



Address at  
**The Thirty-sixth Annual Convocation**  
of  
**Indian Institute of Management, Bangalore**

Delivered by

**Shri. Kapil Sibal**

Hon'ble Union Minister of  
Human Resource Development and  
Communications & Information Technology

on

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*Respected Mr. Mukesh Ambaniji, Prof. Pankaj Chandra, Honourable Members of the Board of Governors, Eminent Guests, Esteemed Faculty and Staff Members, Graduating students, their Parents, Families and Friends and my friends from the media*

1. Let me at the outset reflect on the significance of this moment. As we honour and celebrate the class of 2011, the event marks the happy realization of the dream of the graduands to secure a prestigious qualification of choice from an Institution, known for its global eminence and excellence. I know that all of you; graduates and family members and friends have worked hard to overcome many barriers to cherish this moment. I wish to acknowledge and thank your families, who have



gathered here to join in the celebration of your achievement. Many of you have made profound sacrifices to be here, both private and public. This day represents a milestone in your lives and its memories will be indelibly etched in your conscious mind. You are graduating from one of the finest management institutes in the world. A splendid future awaits you. You start tomorrow with great expectations. Celebrate and bask in this hour of glory.

2. Friends, we are living in very exciting times. The world has shrunk as never before. The process of globalization continues to transform the economic play field. Competitiveness in every facet of human activity is the key. The Indian Economy is booming. Never before have things been so good. When you reach my age, India will, if all goes well, have eliminated illiteracy, poverty and I dare say corruption. It will then rank among the top three economies of the world. Some of you will have climbed your way to the top of the then Fortune 500 companies, while others will have created them. Some will be charismatic political leaders, and some, learned university professors. A few of you will choose to dedicate your lives to helping others through social work or by bringing up a family. What is certain is that you will all face challenges for still greater changes than seen at present are in the offing. That is what makes life so exciting. You all have been provided with the requisite rigorous training to overcome these obstacles. Opportunities are awaiting you in abundance. Diverse avenues are open for you to explore and benefit from. But in doing so, we need to foresee change and change to remain relevant. Remember that the going may not always be easy. There will be hurdles and obstacles galore in

realizing your dreams. My first advice to you is to remain steadfast and committed to your dream. Do not get balked by the gravity of the challenges you encounter.

3. You may have been indoctrinated here that nearly, if not everything, depends upon management, whether it is the home, the corporation, the institution, the organization or for that matter even the nation. There is, however another view. And that is that when we reach the limits of analysis, management decisions have to be guided by an inner sense of what is right. This inner sense -- your moral compass or conscience -- cannot really be taught. In the final analysis, it is this that makes the difference between a competent manager and a great manager. I am sure all of you have the elements of that inner sense within you, and you alone have to make sure you nurture it and never allow it to be suppressed simply because you want to get ahead. As Dr. S. Radhakrishnan, India's first Vice-President and a noted scholar and philosopher had remarked: *"Education to be complete has to be humane; it should include not only the training of the intellect but the refinement of the heart and the disciplining of the soul"*. I thus firmly believe that all management has to begin from within and then expand to everything without.

4. One might also spend his entire life improving his pay packet or the CV and in the process lose touch with the "human" inside us. Dealing with success with humility is important but it is more difficult to deal successfully with failures. As a great manager you need to have the ability to manage failures because failures are part of the development process. The importance of a positive attitude is the biggest asset that one can possess. It gives positive energy to see problems becoming

challenges and challenges, in turn, getting converted into opportunities. There is a perception in some quarters that being cunning or manipulative pays in the corporate world. This is not true. Ultimately, it is your professionalism, skill, hard-work and ethics, which will take you ahead, far ahead.

