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NAVIGATING A NEVER NORMAL WORLD

Presenter Govindraj Ethiraj: Hello and welcome! To quote well known analyst and financial writer Morgan Hausen, every new invention looks like a toy first. It took years for people to see the potential of an aircraft or even a car. At the time, they were really big problems that needed to be solved now, and the military as it happened was the home to these problems, like ending World War Two. So, we're fighting a different war now and this time it's against a virus. And the battles are being fought, not just for solving the medical problem, but it's also being fought for survival and change in large corporations, in midsize businesses, small companies, entrepreneurs, people and managers, quite literally in many cases for lives. Which brings us to **Navigating the Never Normal and Innovating the Never Normal**, the subject that we're going to be talking about today.

So how do we look ahead at this world, where clearly there's so much of uncertainty, and at the same time, we can perhaps use this opportunity to create and build new streams of innovation in a manner that can actually help us beyond just fighting the war that we are, as many people did many, many decades ago. To discuss this, I'm now joined by two fascinating people.

The first and I'm pleased to introduce is **Ravi Venkatesan**, the founder of **Social Venture Partners** in India, a pan-India network of philanthropists. He is also a partner at impact investor Unitus Ventures. He was earlier chairman of the Bank of Baroda, a board chairman of Infosys as co-chairman.

Prior to that he was chairman of Microsoft India and also chairman of Cummins India much before that. He's also served on the boards of Harvard Business School, AV Volvo, Bunge and Thermax and is a trustee of the Rockefeller foundation.

I'm also pleased to be joined by **Avnish Sabherwal** with **Accenture**. Avnish has a very interesting background. While presently at Accenture he's responsible for innovation, accelerators, investments and acquisitions, he has an army background and he's worked in some very interesting roles including as an aide-de-camp to the governor of Madhya Pradesh some years ago, and before that he was an officer in the Armored Corps.

So, thank you both for joining me, and Ravi, before I come to you, let's maybe try and bring in some statistical insight into what's been happening in the last six months, and Avnish, why don't you kick off, I think. We were talking earlier and you were saying that you know it's really in the last six months we've seen far more innovation, perhaps figuratively, or maybe even literally, than we have seen in six years.

Avnish: Sure, Govind. So, I think, you know, let me just open it up. So, if you look at COVID-19 pandemic, right, it's different than any other crisis we have seen earlier. And there are two reasons behind it. One, COVID-19 has created the largest ever massive change in human behavior at scale. So, I think three, four billion people changed behavior almost instantaneously, so that's the six nine or six to nine months I'm talking about.



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Second, this crisis is happening during exponential technology change, which is driving a completely whole new way of how do we put business. So, the combination of these two factors leads to a crisis that is not about cutting costs but rather a crisis about change innovation and pivoting to something new. Companies are looking to optimize processes and be efficient, but they're also aware of the need for re-invention and innovation. So, in our experience, in Accenture, COVID-19 has increased the gap between digital and innovation laggards and leaders. For example, cloud adoption is the key to business relevance today, right?

Organizations that have led through the crisis were able to pivot quickly since they were cloud adopters. So, accelerating the adoption of cloud is key to business resiliency and a part of the innovation agenda of organizations today. Now I'll give you an example of Accenture. This is a huge organization with more than 500,000 people, and almost overnight we had to enable 95% of our population to work from home. So, this is no mean, you know, small innovation which we went through in terms of business continuity, collaboration tools and whatnot. So that's a great example of how we innovated. But let's look at a completely different example in terms of what's happening in the vaccine space. The COVID-19 vaccine race has rapidly lifted some lower profile biotech companies into prominence, among these are Moderna, for example, Novavax and Inovio, most innovative vaccine development technologies. Moderna for example utilizes RNA. Inovio utilizes DNA with Electro quotation and Novavax uses nanoparticle based vaccine technologies. These new technologies have the potential to shake up the entire vaccine industry.

