

THE  
**POLESTAR  
FOUNDATION**



**20th ANNUAL POLESTAR AWARDS  
WINNERS DOSSIER**

# 20th Annual PoleStar Awards

---

## Celebrating Excellence in Journalism

---

The PoleStar Awards recognize outstanding talent among Indian media professionals and celebrate stupendous contributions from media citizens who have acted as catalysts in disseminating quality information to the world.

The PoleStar Foundation conceptualized the PoleStar Awards, way back in 1998 to mark excellence in IT and Business Journalism and since 2017 has added the celebration of Good News Feature as well!

## BEST FEATURE IN TECHNOLOGY JOURNALISM



### Mr. Shyamanuja Das

---

Shyamanuja Das won the PoleStar Award for Technology feature for his article, ***'Decoding Digital Transformation In India'***, which appeared in ***CIO and Leader***

---

Shyamanuja Das has more than two decades of experience in business journalism and research. Starting his career with Voice & Data, a telecom publication, he went on to become the editor of Dataquest, India's oldest IT publication, which he ran for five years. Now, he runs multiple publications at 9.9 Group that includes CIO & Leader for the CIO community; IT NEXT for the next level IT leaders and CSO Forum for the enterprise information and cyber security professionals.

As a journalist, Shyamanuja has always focused on research and storytelling. Known for forecasting trends, he has studied and estimated size of many specific segments and sub-segments within Indian ICT industries for the first time. Besides technology journalism, Shyamanuja has championed data journalism from the days when the term was not even coined. He is the founder of DataJourno, a community platform for data journalists in India. He teaches data journalism in premier journalism schools in India.

<http://www.cioandleader.com/article/2018/04/19/decoding-digital-transformation-india>

## Decoding Digital Transformation In India

Presenting an exclusive study in five parts: Imperatives, outcomes, selection of the right model, role of tech in transformation and big trends

Shyamanuja Das

CIO and Leader | April 19, 2018



What the digital journeys of selected companies from three of India's largest groups – Tata, Mahindra & Mahindra and Vedanta/Sterlite — tell us about digital transformation in India.

### Presenting here the study in five parts:

- 1: Decoding Digital Transformation: The Imperatives
- 2: Decoding Digital Transformation: The Outcomes
- 3: Decoding Digital Transformation: Choosing The Right Model
- 4: Decoding Digital Transformation: Tech's Role in Transformation
- 5: Decoding Digital Transformation: The Big Trends

### Decoding Digital Transformation - 1: The Imperatives

The first in our series of understanding digital transformation in India, especially in the core sector...



Digital transformation is arguably the most used (abuse is also a use) catch-phrase of our times? All vendors—selling connectivity to anti-virus and all things in between—promise to enable your digital transformation journey, adding their bit of definition of 'real' digital transformation, in the process.

This continuous sermonizing on transformation—coming right from global think tanks to your local recruitment agency—inspired us to look beyond those gems of wisdom and get to the bottom of it, asking a simple question.

What exactly is happening in India as far as digital transformation is concerned? To be able to do justice, we focused only on core sectors—where the need for big scale transformation is more acute.

To ensure that we get into the depth, we decided to cut down on the breadth. We decided to restrict ourselves to just three of the large business groups in India who are strong players in businesses that have crying needs for technology-enabled transformation.

Those groups are Tata, Mahindra&Mahindra & Vedanta/Sterlite—three of the largest, most forward-looking businesses who have strong play in businesses that need significant transformation.

Within these groups too, we selected only those businesses that have a dire need for transformation. So, instead of a TCS or a Mahindra Holidays, we wanted to focus on the journeys at Tata Steel, a large manufacturing company and Mahindra Finance, which primarily operates in rural areas of India.

Here are the imperatives behind the digital transformation initiatives of these companies.

### The Imperatives

Why was this transformation necessary? And how is this round different from the past changes? After all, changing business processes is something businesses are not trying out for the first time!

“Applying technology to business needs has been done since ever...but what is happening today is – you can impact all the three layers, strategy, product and processes today which was not possible earlier,” says Sarajit Jha, Chief, Digital Value Acceleration at Tata Steel, one of the largest manufacturing companies in India and a leading steel company globally

Newer companies are, of course, in better positions to take full advantage of the new regime. And they are disrupting age-old business models. Earlier, an aggressive new challenger would look at taking away your market share; now, it can make your business irrelevant.

