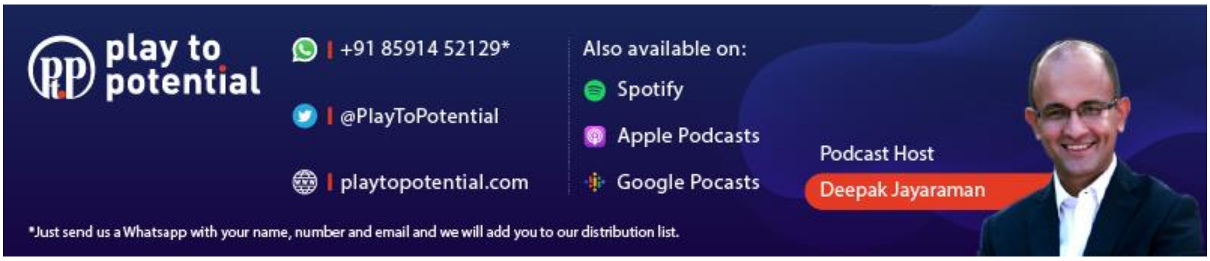


## Guest

Ashish Dhawan is the Founder and Chairman of Central Square Foundation (CSF) and Ashoka University. He worked for twenty years in the investment management business and ran one of India's leading private equity funds, ChrysCapital. In June 2012, he left his full time role at ChrysCapital to focus on philanthropic work in education. Ashish is an MBA with distinction from Harvard University and a dual bachelor's (BS/BA) holder with Magna Cum Laude honours from Yale University. Central Square Foundation works on system reform in school education in India. The foundation has 60 team members who work on grant making, research, and policy reform and policy implementation. Ashoka University is a new liberal arts institution that aspire to transform higher education in India. In our conversation, we spoke about how Ashish set markers for himself at 30 (to become an entrepreneur) and 45 (to move towards social impact) and has made choices in line with those markers. We also speak about the various pathways he considered when he chose to move on from ChrysCapital to the Social Impact world. He also shares about the challenges involved in the Social Sector and how individuals transitioning to this sector should listen and understand the nuances before trying to jump into action.

## Context to the conversation

Welcome to the 65th conversation at the Play to Potential Podcast. I am your host Deepak Jayaraman and I work with leaders as an Executive Coach, Sounding Board or as a Transition Advisor as they navigate their journeys. The two questions I try and help leaders with are "Where to go" and "how to grow". I find that these two questions are quite parallel to the two questions businesses need to ask in the context of their strategy – where to play and how to win. In this podcast series, we feature conversations from leaders from different walks of life on three themes - leadership, transitions and careers.

My guest this time is Ashish Dhawan. Ashish is an alumnus of Yale University, has an MBA with Distinction from Harvard Business School. After a 2 year stint at Goldman Sachs, he founded ChrysCapital, one of India's leading Private Equity funds. He left that on a high short of his 45th birthday and over the last 5+ years, has immersed himself in reforming the space of education. He is the of Central Square Foundation, a philanthropic fund and policy think tank focused on transforming the quality of school education in India by making early and growth stage grants to education-focused NGOs and by conducting research on critical issues facing India's education system. He is also one of the driving forces behind Ashoka University, India's first Liberal Arts University. Just to name a couple of his contributions in this space.

Ashish speaks about how he had markers for himself at 30 and 45, which I found extremely interesting. At 30, he wanted to turn entrepreneur and at 45 he wanted to move from the corporate world to the world of Social Impact. And as it turned out at 30 he started ChrysCapital despite a lucrative career at Goldman Sachs and subsequently transitioned to the Social Impact world way ahead of his 45th birthday.

Without further ado, let's listen and learn from Ashish Dhawan.

## Transcription

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Deepak Jayaraman (DJ): Ashish, thank you so much for making the time. Excited to have you at the Play to Potential podcast.

Ashish Dhawan (AD): It's great to be here Deepak.

DJ: Maybe just to kick things off, Ashish, as I was researching for this conversation, I pick up the fact that you enjoyed teaching math to kids as you were growing up. You talk about teaching the 7th graders when you were in the 11th grade and you also mention saying this to your mom and she telling you all this is great, but now just focus on excelling in your journey. It's interesting that you have sort of come back to education after all the twists and turns. I would love to maybe start with your early years Ashish, as you look at your journey from where you stand right now. Talk to us a little bit about maybe some of those formative experiences which played a role in setting you up for life.