One particular attractive feature of these technologies is, that they have significantly shortened the development times of the vaccine. It used to take about 10 to 15 years for a vaccine to get developed. Now this is getting developed in almost a year as we talk about. That's another example of how innovation has been accelerated. And the third example I'd like to give you is about e-Commerce - companies and the customers like you and me, there has been an increase above 160% of people who have gone into e-Commerce either these were completely new consumers or low frequency users. So, I would just like to give these three statistics to get the ball rolling, that these kind of changes these kind of changes in the human behavior enabled by exponential technologies is why I say that the rate of innovation has significantly accelerated.

Govind: Ok! Good point to dive in. Ravi, so what has innovation meant to you in the past, what has it meant to you in the last six months - is there any difference in the way you viewed innovation or the way you're seeing it today?

Ravi: Yeah well, look, innovation is a big word. It's used in so many different ways. I think, Avnish's examples, to me, are some combination of adaptation and real innovation. To me, what he described around the vaccine development was a good example of the forefront of innovation in the world today. But a lot of what companies are doing, whether it's moving faster with the cloud or customers embracing e-commerce is not innovation. That's about adaptation, adoptions etc., so it means many many things.

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I know the world today is amazed at the level of innovation because you tend to think about oh look at all the stuff that's happening around AI or robotics or you know, gene editing and nanomaterials and so on so forth wow gee whiz, but in fact there's an interesting historical perspective which says, you know, that exciting as all this is, this is probably not the most innovative period in human history - just to present a contrarian view, not that one has to agree with it. So there's this economist called Robert Gordon and he wrote a beautiful book a couple of years ago called *The Rise and Fall of American Growth* and he looks at the period of nation building from 1870 to 1970 and then he of course does look at the more contemporary things. But, you know, it's interesting, because he says look if you walk into a house or a kitchen of 1950, you will find it recognizably the same as today. Yeah sure, there'll be some Alexa-based gadget that switches on your kettle or something which wasn't there but it's recognizable. You open the tap, you get clean drinking water. There's toilets, there's electricity, there's air conditioning, all these things. But if you compare a house between 1950 and 1900 it's like stepping into a whole new century. So the point is that, in fact, the innovations, inventions, progress of today, amazing though it is, pales into insignificance, according to many people, compared to what came in the first half of the 20th century. So just for the listeners, electricity, sanitation, drinking water, cars, aeroplanes, space flight, radio, television, antibiotics, these were life changing at a scale that was just very, very different. And even Peter Thiel, recently famous again because of Palantir and Facebook, says look, we were hoping to get flying taxis, we got 140 characters. So, it's interesting. I think it's worth looking at what's going on in this moment, exciting though it is,

from a historical perspective. And there many people, and I subscribe to that point of view, that in fact, there's a real problem right now with both the rate and nature of innovation. So, one of the things that's different between the first industrial revolution of Britain and then what happened in America over the last 150 years - 1850 to practically the turn of the century, is that innovation was very widespread, ok? It wasn't the preserve of an elite few. So if you look at some of the seminal inventions - who invented the steam engine James Watt, Robert Louis Stevenson of the locomotive, the guy who came up with the automated spinning wheel, Edison, even Steve Jobs, Isaac Singer, most of them were illiterate people from the most backward socio-economic backgrounds, and yet they came up with world changing inventions. So, the point is that it's not the preserve of somebody who went to IIT, Stanford and so forth. The second thing that's happening is too much of the best minds today, in computer science or anywhere else, are being applied to solve problems like how to hook you more to Twitter and Facebook, ok, rather than to solve existential problems of humanity whether it's the virus or whether it is coping with climate change and so forth. There's a real diversion of the best minds to really stupid problems. Point number 3 is, too much of invention and innovation today is being used to exploit rather than empower, ok? So, if you look at all those earlier inventions I talked about, electricity to sanitation to air conditioning, radio it wasn't exploited by one company which then you know it was extractive. They were very truly democratic innovations. And the fourth characteristic of innovation today when you compare to history which is truly disturbing is how concentrated firms are getting, globally, you know. People are worried about the dominance of the big – the FANGs and Microsoft

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and so forth. In India we're worried about Reliance, or at least, we should be, their dominance, and because this turns out to be a great dampener on innovation. So, all I wanted to say is, yeah, I think there's some truly exciting stuff that's happening and firms like Accenture helping companies and individuals do more in creative things, but when you look back at the whole big picture of history, I'd say this is neither the best time nor the most optimistic time.

