



**Convocation address – IIM Ahmedabad**  
**Shri Kumar Mangalam Birla, Chairman, IIMA**  
**54<sup>th</sup> Annual Convocation, March 16, 2019**

---

Our Chief Guest, Professor Kaushik Basu, Director Prof Errol D'Souza, Distinguished members of the faculty, graduating students, proud parents, ladies & gentlemen - a very warm welcome to all of you.

Let me first of all thank our Chief Guest - Prof Kaushik Basu for being with us. He is one of India's most illustrious economists, and one whom I respect both for his depth of knowledge and his intellectual integrity. He is indeed 'An Economist in the real world', as his book so rightly captures. Unlike some economists who often complicate simple concepts and theories, Professor Basu is a master in not just development economics and game theory but also in 'everyday economics'. Only he can explain the concept of 'diminishing marginal utility' by using the example of newspapers and chocolates. Ever wondered why it is that Airports make newspapers and not chocolates freely available? Well, that's because in the case of newspaper, the utility of the second newspaper is virtually zero. Not so for chocolate. That's everyday economics from Prof. Basu, for you.

What's also striking about Prof. Basu is that he is as much at ease discussing econometrics as he is in sporting a Dorothy Parker T-shirt. He is not just a top-notch economist but also a doting grandfather. Welcome to the campus, Prof. Basu.

Now, let me turn my attention to you - The graduating class of 2019. My heartfelt congratulations to all of you for having earned the most coveted degree in India.

Over the last couple of years, I have had the opportunity of interacting with IIM Ahmedabad's Board, faculty and of course the students. I would say that every interaction has uplifted me and filled me with hope. I consider it a privilege to be chairing the Board of this iconic institution.

Dear Students, this is a day of celebration and hope. This is also a day of nostalgia. Think about how you reacted over two years ago when you figured that you had made it to IIM Ahmedabad. Who was there to share that priceless moment with you? Did it feel surreal? Sometimes in our quest for glory, we often forget where it all started. Today, is a good day to remember that.

For those of you wondering if this is the end, I am here to tell you, that it isn't. Your association with this institute transcends the two years you

have spent here. This is now a lifelong bond. Just like the friendships you have struck on campus.

Today, the Institute performs its most important annual ritual - Offering India its next generation of leaders. You are the reason; I am so optimistic about the future of this country.

Before I invite Prof. Basu to deliver the convocation address, I am going to use this opportunity to offer a few reflections on Leadership based on my experiences and learnings over the years.

These are simple Leadership lessons that I have followed and would encourage you to consider.

First up, THE COURAGE QUOTIENT (CQ): To succeed in today's fiercely competitive and disruptive landscape, you need to complement IQ and EQ with CQ. I call it the courage quotient. I actually came up with a business definition of courage while addressing my top management team, a few months ago. Simply said, to me *Courage is the ability to act decisively so that we can control change*. Change is perhaps the only constant in business, as in life. So, the one quality that I believe you need to have, to navigate change is courage. You need courage not just to take bold decisions but also to act on out of the box ideas. Courage is often

mistaken for bravado. To the contrary, I would argue that meticulous planning is the key to demonstrating courage. You need to plan your work, and work your plan to exhibit courage.

Business today is nothing short of a battle. And any battle-hardened veteran will tell you- Courage is what it takes.

Next up- GOD IS IN THE DETAILS: Having done well over 500 case studies in two years, I am sure all of you are well versed with the intricacies of business strategy. But do not romanticize strategy, like I did that as a fresh MBA. And, most definitely, do not make the mistake of taking only a *'helicopter view'* at the start of your career. In other words, pay attention to detail. Because along with the devil even the GOD rests in it. I wonder how many of you have heard this famous story of how Steve Jobs once called the engineer behind Google+ on a Sunday to discuss an urgent issue over the Google logo in the Phone. Apparently the second O in google didn't have the right yellow gradient. The second O. So, my advice to all of you would be- obsess over the detail as much as you would over the strategy.

My next reflection is a simple one- NO SHORTCUTS: As you embark on your career, remember that you will often be confronted with two choices. One of which will always be a shortcut. Tempting as it may be, never fall

for the trap. Sometimes you may want to give in, just as an exception, maybe because you are impatient for results. By doing so, you would have subconsciously given yourself the license to do it again. And before you realize, it could become a way of life. Look around and you will realize that the most successful business leaders have made it by the sheer dint of their hard work. Indra Nooyi worked midnight to 5 am as a receptionist to earn money while getting her Master's Degree at Yale. Jeff Immelt spent 34 years working 100 hours a week. Surely, they didn't believe in shortcuts. No matter how clichéd it may sound- There is no substitute to hard work. And, trust me, 20 years from now, when you look back at your memorable wins- none of them will be on account of a shortcut.

On to my next point then- HUMILITY EARNS RESPECT: Unlike the perception at times, I don't believe that success and humility need to have an inverse relationship. I'd argue that the more successful you are, the more important it is to stay humble and grounded. In fact, I would go to the extent of saying that the language of arrogance has diminishing returns today. The father of our great nation, Mahatma Gandhi captured the essence of humility so aptly when he once said *"Humility is not thinking less of yourself.... It is thinking of yourself less..."*

I do believe that ambition, power, money, fame should rest firmly on the shoulders of humility.

And finally, a learning on failure. FAILURE IS NOT FATAL: Failure is inevitable. If you don't fail, it perhaps means that you are not taking enough risks. However, it is the swiftness with which you react to failure that will determine whether it is a debilitating blow or a sobering lesson. I can't think of a more inspirational story than that of Alibaba's Jack Ma. I am not sure how many of you are aware that:

- Jack Ma failed in his primary examinations, not once but twice
- He was rejected by Harvard 10 times
- Out of 24 candidates, he was the only one turned away from a job in KFC.
- Before Alibaba, he attempted two different business ventures, failing at both.

Those were the list of his failures. And here's the list of his success:

He created Alibaba. Period.

The larger point I am trying to make is that we all fail. We all make mistakes. The key is to not be oblivious to the mistake. When you make a mistake you have three choices: You can be in denial, you can let it cripple you or you can acknowledge the error, take swift corrective action and learn from the mistake. The choice is yours.

I hope these thoughts help you prepare better for a tomorrow that's going to be exciting and challenging in equal measure. But alas, - tomorrow can wait. Today, after all, is not just another day. So, soak in the glory, allow the happiness to sink in and relive the wonderful memories, one more time. From the thrill of cracking a complex case way past midnight, to the unabashed joy of being a part of IIM-A's trademark 'tempo shouts'. I am sure it has been an exhilarating ride. Even as you relive that journey, don't forget to thank all those who have made it possible. Your parents - this is as much their moment, as it is yours. Your teachers - who have got the best out of you and, of course, this iconic institution that has given you such a head-start in your career, and in life. If you haven't already, you will realize it, come tomorrow. And speaking of tomorrow....

Well, tomorrow, I am betting on you.

Good luck and Godspeed.