5. My next message is thus related to integrity and ethics. We have witnessed in recent times the fall of once large and proud international and national corporations. This gives rise to serious questions about the practices in some of the best-known companies. Some of you may be headed towards careers in similar, national or international corporations and find yourself in a position to be pondering on doing the right, ethical thing in a controversial situation. Ethics apply, of course, equally to careers in government and with NGOs too. The truth is that the vast majority of employees are hard-working, honest and ethical people. It takes only a few unethical top managers to ruin the reputation of an organization. It is thus true that your career will probably never suffer if you remain silent or "go along" with the conventional view, especially when top managers hold this position. There is also no guarantee that speaking out against the prevailing opinion will not damage your future, particularly if you select the wrong time and place to make your case or if you do it poorly. But if you present a strong argument, and do it well, you know that you did the right thing and you will always be able to live with your actions-win or lose. Or as Thomas Paine wrote in the *Age of Reason*: "*It is necessary to the happiness of man that he be mentally faithful to himself.*"

6. As you know, more than I do that the world economy has undergone a process of profound restructuring. Great shifts, radical transformations have been shaping the economy and business environment in the last two to three decades. I believe that in the emerging new world order, you will need to leverage the wisdom of the crowd, if you want to tap into the creative genius of your entire organization and if you want to leverage the full capabilities of emergent intelligence, then you have to trust your people and you will have to get out of their way. The challenge is to move from being goal scorers promoting your own ideas to being facilitators, thus drawing solutions out of others and encouraging leadership in them. This is not an easy task. It calls for a subtle but profound change in your outlook and attitude.

7. You must also stop thinking about business as being "about" particular products, services or business models – i.e. fixed static value propositions. Innovations are the DNA of new businesses. Continuously generating such radically-new DNA and nurturing and growing new businesses based on it require capabilities, values, mindsets, leadership and management approaches that are fundamentally different from the ones practiced hitherto. This is so as leaders inspire and managers transact; leaders champion change while managers focus on efficient execution; leaders promote a better way and managers seek to make the best use of people in relation to a given goal. Consider Gandhiji, he was a leader for he didn't achieve results through a team of people reporting to him but by challenging the status quo. When as a manager you promote a new vision, seek to influence people to move in a new direction, show a better way, it is then that you will develop into a

leader from a manager. And we have here with us Mukeshji who has demonstrated this spirit in ample measure and shown how to be a great leader.

8. Also to survive in the new milieu, organizations will need radical innovators who are passionate about what they do, who are not afraid to rock the boat and make the difference that matters. Most innovative talent often consists of exceptional, maverick people who are iconoclasts, who break the mould and are often audacious misfits, somewhat uncomfortable to be around because their mission is to upset the existing order. They seldom make good organizational citizens in the conventional sense though paradoxically they are organizational members of great value. These people are also needed to understand the future, how to leap-frog the established thinking and how to keep the organization relevant to a very unknown future. I believe that a power shift is looming which will make such creative employees the 'idea leaders'. You as the future CEOs need to engage motivate and retain such iconoclasts.

9. Coming to 21st century Corporations, we all recognize that these are becoming global. But even then they need to find the right balance between global and local pressures. So while they are increasingly operating globally, successful companies of the 21<sup>st</sup> Century will be more aware than ever of the particular needs and sensitivities of local markets and societies. As manager - leaders you need to be sensitive to and aware of environmental and ethical issues. Global corporations exercise huge political influence owing to the common practice of financing political parties and campaigns. As a consequence the de facto, social contract has been

replaced with a corporate one, where those who provide the moneys dictate the direction of the governments' agenda and policies. This is now a reality in most parts of the world and is not a phenomenon confined to the developing world alone. It also includes developed countries. But in a true democracy, companies cannot ignore societies in any of the social spheres where they interact. This is because they are formed and managed by individual members of society, because their *raison d'être*, the accumulation of capital, is only possible due to the existence of these societies, which constitute their markets, and, especially, because their activities have a tridimensional impact on societies and their habitat. Consumers have become thus increasingly sensitive to the social responsibilities of companies from which they buy their goods and services. These trends have contributed to the pressure on companies to operate in an economically, socially, and environmentally responsible and sustainable manner. As budding management leaders you have to imbibe the spirit of corporate social responsibility by participating in societal activities- for instance- helping to enlarge the reach of literacy and education to the hitherto unreachd.