Govind: Right, Ravi! So, let me now frame that question a little differently, then. So would you say that, you know, to go back to the Morgan Hausen example, we said ok, the World War Two there was a big problem right, there was war going on, there was Hitler, and Hitler had to be terminated, for which you needed a war machine which helped you do that, which included using the aircraft and so on. Today, we have, to use an instance, a virus, and we are applying a certain degree of mind and machine to go after it. Now, the nature of the problem today is only maybe defined by the virus, which also we can live with. So is it that we're not seeing too many problems, which in turn are triggering the levels of innovation that you're talking about, because maybe as an era we've entered a period of stable adoption, rather than full out or full blown innovation that we saw historically?

Ravi: Yeah well, look, when World War Two was happening. There was a clear and present and existential threat in the form of Hitler and his machine. And on the other hand, you had some of the greatest leaders like FDR and Churchill, who were mobilizing their nations to fight this existential threat. You compare that to today. Covid to me, while it's a big problem, is merely one tiny manifestation of a much bigger issue, which is that humans are not living in equilibrium with nature.

And that manifests in so many different ways. Covid is not the first pandemic of this century. It started with SARS and then there was something else and again this is going to be the one of many. But the real issue is we are at severe disequilibrium with nature and that is the existential crisis, and climate change is again one big manifestation of that. The fact that we've killed 70% of all wildlife since 1970, ok, since the time you and I were all young, is just astonishingly bad. And when we look at the core issue of that and say how are we mobilizing to face down that, so we can, you know, make necessary changes, it doesn't look like we're fighting a war. And the caliber of leadership on this side is simply nothing compared to the magnitude of the challenge. So, here we have all the resources and to have Avnish's point, lots of technology solutions, ok, to address these issues, but we don't have the human will, the collective will, the leadership to apply innovation in a very directed way and in a very urgent manner and that's the thing that bothers me.

Ganesh: So let me bring Avnish in. Avnish, one way you've interpreted the same dilemma, if I recall, is the challenge of deep technology innovation, you know, where you're doing something fundamentally radical, fundamentally new. So walk us through your own thoughts. I mean, if we were to pick up what Ravi is saying as a challenge and a challenge in our existing times, how would we then take it forward?

Avnish: No, I think, first of all, I totally agree with Ravi in terms of the point he's making on the scarcity of leadership. I think that's a very valid point and then we really, unfortunately, don't have the kind of leaders he was mentioning, but having said that, there are many leaders, especially the women leaders across the world, who have come up, and actually, this pandemic has brought them into the limelight.



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And they have shown that you can innovate and you can even lead the country through the crisis. So, I think, from our perspective or what I think is that the pandemic definitely has acted as a crisis which has led to acceleration in innovation. So if you look at different countries, they have also been over time motivated by different issues which have helped them motivate. Let's look at the example of Israel, which has frequently been quoted as one of the most innovative countries in the world. If you look at their innovation per GDP and all, it's probably one of the highest. But Israel, as we know, has always been motivated for basically survival. Survival has been their basic instinct, which has initiated innovation right into the Israel defence forces, where it all starts, and then it gets into universities, and then finally into startups, but it is the will to survive which makes Israel such a fascinating case study, with hardly any domestic market for innovation. So that was the point I was trying to say, that two things are happening simultaneously. One, whether we think Covid is a crisis or not a crisis, I think our world has changed, and our behaviors have changed. Certainly, my behavior has changed, if not anybody else's. But I think quite a lot of population have changed their ways, and I don't see them going back as well. A lot of these behaviors are there forever. And the second thing is, that based on these behaviors there are these exponential technologies which are allowing you to do things differently. That is the point I'm making, that the combination of these two factors is leading to (innovation) - whether you call it more innovations or inventions or you know modification, whatever you may call it, but that's what I'm coming to. For example, if you look at how retailers have pivoted, you know there are retailers who were completely offline, overnight they had to become online. Overnight, they are using technologies like AR, VR, AI. These are definitely innovations.