AD: Yeah, so I went to school in Calcutta. My parents were living there at that point. I was in St. Xavier's and I would say I was an average student and then somewhere I think around the 8th or 9th grade, I understood that academics is really important to get into a good college and set you up for success in life, at least the work life. So, I then started to do well academically thereafter. Math was always my favourite subject; it's something I enjoy, and I was a math science student in 11th and 12th grade. And, I think, like a lot of typical students at that time there weren't that many distractions other than playing sports and participating in school extracurricular activities, I mean, I was a reasonably good sort of all-rounder in that sense. Other than that, there were no distractions with TV or video games or social media. So, I think spent a lot of time studying particularly in the later grades and did well academically. The math thing that you refer to in 11th grade was I switched schools and went to a school called St James' and there was a principal there John Mason who was quite charismatic and he came up with this idea that get a few students from the senior-most grades to go to middle school and just do a class and see what it's like and can we be more innovative, can we inspire the younger ones a little bit. I had a grandfather, my nanaji, who was a math polymath… he was a polymath is the way I would describe him, I mean, he was nearly many different disciplines but he was a self-taught mathematician. He had taught me math at a young age, but more importantly made it really fun and taught me a lot of mental math as well. And so, I did that in this middle school classroom and I think the students enjoyed, and I think when you are teaching, what gives you confidence is when you see the students are really having fun, when they are learning, when something, some magic is happening in the classroom and I could see that. And so, I think, I felt like that was my calling and I remember running back home and talking to my mom about it. My mom is very pragmatic, and she was the one, the driving force, at that stage of my life, the one who pushed me academically, she is the one who said, listen, you get into Harvard, Yale or Princeton, you can go abroad otherwise you keep studying and go to IIT here if you can get in. So, she basically said listen, that's fine, there's another day for that but right now focus on getting into the right college and making money and setting yourself up for life. So, I think I was a fairly typical kid in that sense, I mean, I didn't have a sense of a clear sense of direction to be honest, I was very focused on the near term, I was studying for the IITs through correspondence courses and stuff like that and at the same time I gave the U.S. a shot. I happened to apply early to Yale and I got in. And so, that put me on a slightly different trajectory from most of my classmates because at that time most people weren't going to the U.S. for undergrad but it wasn't clear to me when I entered Yale where I was going to end up. I guess, I was inspired a little bit, my dad is a corporate guy and I could see… so I had some insight into the upper echelons of the corporate world in India, and I could see myself getting into the corporate world and somehow banking appealed to me, finance because it's mathematically oriented appealed to me, but other than that I didn't know much to be honest.

DJ: Got it. I think moving forward in one of the other conversations, one of the things you said really struck a chord with me. You talk about having markers in your head when you were at Harvard Business School, you said, you talk about the fact that you told yourself I will turn entrepreneur when I am 30; I will turn a philanthropist when I am 45 and so on. But before we speak about these specific markers you set for yourself, talk to us a little bit about this concept, may be elaborate a little bit on how it worked in your head and maybe also as you look forward, how do you think about these markers as you think about your journey as you look ahead?

