

**Managing the Risks of Globalization: Azim Premji
ET Annual Awards – CEO Round Table; 3 Oct 2007**

Ladies and gentlemen, Good Evening

Managing the risks of globalization is a very complex and very deep issue. I am not sure how qualified I am to comment on this topic, possibly erudite economists or statesmen are much more qualified.

I shall just talk from my experience, about three points, which I consider crucial in the context of managing globalization and its risks.

First, the fierce competition of globalization delivers better and cheaper services and goods to the common man. Once the common man gets a taste of this improvement in life it is impossible to deny it to him. So politicians and business people must accept and drive globalization completely – otherwise we will sow seeds of social unrest.

Second, globalization must reflect in the percentage of leaders and employees in our organization – not just in revenue numbers. If we are Global organizations – we must have leadership teams reflecting that global nature. Otherwise we are creating organizations which are divorced from our own real world, with all its attendant risks.

Third, there is absolutely no advantage in a globalized world that lasts forever. Cost advantage, resource availability, better Quality are all advantages that vanish quickly. The only thing that can last is a continuous search for new business models and the Innovative ability to make it happen.

I am sure there are many other important factors in the context of this topic. The three that I have listed are very crucial from my own experience.

Thank you