

57th Annual Convocation Speech by Mr. Kumar Mangalam Birla, Chairman, IIM Ahmedabad

13th April 2022

Good evening, everyone! Class of 2022, Falguni, Prof. Errol D'Souza, members of the faculty, ladies, and gentlemen. A very warm welcome to all of you.

It is wonderful to be back here on campus. The richness of human contact can never be replicated by virtual interactions. To witness the boundless energy of a graduating batch, in person, is truly unparalleled. And I am sure, even my virtual avatar, that handed out the convocation certificates last year, isn't complaining.

We are entering a high-tech and a high-touch world. And today, we have amidst us a distinguished alumna and an entrepreneur who knows more than a thing or two about this whole new world. Her entrepreneurial journey is now part of folklore. Falguni, in her own words, is an adventurer. And she has had a fair share of adventure. I am told that as many as 50 investors didn't find the idea of online beauty appealing when she had just started. I wonder what they have to say today.

She epitomizes the zeitgeist of our times. Through Nykaa, Falguni has trodden new paths and broken many myths. From innovating deeply and creating a new category to redefining the self-image of millions of women. From proving that online commerce can indeed be profitable, to demolishing the notion that startups are the preserve of 25-year-olds. I am told Falguni's pet indulgence is camping. Well, she has pitched her tent all right.

Welcome back to campus, Falguni.

Now, let me turn my attention to you - the class of 2022. My heartfelt congratulations to all of you on having earned the most coveted badge in India. And that too, under extra-ordinary circumstances.

This class has lived through arguably some of the most significant upheaval in the last few decades. Think about the world when you started this journey. A barrel of oil changed hands at minus 40 dollars. It's now hovering around 100 dollars. In the early days of the pandemic, a virtual gaming concert drew a record 27 million visitors. This was a teaser to the world of opportunities in the metaverse. When you started your MBA, few people had even heard of NFTs. And in just one quarter last year, the NFT trading volume surged to hit 10 billion dollars. I am told, a wedding in India got consecrated on an NFT. Last year, a Chinese livestreaming star

sold almost \$2 billion worth of goods in 12 hours, giving the world a lesson in social commerce. Interestingly, after years of playing catch-up to China, in 2021, India finally produced more unicorns than them. The unfortunate reality of the war in Ukraine is that a world that was getting back to normalcy post Covid is again being roiled by uncertainty.

But the consequence of all this dramatic change is also that old conventions are being shattered and new playbooks are being written. For 2 years, the world turned into a giant classroom. You have witnessed a world in turmoil and transition. And now you are ready to leave a lasting imprint.

As you head out into the business world, I want to leave you with 5 reflections.

Firstly, this isn't just another moment. This is a moment to seize.

We are at an exceptional juncture. The combination of readily available capital pumped in by governments around the world, and an organized system for dispersing it, has created record levels of investment in new businesses. Creative youngsters with ideas are now uniquely able to transform them into reality. Investment markets are better able to make bets on the future of these businesses 20 years out. On the other hand, software-as-a-service has democratized access to technology. This has made it possible for incumbent businesses to seriously contemplate digital transformations that was not part of regular discourse just a few years ago. When I graduated from business school, India had embarked on its liberalization journey, and I could smell the promise of opportunity in the air. Today, the breadth and depth of aspiration and energy that I see around me is truly inspiring and reminds me of those days. There may have never been a better time to be young and well qualified. The world is truly your canvas – regardless of which path you have chosen. This time, for the next few years, is one to experiment and build.

Second, as you look ahead remember, though, that you cannot hack your way to growth. With business and in your career.

We have all been enthralled by the stories of the one brilliant insight that changed the course of businesses. But the best businesses are not built just by genius and accidental ideas, but by the patient accumulation of deep user understanding and empathy. Sustained, long term growth comes from an approach not of “hacky” fixes but from working on a problem until you truly understand it.

The fundamentals of business building are perhaps now truer than ever. External circumstances will most certainly change ferociously over the coming few years. There will be many shiny opportunities that will come your way, tempting you with their ephemeral promises. This holds true as much in the context of your careers. It is important, therefore, to stay the course. Identify which problems and what type of people excite you and invest time in them both. Ride out the short-term froth.

A good guiding principle in your choices is to go where the energy takes you. This third reflection is best explained through a quote that hit my what's app feed this morning— “Stick with people who pull the magic out of you and not the madness.”

All of you no doubt aspires to be your best selves for which this institution has prepared you. You will be called upon not just to generate new ideas, or run operations, but to be true leaders of people.

I am often asked about my mantra of leadership – how do I run a complex conglomerate of businesses. At the core is the fact that I thrive off its energy. Leadership draws upon emotional, intellectual, and physical energy. Emotional energy is the ability to inspire people and encourage them to give their best selves to you. Intellectual energy comes from learning and accumulation of information and insights over time. Physical energy comes from taking care of yourself, and this is what enables everything else.

You will be in many situations where your ask of your fellow colleagues and teams goes beyond what can be justified by immediate rewards. They will have other options too. After all, this is a world that is abundant in choices. And yet, they will value you if you are a source of energy.

Fourth, for you to be a source of energy through ups and downs, you will need to find reserves of equanimity. And that is the stabilizer to your career speedboat.

What is Equanimity— neither being enamoured by what is new nor slave to the old; neither getting carried away by success nor being bogged down by failure. Neither being indecisive nor being closed-minded.

Fifth and finally, I would encourage you to find ways to give back.

The skills, tools, and talent that you are blessed with are a collective investment of the universe in you. The Kayanat, as one would say it in Hindi. Not everybody is blessed to have this kind of an endowment. And therefore, the universe has a legitimate claim on your success. Share your prosperity - it doesn't subtract. It multiplies.

Nowhere in the modern world has this been so beautifully woven together as India. An enduring bond with Mahatma Gandhi influenced my great grandfather, Mr. G D Birla to wholeheartedly embrace the socio-economic idea of trusteeship. A concept that imagines corporations as institutions of collective prosperity and not as emblems of capitalism. Promoters of enterprises, therefore, are not just owners but custodians of societal wealth. This was a nuanced reimagining of private enterprise as a force for good.

The pandemic has perhaps accentuated the underlying inequality in society. There are millions of talented youngsters who have not had the privilege of your platform. You have the opportunity to redefine giving back, not as charity, but by creating new enterprises and engines of growth. Embrace it.

Before I conclude, a shout-out to the entire faculty, ably led by Director Errol, who have had to literally go back to the drawing board and reimagine the way they teach in a new world. A world where *'you are on mute'* is often how we greet each other.

Class of 2022, I am sure that for each one of you, this has been a journey like no other. You will leave here with lasting bonds and relationships within your batch. And also imbued with the accumulated energy of the generations that have passed through these halls before you. This degree is more than just a stepping stone to corporate success. I am sure that in less than a decade from now, many of you will be rising stars on India's corporate firmament.

As you prepare for that future, I would exhort you to ask yourselves if you are ready for more. Are you prepared to weather storms to make it to the summit? Have you pitched your camps for the long haul? And have you found a way to give back in equal measure?

To borrow a few words from Kipling:

If you can dream — and not make dreams your master.

If you can think— and not make thoughts your aim;

If you can meet with Triumph and Disaster

And treat those two impostors just the same;

If you can make one heap of all your winnings

And risk it on one turn of pitch-and-toss,

*And lose, and start again at your beginnings
And never breathe a word about your loss;
If you can fill the unforgiving minute
With sixty seconds' worth of distance run,
Yours is the Earth and everything that's in it*

Thank you, and God speed.