Adds Jha, “You rework your products/processes/strategy to remain relevant. If you don't, there is a large price to be paid. “Yesterday, it was excellence that was driving the change; today, it is survival.”

**Why Digital Transformation**

1. New digital technologies have gone beyond information flows and are now impacting hitherto untouched areas in business: manufacturing on one hand and decision making on the other—in the process not just creating tremendous low hanging fruits which are acting as hooks for companies but also blurring the boundaries between these layers in a business.
2. Newer challengers are in a better position to take advantage of this new proposition and are creating alternate business models (like platform-based businesses) that are shaking established models. The large companies need to transform to effectively thwart this challenge. It is a question of survival.
3. The global economy becoming increasingly collaborative and connected; it is difficult to remain isolated. Some have decided to be more proactive than others.
4. Rapid penetration of digital technologies among consumers is increasing expectation to be served across digital channels (even more important in a demographically young country like India).

These are the companies that have taken a proactive stance to be on top of that change, rather than being pushed to act.

That is what Dr Anand Agarwal, CEO, Sterlite Tech says quite unequivocally.

“We are dealing with telecom companies, social media companies, cities. And we see each of them is itching to transform—to become significantly different from what they are,” he says.

“We clearly realized that if we need to continue to be relevant in this ecosystem, for us to rapidly transform and create a lead and enable our ecosystem to transform is an obvious requirement. We have to transform and we have to drive this transformation that is taking place,” he adds.

Sterlite itself is changing its positioning from a cable manufacturer to an integrated telecom products and services company rapidly.

“To enable external transformation, we have to do a lot of internal transformation. And that is what we are driving,” he adds.

It was similar environmental changes that made Mahindra Finance take up transformation significantly. The company, that operates in rural India, was finding that the world was digitalizing and there was need for it to better customer experience not just by providing information and interactions over mobile phone, which by now has become ubiquitous, but also by bettering customer experience by cutting down on decision cycle time.

**Decoding Digital Transformation –2: The Outcomes**

In the first part of the series on digital transformation journey of Indian companies, we presented you with the imperatives that are driving the journey. In the second of the five part series, we present the outcomes that they are working towards through digital

When survival—of even a market leader—is threatened, you go back to the basics. And that is what businesses are doing with digital transformation—they are trying to DIRECTLY impact one of the three fundamental parameters for any business—growth

(scalability), profitability and sustainability of that profitable growth.



“It is simple. it was to maintain and retain our market leadership,” says Tina Singh, Chief Digital Officer at Mahindra &Mahindra, pointing to the desired outcome of the company’s digital transformation journey.

In Tata Steel, the identification of digital as the means is a little more explicit. “By 2020, we need to be an industry leader in manufacturing in the use of digital technology,” says Jha of Tata Steel.

But it does not always have to be a long-term change. In most manufacturing businesses, for example, application of digital can bring about some disruptive efficiency gains to processes hitherto untouched by IT—delivering two distinct immediate benefits—the stated objective of cost and the unstated (but often an important) objective of bringing in credibility of the exercise and buy-in from the old-timers. The latter could otherwise become the most daunting task in any change management program.

In addition to this immediately delivered benefit, digital enables clear visibility into areas that had relied on gut-feel often euphemistically called ‘experience’ of people. By collecting and analyzing data, digital converts that to a pure science from guess work.

In short, this is the essential of the famed industry 4.0 or 4th industrial revolution.

In Sterlite Copper—a group company of Vedanta Resources, which has initiated digital transformation in all its group companies—huge cost gains are a stated outcome.

“For large manufacturing companies like ours, the expectations from digital is around operations, maintenance and cost. If you reduce operations and maintenance cost by 10% or production cost by 5%, it is significant business value,” says Amitabh Mishra, Chief Digital Officer at Sterlite Copper.

“You can use digital to improve visibility of different components of production cost, such as manufacturing cost, cost of raw materials, cost of power and so on. Once you understand what contributes to cost, you can start reducing,” he adds.

In addition to cost gains, Sterlite Copper is looking at significant improvements in health, safety and environment. “We want to absolutely eliminate fatality. It is very important to us,” says Mishra, explaining the outcomes expected from digital journey.