I think a lot of organizations, and because we work with a lot of them, before Covid, were sitting on the periphery of digital transformation. They were just putting their small little toe in the water and thinking, ok, you know, we'll do something. Somebody was coming up with an app. Somebody was doing something in productivity. Small, small little initiatives. What we have seen during the pandemic of the last nine or 10 months, all of these people have realized that if they have to survive, not only thrive but survive, they are going to go full fledged into digital transformation and innovation. They can't do things the way they used to do earlier. Those days of business as usual have gone, so they have to innovate. Now innovation, as Ravi said very correctly, is a broad term. You can have market making innovations, you can have sustaining innovations and you can have productivity or efficiency related innovations. They're not all in the same level. But if any of these are happening, I think that is a good thing because the pandemic along with exponential technologies have prompted the organizations to get into this room. Now yes, it's a start. There's still a long way to go, but we see quite a lot of difference in terms of how firms acted before Covid and what is happening now.

Ganesh: And Avnish, you gave a good example of Israel as a country that innovates for survival. Would you say that some of the companies that you speak to or even individuals are innovating for survival or are they innovating for competitiveness, and competitive edge?

Avnish: Well, as I said, if you look at different entities, (in) a lot of my startups with whom I work, a lot of innovation has been happening there. They have been making huge amounts of pivots, so the kind of pivots these startups have made, I'll give you a few examples, right.

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Buy More is one of our startups. Their product was basically an intelligent sales assistant. They pivoted to introduce something which is a work from home module for sales managers and sales executives. WYSA is another one, which is an AI based mental wellness chat bot. They added modules for managing stress and triggers during the Covid crisis. Similarly, if you look at Zomato, Swiggy, they started grocery delivery when restaurants were closed. So a lot of startup ecosystem have had innovate and pivot for surviving. Having said that, there are sections of the startups, specially in the health tech or edtech or some parts of fintech as well which are thriving as well and they are definitely innovating for them. but a lot of startups have had to innovate to actually just survive. Now if you look at the corporates as well, there are a significant amount of corporates which have had to change - those were the examples I was giving you earlier - that these organizations which were sitting on the periphery of either innovation or digital transformation had no choice but to embrace this full-fledged, and by saying full-fledged I mean that they are well into the game now and they are putting their money where their mouth is. So yes, some of them are definitely innovating for higher gains and for higher value, but a lot of them are doing just to be there in the game because if they don't do it some of them will actually not survive and they will not be seen. So just to give an example, I talk about digital transformation or exponential technologies and Covid adding fuel to that. Since the year 2000, 50% of the Fortune 500 companies have disappeared and there was no pandemic there that time. So this is a fact that organizations are getting disrupted in a big way and what I'm just saying is that pandemic has acted like a fuel to some of these organizations which were not ready, which were not technology enabled to make the pivot, unlike how some of the other organizations could.

Ganesh: Right, so Ravi, when you look at innovation – So I think you rightly pointed out some of the larger issues - you talked about climate change and in a way there's the question - who's going to innovate for that? Is it going to be a corporation, is it going to be a James Watt or his equivalent sitting somewhere in a village, in some country, or is it going to be a student, so we don't know. And when it comes to the challenges that we face today, which includes the pandemic, the people who are innovating or are at the front lines are those who have billions of dollars behind them as they should, and all the right incentives lined up. So, in that case, who does the innovation that this world really needs and is all innovation going to be confined to those who are solving their immediate problems, which includes that of survival?

Ravi: That's a very interesting question. I was just listening attentively to what Avnish was saying about Israel, about the way in which firms are responding, and first of all, you know, I agree with you wholeheartedly that firms are being challenged to adapt like never before, because it's existential. And so they do have to do all sorts of things ranging from conserving cash to on the other hand finding new opportunities like Zomato delivering groceries or somebody else making PPE or you know whatever and then the third bucket would be all the digital transformation both in terms of going to market in internal processes but to me this is very important because if they don't do it they won't survive. But it's what I call broadly adaptation, ok. What I would have hoped to see more is firms sort of using this opportunity to reflect and, as Rebecca Henderson of Harvard Business School says, re-imagine themselves because you get an opportunity once in a long time, even as one group is scrambling just to stay alive, to step back and reinvent yourself.