AD: Yeah, so, I think, it came from my reading in a sense and I have always believed in having role models, both big and small; small one being more friends who you interact with every day, they are like mini role models where there's one thing they do much better than you or much better than everybody else and you can learn from them and then there are the sort of bigger role models who inspire you and provide you with some direction. And one of my role models always was Benjamin Franklin. I mean, when I read his autobiography I was sort of naturally attracted to him, because he was a largely self-taught person, he was in business, ran a printing shop for many years but had multiple interests and really then cultivated those interests later in life, had a second career outside of business, was a scientist, was obviously father of the constitution, so had a political life to some extent and contributed towards nation-building but also had sort of other esoteric interests, he was one of the founders of the University of Pennsylvania, he was the founder of the American Philosophical Society. So, again, as I mentioned earlier, my grandfather was somewhat of a polymath and had multiple interests. He wrote Urdu poetry and loved math and still did math on the side even as he ran a business and, on the side, he ran a chain of schools which was his sort of philanthropic endeavour or his love for education. So, I think this idea, I think, from maybe these two individuals: one close to me in flesh and blood and one who I had read about and I was very inspired by, you know, this idea got set in my head that maybe I don't need to be fixated. I saw my dad, my dad was like a journey, and you know, company man. One of those Japanese company journeymen, you know, he worked, he is a chartered accountant and then he worked for the same company for 25+ years and then worked with one other individual for the rest remaining years of his productive life. And I know a lot of people switch jobs today, but they really are sort of doing more of the same thing going forward in a sense running the rat race on the treadmill and I thought that maybe being inspired by these individuals Ben Franklin and my grandfather that having multiple careers would be more exciting, it would push you to get outside your comfort zone, to challenge yourself again, put you on a new trajectory, rejuvenate you. And so, I think these markers were helpful because I think you need a minimum of 10 to 15 years to achieve something in one career, and I am fairly achievement-oriented, and so, I was finishing business school when I was about 28-years-old. So, 30 was the natural first marker because I had worked a couple of jobs before business school, I was going to work one more but I was very clear that I wanted to be an entrepreneur. So, by setting a marker at 30, it forced me while I was at Harvard Business School to start actually working on my new venture which was a private equity fund and doing things, I found my partner there, I started preparing, building the network etc. And then because I had a marker at 45, even though I was in a corporate job, I was running this private equity fund, I started cultivating these other interests, I started sitting on a couple of other non-profit boards when I was in my mid-30s and then by the time I was 40, I had already started thinking very seriously and made the decision and then actually by 42-43, I managed to exit the corporate world. So, I think, having this big role model but also having a sense that it takes at least 10-15 years to make a meaningful contribution, that's how I came up with these markers in a sense.

DJ: Got it. And maybe just going back to the point you made about the self-assessment or self-awareness that you are entrepreneurial and I can imagine coming out of Harvard, the opportunity cost was quite high, right, in terms of the kind of placements in the companies that come on campus. So, could you expand on that, where did that hunch come from that you are sort of entrepreneurial in orientation?

AD: Yeah, I think, again it's a lot of what maybe people said to me and maybe partly the confidence I got when I was at Harvard Business School. So, as I mentioned my dad was a company man and so looking at him the natural thing to do would have been go join a big company and stick with it for a while or at least stay in that universe for a long period of time. It would have been a good… it's actually low risk in a sense.

DJ: Right

AD: My grandfather on the other hand was a hell of a risk taker and that generation anyway had to deal with losing everything in what is now Pakistan and moving to India and so there was a whole different element of risk in that and dealing with adversity and stuff, which I heard about when I was younger. And then, my second job after undergrad but before business school was at a private equity fund actually called MDC and the founder George McCown had been to Stanford undergrad and Harvard Business School, 35 years older than me, but he took a real liking to me. I mean, I was a young guy at the firm and it turned out that he was an Indophile and it's interesting we made a three-week trip to Asia, we were raising a new fund and we said, let's try to get some Asian investors. This was very early days; I joined them in late 1993, so this was in late 1994 that we made this trip. And we spent a week in India and I introduced him to a few people through my dad and George ended up giving an interview to a couple of magazines, Business India, and in one of the newspapers and in that he sort of casually mentioned, he never told me about it, that hey, you know, we have this young bright star Ashish who works with me and by the way he is thinking about going to business school, but I can assure you that he is going to come back some day and do what I have done in the U.S. which is set up a private equity fund and if he ever chooses to do it, I am there to support him.

DJ: Fascinating.

AD: And I read the… I actually was not there in the room with him when he gave this interview, I read the interview afterwards when I had flown back to the U.S. and it's one of those things where when your boss sort of has this confidence, so I went to him when I saw the other… I said, really George?

DJ: It's a fascinating way of giving feedback.

