after 40, so why change for a few thousand rupees early on? Being frugal over the next five years will only help you.

The fourth confusion you will have is about tenure in current job. Should I move quickly or should I stay in the same company? Jobs are not like shirts that you change every day. If you do, then you will run out of shirts. You should work in the best place that fuels your imagination on the subject of your passion. If you want to be the best finance person, then work in a company that is known for financial acumen and leadership in that space. There is no substitute to learning from giants of the industry. I was lucky that I learnt the craft and science of Marketing in Hindustan lever, the home then of the best marketeers. I am deeply grateful for that foundation. Next, I learnt leadership in Nokia, which was then one of the top 5 companies for grooming leaders. The leadership modules and practice were fundamental in shaping my leadership style. Never change a job for short term irritants like poor boss or poor pay or poor

colleagues. As you go through the next five years, there are three brands at play in your resume- the first is IIM Nagpur, the second is you and the third is the organization you work with. In the next five-year period, your brand is the weakest of the three brands and hence you will need to rely on the company brand more in this phase. So, if you are in a company that is helping you learn, then stay there and build your reputation. I am a product of the great companies that I worked in and hence my conviction.

The last question that will confuse you is about

relationships. I would recommend that you settle down in this five-year time frame. The thing you need to keep in mind is not the relationship but the person you commit to. All of you have ambition, all of you have high hopes and aspirations of your future, all of you will encounter stress. You need someone who understands you and can take a lot of these emotions. Having emotional anchors is fundamental to success. An emotional anchor is a person who understands your energy, your drive, and your pace. This is true for the boys in the class and truer for the girls in the class. All the women in my batch – Revathi, Asha, Arundhati, Anu, Indira, Ritu had excellent careers and managed both home and work beautifully. Revathi is today the CFO of the American Unit of Novartis. They are role models at their place of work today. The stereotype that the boy's career is more important than the girls career is not true for your generation. Your conviction has to be about managing two careers in the family successfully. There will be times when one person's career will look more promising than the others. You have to

have the conviction in debating it, judging it and resolving it to the best option between the two of you.

The last confusion you will have is about 'reputation'. Right or wrong, you carry a reputation at the end of your IIM Nagpur tenure- a reputation based on what your teachers and class mates think of you. You will start a new innings of a new reputation when you start work next month. You have to build your reputation on the values that you believe in and the values that your parents and teachers have instilled in you. To me a value is something you would die to defend.

A reputation should change for the better, never for the worse. If you have a good reputation, you will earn the trust of people who work with you, you will earn the good will of society, you will earn the respect of your teachers and you will have the undying faith of your parents. Your parents expect a lot out of you. Steven Smith, the Australian cricket captain who tried the 'chota short cut' said after the ball tampering incident – “before you do something, think of what your parents might say about it” Reputation does not have a price, it is intangible and is priceless. The reputation you will build over your career will be worth more than the money you earn, the money you save, the cars you own or the holidays you have taken. Have the conviction that building a good reputation is the safest and most fool proof way of achieving long term success and it starts with the first day of your first job.

Thank you 2 nd batch of IIM Nagpur. Before I end, I would urge you not to jump into the herd mentality and thinking, i.e. doing something for fear of missing out, comparing within

the batch to see who has the first promotion or the first car. These are meaningless comparisons in the long run since success in the long run depends on many other factors. Many young MBAs ask me if they should pursue a second MBA, my answer has always been a firm NO, you have a good degree, make the most of it.

Whenever you are confused with new information, reach out to your near and dear ones, they have your best interest at heart. Have a sounding board, seek a mentor. But resolve the confusion with conviction.

I will for my part watch and applaud your success from the sidelines. All the best....