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I think Rebecca's new book, which is called Reimagining Capitalism - it's on the short list for the FT Mackenzie prize, it's worth reading or at least worth listening to Rebecca on YouTube, because she says look, capitalism is about to consume us, and we need to reinvent it so that it's more at equilibrium with environment and more just, ok, and this is not going to happen because Trump wills it so, or some Prime Minister Modi says so. The reinvention has to come from within. Firms of the sort that Avnish serves and works with have to use this opportunity to re-imagine that and there is very little of that sort of thing happening, which is a missed opportunity because one of the things Covid has done is hold a mirror up to everybody's face and say look at your life. Looking individually, how much jet setting around Avnish and I were doing - was that really necessary? How many hours we wasted in Bangalore traffic, was that essential? How many shirts and jackets did we have to buy - well, we seem to be doing perfectly fine without them. So this consumerism, is it necessary? So firms need to really think like a startup and say why do we exist, who do we want to serve, look at our business model not just for efficiency, but for sustainability and justice and all that. And I'm sorry I'm sounding more leftist than I used to! I met you 25 years ago, Govind, and then I wasn't speaking like this, but it bothers me, because all this exponential technologies that Avnish correctly alludes to, let's put it to use on something that really matches to humanity and matters for the firms. Look, this green economy that people are talking about is going to create the next trillion dollar companies. So we're not talking about just doing good. We're talking about real hard economic opportunities for firms to go for too. And you raise the question who's going to do it. Usually it's not established firms that do it.

You know, I think we were talking earlier - established firms are very good at one kind of innovation which is incremental or sustaining - lots of little, little things accumulating to something big over time. But the truly disruptive stuff of the kind that we need comes from startups. And so you need to see many, many more young people in particular going after these with a completely edgy mindset and lots of lateral thinking and that's what's so fabulous about the tiny country of Israel and the question is what will it take for, let's say India, since we're sitting here, to become a little bit more like Israel, in terms of the level of innovation and how widespread it is. Again, all the examples we talked are with what some firm is doing and usually these are well funded firms like startups which are venture backed or the larger established players. That's not where the most disruptive ideas come from - that comes from anywhere and everywhere by just people applying their minds and coming up with something pretty important and interesting. And yeah, I wish we can spend a few minutes exploring that aspect, which is how do you make it much more widespread rather than concentrated and elite.

Ganesh: Right, and we'll do that in a moment. Avnish, you know, linked to this is also the question about large corporations which Ravi also mentioned and how should they or could they be actually driving their innovation. So Ravi says that they do many little steps and over time it may add up to something big, but the other thing is that they could work with an external innovation environment or funded or integrate with it to produce maybe more dramatic and quicker results. Your thoughts...



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Avnish: Well, first of all, you know, I think Ravi absolutely pointed out to the right thing when you were asking the question who's going to innovate. I totally... I am a startup person myself, I think of myself more as a startup person than as an Accenture person, right? So I totally agree with that if you look at all the entities, whether it is government or whether it is public sector or whether it is corporates or you know, startups, I think it is the startups which are carrying the flag of innovation, right. And there is a compelling reason and urgency behind it. But I just like to - and I'll come to your question about how corporates can do it - but let me, because I'm a part of a corporate and am a consultant to a lot of corporates on innovation, let me deep dive a little bit in terms of why exactly are they not able to innovate right. Ravi said that they're probably not the people to innovate. Let me tell you, I have these things which I called polarities of innovation, right, and that's where a lot of these big corporates are stuck. So, the thing is that corporates want to behave like startups, right. That's what they want to do. Everybody wants to be agile, nimble, and they want to behave like a startup, but they get confused in these polarities. And let me give you a few examples of these polarities.

When you talk about startup, one of the things, or innovation, one of the things talked about is Tolerance to Failure, right? That ok, if you want to innovate and specially in a big corporate, you need to have tolerance to failure. But if you look at a lot of organizations they get confused with tolerance to failure or accepting underperformance, right? So, there is the scale which is from tolerance to failure and there on the other side basically they're ending up doing and appreciating underperformance and they don't know where the balance is. That's just one polarity which I'm talking about, right.