AD: Yeah, so he… I think having a mentor who just believed that I could do it. I mean, he himself had turned entrepreneurial much later in life. But, you know, he was sort of putting his arm around me saying, listen, I am there for you, just think about doing it much earlier and having my grandfather as one example who kept saying listen you have all the degrees so what's the downside. And so, I think, it's a lot of framing in your mind, I started to convince myself that… frankly people talk about downside but what's the downside. I was going to move back to India, I was going stay in my parents' home, so I had like a zero cost base. So, I didn't have to be earning a lot of money, I had the support system, I had degrees from good places and a network of friends. So, even if things failed in three to five years, I could land somewhere, I was pretty confident of that. So, what really was the downside in doing something entrepreneurial is the way I looked at it and so doing it very early at age 30 made sense to me because, you know, when you are younger, you are more dynamic, you can work harder, stuff like that. So, it didn't seem odd to me to be doing it at age 30 versus getting a high powered, well-paying job. And in fact, I did work for two years and actually got paid very well because I worked for Goldman and I worked in their hedge fund group which was a small group and so, you know, the comp and bonus actually was very good, but because I had made up my mind it was a two-year thing, it was not… I was not getting hooked on to the corporate bandwagon. And also, my other belief is if your needs are small, I mean, I think, a lot of people as their comp goes up, their needs go up. They want a bigger apartment, they want a fancy car, and they want their kids to go to the fanciest school, private school in the U.S. or whatever. You then have a cost base that keeps you on the treadmill. If your cost base is fairly low you then have a lot of flexibility because you really don't need the comp in the early years.

DJ: And I am also curious about what it takes to succeed, right and let's say in a platform like a Goldman Sachs versus a zero to 1 when you are starting something on your own. Could you talk a little bit about how you grew as a person in turning entrepreneur if you reflect on taking the plunge in let's say the early years, in what ways were you stretched at that point in time?

AD: Yeah, so I was really young, I mean, I started creating the plan when I was 29 out of my small little 600 square foot apartment where I lived in Manhattan with my wife; I was married by then. And actually, the other thing on downside, I somehow ironically, I dispute it once you are married you are sort of at least secure on the home front, so you don't have to… it's actually a better time to be entrepreneurial. So, anyway, she was a good support because she always encouraged me to do what I wanted to do. So, I did a little bit of prep work, got the PPT's in order, and then when I quit, I was fortunate that my former boss George gave me office space in New York and I was in New York for about six months. I think the key to starting a private equity fund is fundraising; you can have the best ideas and all but if you can't raise the money you can't get going. It's interesting I had zero work experience in India other than couple of summer internships when I was a college kid, working in a Citibank branch, helping the branch manager and literally things like that. Those were my summer internships and that's my only work experience in India. I was raising an India-focused private equity fund. I was also doing this in the midst of a period when the Asian crisis had just happened. So, people were… the early guys who invested in Asia had given up. And then, to top it all off, you had the 1998 nuclear tests done by India and then the response by Pakistan and New York Times running these articles saying that this is the most dangerous place on Earth. So, it was a difficult time. I think what entrepreneurship taught me is first and foremost that sales is very important and as an entrepreneur you are always selling, you are trying to recruit somebody. I managed to recruit someone who I met through the Goldman network, who was at Goldman at the time, who had been with my brother at Cornell, a guy called Kunal Shroff who is a superstar and partly because I was able to sell him on the idea that listen, you are going back, but we want to do some amazing and… you know, etc. and similarly with investors. As a salesman you not only learn how to read people and how to customize a pitch in real-time and to endear yourself to people but you also have to have more tenacity and perseverance. I mean, we had a 98% rejection rate, to wake up every morning and be back on the road to have a database and do this research all by yourself to figure out who to work the network, to build that database and really to be shameless in a sense.

 

DJ: And at that stage Ashish, if I may ask, given you had limited experience in the Indian market, what were you selling, right? What was the basis on which people could build confidence with you?

AD: Yeah, one is I had some private equity experience, investing experience in the U.S. I had done private equity pre-HBS and I had done… I worked with Goldman in sort of the hedge fund business and covered Latin America, U.S. So, I had some investing but with limited number of years. I was basically selling the macro India story and the fact that there's a couple of smart guys who you can trust, who will be entrepreneurial and figure it out as you go along. So, that in a nutshell was it, which was a hard-sell to be honest but today it wouldn't work because the landscape has changed. There are so many PE players out there, but in that era when the industry was being formed, I think it was more about selling yourself, your capabilities, your ability to pull it off and overall macro story in a compelling way. And that's why the hit rate was so low because most people were sceptical. The macro seemed to be quite bad actually at that point in time. And what are these two young guys who never really worked in India, how are they going to figure it out; they are going to get eaten alive. But I think being able to leverage in a sense the people who were willing to bat for me, so when I left Goldman, the CEO of Goldman put in personal money and the guy who ran my group, who was a pretty high-powered guy, youngest partner ever at Goldman, put in money, I had 7 or 8 partners at Goldman, a few other people who were quite well-known. Actually, at that time Rajat Gupta, who was at McKinsey put money in, so people who were very credible and who were willing to bat for me, I think that's what eventually got us the money raised. So, being able to target those people first and get them on board and get them to speak on our behalf was really the way we convinced people.