Even for Mahindra Finance, CDO Tina Singh spells out the specific impact areas. They are:

- a. Streamlining by digitizing processes: efficiency/turnaround time leading to better customer experience
- b. Being able to use data to make better decisions; better respond to change and create new products and services
- c. Harness new tech at sector level (four companies in finance sector) for complete new models for new revenue streams

**Desired Outcomes**

1. Digital transformation is invariably driven by one or more company-level strategic goals, which roll into one or more of the three fundamentals of business growth, profitability and sustainability of that profitable growth.
2. The specific objectives and even the mission statements sound very different for companies because strategic priorities are different for each company.
3. Different companies are at different stages of journey. For some manufacturing companies, the desired outcome is to simply achieve those cost/efficiency gains in manufacturing through digital technology that IT has already achieved in service functions, such as finance, HR, supply chain, etc.
4. For some companies, digital is part of a larger transformation initiative.
5. One commonality is that everyone agrees at the end, the business gain (even if it is efficiency) will come from analyzing data and not just simple automation of tasks.

In Sterlite Technologies, which is going through a change in its positioning from a product manufacturer to a solution provider, the person driving the transformation is not called CDO. Nischal Gupta, who reports to CEO Dr Anand Agarwal, is the Chief Transformation Officer at Sterlite Tech.

Obviously, the transformation agenda for Sterlite Tech is broader and bigger. It starts with basic automation of hitherto non-automated processes to “building a sustainable way of doing business so that it can scale,” as Gupta puts it.

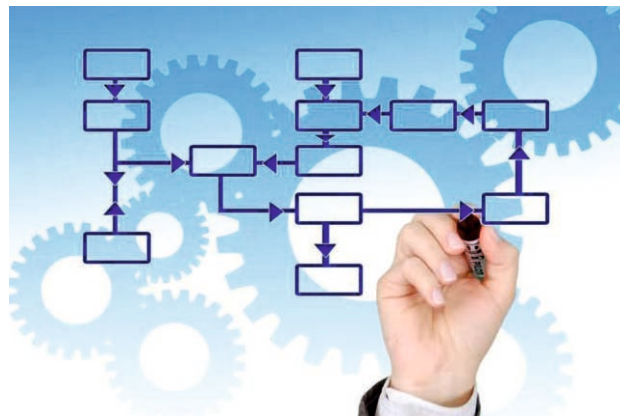
**Some of the changes needed to achieve that are:**

- To free up the minds of every leader to focus on value addition rather than getting stuck in the business as usual in the day-to-day basis
- To enable every leader to speak freely for desired outcomes
- To have a collaborative goal setting in the organization rather than a directive goal setting
- To ‘absorb’ the latest technologies to leverage them better
- Bringing in a process based thinking (“don’t postpone problems; balance the short-term and the long-term”)

What are the goals of your transformation journey?

**Decoding Digital Transformation - 3: Choosing The Right Model**

The first part of this series on digital transformation journey of Indian companies focused on the imperatives; the second part highlighted the outcomes that they are working towards through digital. In this third part, we present the approaches and models of the transformation journey



Digital transformation is not Newton’s Law. What it means to each company may be very different.

“Transformation,” says Nischal Gupta, Chief Transformation Officer of Sterlite Tech, “is a customized recipe for each organization.”

While there is a broad super list of common ingredients to choose from, the process of putting them all together could be very different. That is because there are so many business variables—the nature of business, the size of business, the starting point in terms of culture, the starting point in terms of technology, the outcomes expected. . .

**Hence, the models could vary significantly.**

Tata Steel, for example, looked at digital transformation as something that will change the way the company works. It was not about a quick couple of big impact projects in low-hanging areas. So, it decided to do two things simultaneously – on one hand, it slowly changed the DNA of the company to a digital DNA by a variety of initiatives and on the other, created exemplars by trying things out on the ground. This balanced the short-term and the long-term.

And the exemplars were not pilots. They were full-fledged transformation, albeit in a section of the business.

On the other hand, Mahindra Finance had to focus on building basic technology infrastructure in rural areas so that processes could be automated. That was too a company-wide change like Tata Steel, albeit the actual tasks were completely different. While Tata Steel focused right away on people and culture, Mahindra Finance had to build some of the fundamental building blocks.