Second polarity is that if you want to be behaving like a startup, you need to be agile. But a lot of organizations don't know that agility does not have to come at the cost of pursuing excellence, right. And Accenture is a great example. We're a really reasonably agile organization but our tagline is High Performance, Delivered. We're not being agile at the expense of not showing excellence.

Third one which is a great polarity again, associated with startups, is Freedom to Experiment, right. So, the corporates need to give freedom for their employees to do experimentation. But does it come at the expense of deep expertise or will you keep on just doing experimentations, right. There has to be a value of deep expertise as well.

And then finally coming to your point encouraging internal innovation, a lot of organizations now are trying to encourage internal innovation, but is it at a cost of not invented here, right. And that is your point which you are talking about that the pace of innovation is so fast in the world that no organization including Accenture can innovate everything internally, and the sooner we realize and are aware of this situation, the better it is for all of us because the pace of innovation outside the organization will always be faster than inside the organization. Which means that an organization like Accenture or some of our clients have no option but to partner, invest or acquire these more disruptive agile startups so that they can provide the disruptiveness or the disruptive quotient of the innovation which is missing in our incremental or sustaining innovation, which we keep on doing. So that would be my response to that, that the DNA of a big corporate struggles with the polarities of innovation which I've just illustrated and to address them you have to work and partner with these.

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Now the only other thing I'd like to say is that a lot of organizations - and they're saying that they're doing it, but a lot of it is because they want to show it as a marketing or a branding exercise. They want to be the so-called innovators. They want to attract talent which is looking at whether these big corporates are working with startups or not but in the end they end up you know as a big branding exercise and we have stayed away from that our first focus is value creation and how do we come up with a win-win model for the startup for Accenture and for our clients and that's how we are different. But not partnering or working with startups is no longer an option for any corporate.

Ravi: Look, you just take a look at the car, right. The Model T came out in 1908, ok, and you look at 110 years. Cars of today are dramatically better in terms of everything – performance, fuel efficiency, comfort, safety and all that, but it's recognizably the same car - it's a box on four wheels with an internal combustion engine transferring power through a gearbox. We look at the three biggest inventions, innovations in the car industry - one is electric, one's self-driving, the third is ridesharing - all three came from startups, ok. You then look at companies that the world generally thinks of as innovative – Google, Facebook... After their first founding innovation, nothing has come from inside. So, Google came up with search, and then welded it to advertising, but after that DoubleClick, YouTube, Android, Nest, Waze, DeepMind, Motorola - every single thing has come through acquiring either a small team or a small company. Same thing is true of Facebook, same thing is true of Microsoft. Microsoft, last week, swallowed up a big gaming company, and that's because really successful firms recognize that they're good at one kind of thing and they don't try to become something that they cannot be.

And that's when they start working with startup ecosystems and innovators and so forth - there's no shame in that. What you have to do is just be good at playing a very different game. And so, I just wanted to underscore, emphasize what Avnish was saying. And look, my experience with large companies of the sort you talked about in the introduction says you can't make one into a different animal even though sometimes people try. And the whole point is that the polarity is actually between exploiting your existing advantages versus exploring and large firms are highly optimized for exploit and they are suboptimal for exploring and for that you better work with the ecosystem.

Ganesh: Right! That's a very useful point, Ravi. So, Avnish, let me come back to you. You know, another point is about, there is an ecosystem already in India which is going in a certain direction or a set of directions. Now, for whatever reason, they may not necessarily deliver what let's say society's overall entity needs, and that may not be their remit, because there they are going in the direction that their investors are asking them to go or investors think they should go, so is there need to direct this, number one. Number two, those organizations that maybe are not succeeding well enough, fast enough, is there a need to protect them in some way, or create some kind of circle of safety, and if so how do we do it?

