



Q+A

Leading in the New Normal:
A Discussion with Natarajan
Chandrasekaran

Natarajan Chandrasekaran

Chairman, Tata Sons

N. Chandrasekaran, chairman of Tata Sons since 2017 and CEO of TCS from 2009 to 2017, oversees a global corporation with revenue of more than \$110 billion and businesses in steel, automotive, power, hotels and consulting and IT services, among others. He is also a board director of India's central bank (the Reserve Bank of India), chairman of the India Institute of Management Lucknow and president of the Court at the Indian Institute of Science Bengaluru.

Chandra (as he prefers to be called) has a clear and bold vision for India's future: as a nation that builds bridges between advanced technologies like artificial intelligence and people, rather than uses those technologies to eliminate jobs. "Instead of taking jobs away, AI can generate them. Instead of replacing workers, AI will assist them," Chandra and co-author Roopa Purushothaman assert in their 2019 book, *Bridgital Nation: Solving Technology's People Problem* (Penguin/Allen Lane). (Purushothaman is Tata Group's chief economist.)

In this Q&A, Chandra expanded on the ideas in the book, and what leaders around the world can do to meet today's most pressing challenges.

On Addressing India's Challenges in the Pandemic

TCS: *Much has happened since you published your book in 2019: a global pandemic and deep global economic downturn. The problems that you mentioned in India—access to resources such as health care and food, and good jobs—have, of course,*

worsened, as they have in every other nation affected by the COVID-19 virus. With so much of the country in turmoil, how does a company like Tata respond?

Chandra: The past year has no doubt been very challenging, but I have to say that it has also brought out the best of 'One Tata', as individuals and group companies came together to solve for critical gaps exposed by the pandemic.

A healthier India has long been an aspiration of ours, and COVID-19 gave added urgency to this mission. Tata scientists and employees have worked tirelessly to blunt the impact of the disease. We devoted aid, financial support and research capacity to the fight. Under the leadership of Mr. Ratan Tata [the chairman of Tata Trusts], we have committed over \$200 million to COVID-19 relief. Our employees have also, in their own capacity, contributed to various projects as well.

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Our COVID-19 response has been comprehensive—ranging from procuring equipment to producing ventilators and gathering vital public health data, Bridgital health platforms, increasing hospital capacity and providing meals, shelter and sustenance. Last

month we announced the roll out of our CRISPR COVID test, a pathbreaking testing technology developed in partnership with ICMR-IGIB.

This moment is, in many ways, akin to walking on a bridge. We are not yet sure what is on the other side. But this bridge is different because we are not passively waiting to see where we end up. We have a hand in building our destination. Above all else, I am most impressed with the deep collaboration exhibited by our people, underscored by Tata's legacy of putting community first.

On the “Bridgital” Approach to Solving India’s Economic Issues

TCS: *We imagine that you now believe even more strongly in the core message of your book: That India must use digital technology to transform the way the government, health care, education, business and other sectors operate, but do so in ways that create millions of new jobs—not automate and replace humans with machines.*

Chandra: For the coming decade to be India’s decade, we have to solve what I call our twin challenges: on the one hand, solving the access challenge to make services like health and education available to all; and on the other hand, jobs. In other words, India has an overwhelming demand for vital services, and an overwhelming supply of human capital. It just doesn’t know how to build a bridge between them.

I believe artificial intelligence (AI), the cloud, machine learning and the Internet of Things (IoT) can be that bridge. It’s an opportunity unlike any other we have had in the past to solve these challenges. To do this, it is mission-critical that AI and other

digital innovations are not designed for the elite, but instead for the common person. Our vision shouldn't just include software engineers and other white-collar workers, but farmers, teachers, doctors and truck drivers.

If we focus on solving our access challenges, it will create markets that haven't existed before; Along with establishing new markets, comes the creation of local jobs. In this way, Bridgital solutions address access while leading to more and better jobs. On my conservative estimate, we can positively impact thirty million jobs in the next few years. And most importantly, these jobs would be for low and mid-skilled workers, who can substantially benefit from technology that augments their roles.

COVID-19 has made the case for Bridgital more vividly than any book could. It has laid bare the shortcomings of our health service and put millions of jobs at risk. The twin challenges are no long-term structural problems. They are urgent crises that must be addressed now. At the same time, the pandemic has shown how far digital solutions can go in addressing access, while augmenting the work that—importantly—still needs to be carried out by people at the end of the day.

TCS: *How is this different from the ways that India tried to boost employment and provide critical services in the past?*

Chandra: Historically, we have always tried to solve access and jobs independently. For example, to boost employment, we would focus on boosting specific sectors—say, films or textiles—that were doing well, by tweaking regulations to promote job growth. To address access challenges we would undertake school and hospital building programs and try to graduate more doctors.

Now, we just do not have the time or resources to follow traditional

approaches. Think about how long it takes to graduate a doctor, or how expanding the pool of teachers has resulted in systemic quality challenges.

It is only now that technology-led approaches, at scale, are possible, providing answers to problems that just a few years ago may have been intractable. Here too, the approach to technology needs careful consideration. Not technology for technology's sake, but technology in context—applied in ways that make sense to people, and that can help increase the yield of India's existing human and physical resources.

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On Charting Strategies in Disruptive Times

TCS: *Over the last year, you've publicly talked about the importance of company leaders everywhere to think in terms of digital ecosystems rather than in conventional industry terms. One reason is to be better aware of digital startups. Yet digital disruptors such as Uber, Lyft and Airbnb have seen their revenue plummet in the downturn. Do you still believe ecosystem thinking is important?*

Chandra: I actually believe it is more important today. The pandemic has sparked breathtaking digital acceleration, in everything from ecommerce to health to schooling. The digital economy will unquestionably be the driver of the next decade. In turn, digital disruption involves reordering value from siloed industries into cross-cutting digital ecosystems.

This means understanding what ecosystems are emerging, and how best to capture value. For instance,

companies may need to be the anchor or a key player, or seed the ecosystem if it hasn't yet emerged.

Of course, there can be questions around the scope and fundamental profitability of these ecosystems. Though many of the startups mentioned have positive unit economics, their long-term profitability is still a question mark. While they will form and re-form as they face the challenges of the market, the underlying trend is here to stay.

On Leaders' Responsibilities in Trying Times

TCS: *People everywhere, in India and the rest of the world, are looking to their political, health care and other government leaders for hope and ways out of the crisis. How important is it for business leaders to do the same with their employees?*

Chandra: To me, this is part of the fundamental job description of a business leader—we need to provide clarity where there is chaos, hope when there is excessive pessimism and solutions, especially where there seem to be none.

Good leaders can consider times like this as periods to build on valuable reservoirs of trust, rather than draw down on them. What I mean by this, is that this is precisely the time in which we have to demonstrate resilience—in our case, say through reimagining supply chains; creativity and agility—launching our new medical and diagnostics business; and care—responding to our communities’ micro and macro needs.

The hardship of the pandemic has been tempered by heartening acts of collaboration and altruism. Companies, citizens and governments have come together in ways that, pre-pandemic, would have been hard to imagine. I hope this presages a new era of individuals and organizations more readily joining forces in pursuit of noble causes.

In the past, pandemics inspired progress in medicine, urban planning, architecture and countless other fields. I have no doubt that when we are done with this one, we will be looking at a world of tremendous change, and opportunity.