10. Friends, we all too frequently hear that India has the most favourable demographic profile, with 50% of our people below the median age of 25 and this advantage would remain so for the next 30 years. Yes, India will remain young at least for your working life. These demographic shifts in terms of income levels and cultural shifts, in terms of lifestyle aspirations are changing the profile of the Indian consumer. Today, the Indian consumer seeks to fulfill his or her aspirations at a younger age. Thus the multifaceted diversity, of Indian business culture, its social

milieu and ways of life, offers a multiplicity of new opportunities, to budding manager- leaders like you. This is of definite advantage in a globalized world. Indian managers are known to excel in bridging cultural distances successfully, to develop business approaches, achieve and maintain a global competitive edge through flexible responses, improvisation, creative innovation and tolerance.

11. India's record of rapid growth is merely a decade old and its reforms so far have been fairly easy – reaping the benefits of plucking low hanging fruit. The next generation of reforms is proving to be more difficult. Democratic institutions have to be built anew to address issues of education, health, urban management, technological development and innovation—and to lay deep legal, social and political foundations for sustaining sound policy making in the long-term. But we are faced with a dilemma. Such reforms generate benefits only in the long term, making them hard for politicians and policymakers to initiate and take forward. Yet without these reforms, policy measures to support sustained social and economic development will become less and less effective. In recognition of this challenge, the UPA Government has accorded inclusive growth as its greatest priority. A key element of our strategy for inclusive growth is to provide to the mass of our people access to basic facilities such as health, food, education, employment – as a 'right'. While in the short run these essential public services may appear to be purely welfare measures, in the longer run, I feel, they determine the empowerment of the masses and hence economic opportunities for the 'bottom of the pyramid'.



12. This brings me to the other diversities of India. Although, we are home to some of the richest amongst the world, yet almost 25% of Indians still earn less than Rs. 50 a day and many families can't afford even a proper meal. We have health and medical systems matching world standards on the one hand, and on the other, we have failed to provide primary health care in large parts of India. We have the best of higher, technical and managerial education, matching international standards, that you here have been privileged to receive, yet millions of children do not have access to even rudimentary primary education. There thus exists a great divide. We have one part of the nation that we call 'India' which is elite and prosperous. The other part 'Bharat' is comparatively poor and disempowered. As the celebrated management guru, late CK Prahalad had observed that, "India can and should actively shape the emerging world order" for he believed that India mattered enormously, not only to Indians but, to the entire humanity as well. India's success or failure in handling globalization, he felt, would in considerable measure write the narrative of the 21st century. Undoubtedly India's size, diversity, political system, culture and history make it different. Each country has its own claim to uniqueness. Thus, while learning from the successes and failures of others, we have to devise solutions and take actions that fit our particular ethos, endowments and circumstances.

13. Yes we are a country with large diversities in terms of religion, language, caste and income; yet we have a vibrant political system and a democracy where transfer of power through the ballot is smooth. We have a government machinery which is considered by many as bureaucratic, unresponsive, a drag and yet that is



capable of doing miraculous things such as, conducting general elections one of the biggest management exercises in the world! Don't let the 'fire in the belly' subside. 'Passion' makes the difference between an average and an outstanding performer.

14. I also believe that for you to succeed as an individual' it is necessary that the nation too succeeds in achieving 'inclusive' growth. You are a part of the most privileged class of the country and the country needs your contribution. What "India" would you like to be a part of? What role would you like to play in the process? When the right man is there in the right place, at the right time everything works – even if nothing else is there. Will you be that RIGHT person?

15. Dear graduands you are embarking on a most exciting journey in life. The world out there is fiercely competitive, but you should have no fear for you have been tempered by one of the most rigorous programmes in the world and are now ready to test your mettle in the field. Go out and conquer the world! Once again congratulations to all the graduating students. Good luck, and may you fulfill your dreams.

Thank you all