Avnish: Oh absolutely! And I think, you know, if I take this conversation towards one of my favorite topics and we discussed that, Govind, as well, in terms of why there is not much or enough deep tech innovation coming out of India, right. What, for example, Israel is known for – So we have innovation but a lot of it is copycat innovation, which we have been doing

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and you know also that is why the startup ecosystem started with a lot of work in the B2C copycat models and we have evolved over time. But if you look at - and you know we constantly ask each other this question - every time I go to some panel or you know I'm asked from the audience - when will we see a Google coming out of India, right. Or when will we see a MobilEye you know coming out of India. MobilEye, by the way, was an Israeli startup which got bought by Intel for autonomous cars as Ravi was talking about. So I think that our ecosystem has a lot to take on that. While we are still an evolving ecosystem we take a lot of pride to say, we're the third largest startup ecosystem in the world - you will see every agency and government agency talking about that with a lot of pride, but if you peel down a little bit you know you see that the quality of the ecosystem is not at par, you know, with let's say a Silicon Valley or Israel or even Switzerland right, and there are reasons. So, you know, it's not that India has never innovated in terms of deep tech or in terms of good product innovation. I'll give you two specific examples where ecosystem failed. One is a product called Simputer, with some of you I'm sure, Ravi would have definitely heard of it. I think it was a collaboration between Indian Institute of Science and I think IIT Madras if I'm not wrong, but it was one of the IITs. It came much earlier than the iPhone, right, and in terms of functionality, in terms of even user experience and design, it was pretty ahead of its time but because of the lack of ecosystem innovation in India, it did not get the kind of visibility and the kind of reach, which you know, for example, iPhone got. So that's one example where ecosystem failed. The other one which I like to give is Reva. We keep on talking today about electric vehicles and immediately associate that with either Tesla or what is happening in China.

Nobody bothered about the innovation which Reva did, ok. It got bought out later, but had the government policies being supportive that time, had we got that infrastructure and the vision of where does, as Ravi was saying, that one of the three disruptors in automotive industry, one of them is EV - so we had that product as part of Reva but they were languishing on the side for years. So, I think, you know, that if the ecosystem does not support these kind of deep tech innovations and product innovations, then we will unfortunately never produce a Google or a MobilEye. We need patient investors and deep tech requires a long gestation cycle, right. So, if you look at Israel, two-three years the product is incubating in the army, then it gets incubated in the university and then it comes out. Nobody has that patience in India. The investors are looking for an ROI, you know, in the next one year or one and a half years. And there is a little bit of problem on the entrepreneur side as well, let me be very frank.

We are a country which is coming out of scarcity, you know, that is in our DNA. So, a lot of our startups and entrepreneurs also want a very fast exit, right, rather than spending time and developing the product for years. So I think it's two ways, but yes, it's an evolving ecosystem which needs to be much more supportive, if we need to come we need to have real innovation specially in product and deep tech coming out of India, which we keep on aspiring, but it doesn't come out.

Ganesh: Right, and the car one is a good example. I mean, having interacted and interviewed Chetan Maini over the years, I mean, he was always in the fringe. No one ever saw him as a disruptive innovator trying to do something which could radically change (the world) and in many ways he was ahead of -

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at least from my perception sitting here - of Tesla and the whole E-revolution that happened. So, we're running out of time as well. Let me get a couple of quick thoughts. Ravi, so you know you talked about Reimagining Capitalism as the title of the book but let's say if we're talking about reimagining innovation, in the context of what we've been talking about for so long, I think we acknowledge the role of innovation, we acknowledge the role of innovation that can fundamentally transform, particularly in the times of Covid, we acknowledge the role of how that can be done by large corporations and the examples that are there to see now particularly globally. How do we then reimagine and recast the way we look at innovation and innovation in - as we've called this series - in the never normal?