In Sterlite Technologies, a larger transformation is underway with specifically identified components—IT, data science, process transformation—being driven by individuals but as part of a transformation team headed by a senior executive into which all these specific functions report to.

Another hotly debated issue when it comes to models is centralized versus decentralized models—whether to drive digital at the group level or at the individual company level. This is especially relevant in India (and much of Asia), because there are large number of conglomerates with diversified businesses.

Sudhir Singh Dungarpur, Partner and Leader Digital at PwC that consults many Indian conglomerates on their digital transformation, points to the model shifting to the decentralized model.

“In large groups, the Group Chief Digital Officer role has become more of a ceremonial position,” he says.

“In a conglomerate, each of the business is different and it is difficult to create a centralized strategy.”

“Some of these companies have already taken quite a few digital initiatives, while at the group level, it is still being defined,” says Dungarpur.

Agrees Maneesh Dube, Consultants at executive search and corporate advisory group Russel Reynolds, “Digital transformation is a hands-on job, not a hands-off one. So, doing it at group level is fairly difficult.”

#### Approaches

1. Most companies have a dedicated, senior person reporting to CEO driving the change. So, it is not an extra KRA for some executive.
2. In all cases, there is a team dedicated to the CDO/Head of transformation, but it is small. The idea is to change the way organization is working and not do things in a closed lab.
3. There is a clear move towards decentralized model.
4. A consultant can help but cannot do it for you.

The biggest testimony to the change is from Jaspreet Bindra, one of the first Group CDOs in India, who joined as SVP Digital Transformation at Mahindra & Mahindra way back in 2015 and helped the group companies in setting up their own digital teams and carry some pilots.

“Ultimately, it has to be done at the company level,” he agrees. Though he refused to confirm it, sources say he is moving out from the role.

However, Tata sons appointed a group CDO, Aarthi Subramanian, a business person with a tech background, who comes from TCS, less than a year back.

Vedanta, the last of the three groups we cover, despite a having a mandate at a group level to go for large scale digital transformation, never went for a group CDO. It appointed CDOs for each of the companies, almost at the same time frame. They do share some of the best practices and talk to each other, but work

separately, closely with the respective business heads.

Another thing that we hear from mid-sized companies is appointing a consultant to transform the company digitally. Larger companies have already learnt—some of them the hard way—that that is a impractical expectation.

“Companies realize that you cannot transform by help of an external consultant without the commitment of a full-time employee driving it,” says Amitabh Mishra of Sterlite Copper.

In case of Tata Steel, Accenture was a consultant but an internal person has been driving it.

#### Decoding Digital Transformation - 4: Tech's Role In Transformation

The first part of this series on digital transformation journey of Indian companies focused on the imperatives; the second part highlighted the outcomes that they are working towards through digital; the third part pointed out the approaches and models of the transformation journey. In this fourth part, we present the role of tech in the transformation journey



Tech is to digital transformation what the mantras are to a Hindu puja. Without it, the rest of the components are not possible; that explains why digital always precedes transformation, notwithstanding how much pains people take to explain that it is less about digital and more about transformation.

In short, these two mantras together sum up the role of tech in the digital transformation journey.

Mantra 1: Do not underestimate the value of tech

Mantra 2: Do not overestimate the value of tech

You cannot start with tech; tech cannot be your ultimate outcome. But it is the most crucial thing in between.

Let us put it this way. This is not the first-time businesses are going through a change. It has happened in the past, many times. But this time's change is not just powered, but to a great extent, initiated by tech.

When Klaus Schwab talks about the Fourth Industrial Revolution, he defines it as the fusion of physical, digital and biological. So, tech is fundamental to this round of changes.

The only thing that some experts—like Sudhir Singh Dungarpur of PwC—worry about is that much of the talk in many enterprises are still focused around tech. That is going to take you nowhere.

Nischal Gupta, Chief Transformation Officer at Sterlite Tech, while putting tech as a major factor, however, clarifies that it is probably the easiest part of the entire set of things that you need to do—starting with culture.

**Role of Tech in Digital Transformation**

1. The round of change called digital transformation is initiated by technology.
2. Tech is very crucial but should not hijack your digital transformation discourse—seems to be the most common message from both practitioners and advisors.
3. There's a definite shift from an inside-out to an outside-in approach in application of technology. You now need to scan the tech landscape to proactively figure out what technologies can potentially add value to your business.
4. AI/ML, IoT, analytics/Big Data and Blockchain are the technologies most referred to; usually applied in an integrated manner.
5. However, digital transformation may need any tech—from basic process automation to collaborative tools.

What gives a clue to the importance of tech is how the lingo has changed. Earlier tech was being 'applied' to solve business problems, implying you had a business requirement which tech helped fulfil. Today's common phrase is 'use case'. That implies that you need to continuously watch technology landscape to scan for new technologies that can 'potentially' impact the business and find use cases for them. This means technology first. To be sure, this must be part of a broader transformation journey.

Call it the outside-in regime, as opposed to the inside-out approach that we have traditionally seen.

So, what are the specific technologies? Well, depending on where you are, it could be any information technology, starting with basic process automation but newer technologies that are specifically referred to in the context of digital transformation are the usual suspects: Artificial Intelligence/Machine Learning, Analytics, IoT, Blockchain...and they are not always independent of each other. You never know where your IoT ends and analytics begins or machine learning takes over.

Sarajit Jha, Chief Digital Value Acceleration at Tata Steel simplifies it. "You need a very strong sensing layer; you need a data platform on top of that; you need analytics and then the decision on which products you want to change which is the business layer."

**Decoding Digital Transformation - 5: The Big Trends**

We have already presented specific aspects of digital transformation as it is panning out in India - imperatives, desired outcomes, models and role of tech. Today, we present the topline findings; the big trends

In the last four days, we have presented various importance points of debate in digital transformation as it is panning out in India, especially in the core sectors of Indian business. We have



discussed, based on our research, the following questions? (Please click on each question to go to the respective stories)

1. Why digital transformation?
2. What are the specific outcomes that businesses are looking for from digital transformation?
3. What are the various approaches of carrying it out?
4. What is the position of technology in the entire digital transformation journey?

Finally, it is time to highlight the topline findings; the big trends.

Some of them may have been discussed in the earlier parts but have been listed here again because we believe they are important trends that meaningfully define a contour of digital transformation in India, circa 2018.

1. Digital transformation is essentially an organizational change. In all organizations, digital transformation is a mandate from the top and aims to transform the entire organization. If it does not, it is not digital transformation. You may find people holding Chief Digital Officer designation who focus only on customer facing aspect (i.e digital marketing, customer service etc) or technology (process automation). They do not drive digital transformation of an organization. They just drive one digital initiative. Summary: not all CDOs drive digital transformation. How is that for a beginning?
2. Digital transformation rolls back into basic business metrics. All outcomes (often integrated into a mission statement) must have a direct path into one of the basic business metric—growth, profit, sustainability—and hence are measurable. Of course, there may be intermediate measures to track progress, but they are more of milestones than the destination. For example, in Sterlite Tech, one of the objectives is to “free up the minds of every leader to focus on value addition rather than getting stuck in the business as usual in the day to day basis”—and the objective is faster growth.
3. Digital transformation typically follows a cycle. Typically, digital transformation components follow a sequential pattern:
  - a. significant (often disruptive) efficiency improvement
  - b. better customer experience
  - c. newer products/services and