Ravi: Very interesting question, and for that again I'm gonna take you guys back to history. So, one of my mentors, gurus is a guy called Ned Phelps. Ned won the Nobel Prize for Economics in 2006 and is a very influential person in my life. And he looks at this very question, which is, why did Britain of the 18th century suddenly becomes so innovative and the industrial revolution started there and it completely broke away from the rest of Europe and rest of the world, and then the same thing happened in America in the late 19th and 20th centuries and now it's happening in China. What causes this kind of ignition, ok, in a society and he comes up with one of the most contrarian views, which is, it actually comes from the result of a societal shift in values. So what happens in these, he says, for reasons that people don't fully understand, they embraced what he calls modern values. What modern values? There is a widespread belief in people that they are responsible and more in charge of their own destiny rather than you know somebody else or the society or the state or something, and so they start taking small steps to improve their lives, which includes starting to tinker,

invent, start a little business, some of which becomes very big. Another one is risk taking, ok, and it goes hand in hand with what Avnish talked about - societal acceptance of failure. There's no shame in failing. So, unless a society embraces what he calls modern values, you don't see the spontaneous ignition of lots of people thinking about amazing possibilities. And in India, we've seen that happen, that shift happen, in a few cities - Bangalore for instance, or a Gurgaon, and to some extent the Mumbai Poona belt where, for instance, we don't think that a person's ability to invent. innovate is based on his caste, ok, or the fact it's a guy, not a girl or whatever. You know, if you walk around in Bangalore, nobody cares - they look at you based on what you do. So this sort of mindset shift is absolutely fundamental and it is completely missing in the discourse on either economic development or innovation, that's one thing. The second thing is education. So, one of the experiments we are running, with the government of Delhi, is fascinating, guys. We are working with the Delhi government in 1024 schools to run an entrepreneurship program which includes now seven and a half lakh children from grades nine through 12 and we teach them how to invent and start a business and that's done experientially, ok. Now, it's less than a year old, Covid hits, and it's amazing how many of them, you know, end up starting businesses to make masks, to repair something at home etc., so the point is the education that encourages this kind of thinking instead of let's go get a job to deliver packages or good work at Infosys if you're really smart, ok. And the final bit is the environment, the ecosystem, the ease of doing business - it is still horrendously difficult to do, to start a business in India - it doesn't matter which state you are in, so it's not a political statement. It is just super, super hard and you've got to make that easier, ok, and then the ecosystem bloody blah,

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but these are some of the things that we better be thinking about - it's value system, it is education, it is ecosystem.

Govind: Powerful points, Ravi. Avnish, as a closing point, let me take you back to your own past. You were in the army, you worked with the governor of Madhya Pradesh as an aide-de-camp and you took a radical career shift as well. You could have continued to be in the army, you became an aide-de-camp obviously because you were doing well before that. So, what made you take that shift?

Avnish: Interesting question! I was not expecting that! But it's a question which is asked a lot to me because they don't see too many people like me, ending up where I am, doing what I'm doing for Accenture. Most of us are in the security or admin jobs in big corporates. So I think, you know, I very quickly realized - and that's why I took premature retirement very early - is that I needed to reinvent, you know, I needed to reinvent myself and also complete my education. And the idea that, you know, army, I think a lot of things, a lot of traits especially around leadership skills which I use today can all be attributed to what I learned in the army, because there, people not only trust you with their careers but they trust you with their lives, and that kind of thing, that kind of leadership, cannot be taught through books. But this constant curiosity in me to know a wider world than just what the army was providing, was probably the need for me to reinvent myself and say, ok, you know I've done 10 years in the army, I've done many, many roles in that, but there's a bigger, wider world which I need to be part of. And then there was significant growth going on there. So one, I then left the army and went for my higher education and did my MBA, then continued working for IBM in London, but then again I reinvented myself

and came back to India, and that's not again something which a lot of people do at that point of time, but all the growth was happening in India at that point and I didn't want to be sitting in London and UK which was growing at 1% or 1 1/2% to what was happening in India so I relocated and back to India as well. So, I think this constant need for reinventing and embracing change before the change embraces you, is probably the reason I did that.

Ganesh: Right, and we've run out of time. Thank you both! I think both of you have showed over time how you've reinvented yourselves - Ravi, from manufacturing to technology to now building or helping build a startup ecosystem which feeds into the future and growth of this country and Avnish, your role in trying to supplement and work with large corporations and outside to nurture this ecosystem. Thank you both for joining me as we continue our series Innovating and Navigating the Never Normal.

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