- d. better business decision making leading to agility and scalability.
- e. Creating new business models/platforms and ecosystems  
Often (b) is a direct result of (a) and sometimes, they are independent initiatives. In many services firms and newer companies, the first is already achieved by it and hence the journey begins at (b). Usually, (c) and (d) follow (a) and (b). For large companies—and not just in India—(e) is often a distant goalpost. Few have even gone to a stage where they can start planning for it seriously.
4. A top-level dedicated person must drive digital transformation. That is the current thinking. A digitalization initiative which delivers significant value to the company may be driven by a non-C-level person but a transformation cannot be achieved that way. Some argue that the role of CDO or head of transformation is temporary. The jury is out on that one. But that debate can wait. The current thinking is you need a dedicated person. That is about it. It cannot be an added KRA for someone.
5. Shifting to the decentralized model. In most large conglomerates, the digital transformation initiatives are at the individual company level. (See Choosing the Right Model)
6. It is a culture shift. 60-70% of digital transformation is actually bringing a culture shift, say some heads of transformation. “Shifting the mindset without replacing everyone,” is how it is explained. In Tata Steel, for example, it involved reverse mentoring, where some 16 senior executives got reverse mentored by new generation employees in digital!
7. At the end, it is a change management. People, Process, Technology—any change management has these three leavers and so has digital transformation. The prefix digital just emphasizes the fact that it has been initiated by a fundamental change in technology’s capability.
8. It is not enough to do good work; one must talk about it. That is a mantra that iconic chairman of American ICT regulator FCC Reed Hundt often repeated. Communications is an important aspect of any transformation journey and digital transformation is no exception. Branded programs do help. Tata Steel had every aspect of it branded, including the key program and even filters.
9. Technology’s impact this time is beyond processes. Technology has been applied to achieve dramatic gains in efficiency. This time, it is impacting changes to all the three layers, strategy, process and product.
10. Some technologies are more equal than others. Thanks to the buzz around sensing (IoT) in the context of the Fourth Industrial Revolution and the sci-fi kind of stories around AI/Machine Learning, they may be getting all the limelight as far as tech is concerned, but it is the good old cloud model that started this change becoming a reality in many ways.
11. It is essentially a game of data. Take out data out of it—it will look like another automation exercise. In manufacturing, for example, SCADA and other ICT-based systems in an isolated manner have been there since long, delivering great

functionality. But now, they feed data into the enterprise systems and that makes all the difference. From customer experience to new efficiency, from better planning to risk management...it is data that is crucial to a digital transformation. Without a solid data and analytics strategy, digital change is tactical.

12. Design thinking is the emerging catch phrase. In the context of digital transformation, design thinking is emerging as an essential requirement. Most of the digital leaders we spoke to mentioned it either in the context of organizational requirement or as one of the essential capabilities of an executive driving digital transformation.
13. Culture change top challenge, tech is the easiest. Almost everyone agrees that culture shift is the biggest challenge; technology is the easiest one to tame.
14. Use-case, not application of tech: the shift to Outside-in. Traditionally, tech has been applied to solve an existing business problem/requirement. In the digital era, where the transformation is essentially digital leveraged, it is the other way around. Look for new tech, quickly gauge if it has a scope to make big changes to your business, articulate that and convince the top management of the value that it can add to your business. ‘How’ has a fancy name: use case. So, in that sense, it is technology first. You can call it an outside-in regime. What it also means is tech becomes one more thing that any senior executive (not just one person) must follow in a transformed organization and continuously think of how it can improve the company, the function, the business unit.
15. The role of enterprise IT is important but rarely does it drive transformation. Why do so few CIOs drive digital transformation? This question often is interpreted as: What do CIOs lack? While the second question can be answered, that is a smaller reason, if at all. For example, their way of looking inside-out: too much focus on problem solving (the problem must be stated by someone else) than the ability to draw on blank canvas. That may be true to some extent but the big reason is something else.

That is the unwillingness of the CIOs themselves. Sounds strange. Here is how it pans out. Most CIOs, who are otherwise quite capable of driving digital transformation are denied that opportunity are keen to do so without giving up their CIO’s role, which includes everything from infrastructure (the big-budget technology) to applications.

That is a clear no-no for any organization serious about digital transformation. Digital transformation is not a KRA. It is the single-most important initiative for an organization choosing that path. It cannot be handled along with datacenter rollout.

In some organizations, CIOs are given this designation. They are either just fancy designation or are in tech-mature organizations like IT-ITES or other B2B services where transformation is around a specific aspect. More importantly, culture change is not part of the transformation journey.

In many organizations (like most Vedanta companies), the CDOs are techies but do not directly look after traditional IT. In Sterlite Copper, for example, Head of IT reports to the CDO.

The PoleStar Foundation  
e-mail: [polestarfoundation@gmail.com](mailto:polestarfoundation@gmail.com)  
[www.polestar-foundation.org](http://www.polestar-foundation.org)

Follow us: [@polestarawards](https://www.instagram.com/polestarawards)  
[facebook.com/PoleStarAwards](https://www.facebook.com/PoleStarAwards)

For further information, contact:  
Divya Narayanan - +91 9500168543