DJ: And moving forward on the journey of building a PE fund, Ashish, what's having done this for a while? What's your take on some of the intrinsic required being an effective PE investor? And the reason I ask is, you know, as we think about career choices, one is sort of the skill level hygiene, right, what's your educational background required, but every profession has a certain DNA to be successful. If you had to decode the DNA of a successful PE investor now that there is one archetype, but what are the 2-3 must-haves at a deeper level for somebody to flourish in this space?

AD: Yeah, so, I think, there are a few and I would say by the way I think Liberal Arts education is good training for a PE business because I don't think you can be unidimensional. A lot of people think to be a PE investor you got to be good at say economics and analysis, just data crunching, reading balance sheets, etc., etc. But I think it's much more than that. I think at different levels you need to be fairly skilled. The first is I think at an emotional level and psychological level. I think a deep ability to somewhere be a critical thinker, to have confidence in your own thinking but yet keeping an ear to the ground and being able to listen but being able to filter out what you are hearing and to be able to control your emotions I think is absolutely critical. When you are an investor, you are surrounded by a lot of market noise, and I think the easiest thing to do is to be wallowing in other people's thoughts or dancing to the rhythm of the market. And in fact, the best investors are contrarians. Be a contrarian, you have to have that in your DNA to be able to think independently, to almost stand up to the crowd. But in this case, you can't do it, you can't remove yourself from the crowd because then you stop listening because you can get things wrong and sometimes do need to pivot. So, I think that's one essential trait is know thyself and think deeply about yourself, be a little bit of a psychologist also at one level. I think at a second level you have to be a big picture person, almost a macroeconomist and a historian. Macro because you got to understand how the economy works, different sectors, what the drivers are and at a very fundamental level have a sense of that. But historian because you have to understand how industries have developed over time, how market cycles have played out, having that perspective of how it has happened before, how bubbles were created, what were the best times to invest. So, I think having historical perspective I believe is absolutely critical and being a little bit of a big picture thinker is important. You can't just say oh, I am looking at this company and doing due diligence, you get too narrow and you are… you lose the forest for the trees in a sense. So, I think, having that trait is important. And I think a third is just to be sort of being shrewd or street-smart I think is critical particularly when you are in India, I mean, I think there is a lot of governance issues with companies, there are always people running after you to get your money, but then they are not going to deliver returns. So, I think being able to just be really street-smart and shrewd and not let people take you for a ride, which means I think just having being sceptical, having sort of informal networks to suss people out, looking for signals, body language, I mean, I have always believed being able to read body language is very, very critical, being able to ask questions in the certain way and see how people fidget or react gives you a sense of whether they are honest or dishonest, or almost developing your own polygraph in a sense is critical to being able to figure people out. So, I think, that third dimension is also very, very critical, being street-smart, being grounded, being able to read people, being able to suss out the bad apples in a sense, which no textbook, no analyst who writes research reports is going to be able to tell you; I think those are very important traits. And then the fourth one I think it is just staying the course, I think, it is very easy as an investor to want to either drink the Kool-Aid and it happened with the emerging markets and just believe in your investments and stay with them forever, right? And at every level you kind of think your company has gotten better. And then at the same time there is the danger of being too myopic. At the first sign of trouble you want to just bolt. I think finding that halfway house, you stay the course but at the same time because there are market cycles you play the market cycles well, that you zig when other people are zagging, you know, when people are fundamentally at the top of the market, getting excited, you are actually existing companies and at the bottom of a market you are actually vesting quite a bit of money. So, I think, having that makeup I think is very, very critical.

DJ: Got it. Just going back to one of the things you mentioned, Ashish, filtering out the signal from the noise. If you had to maybe just expand on that, you know, you need to have your own conviction but at the same time you need to listen enough what's happening in the market. If you had to sort of peel that, any thoughts there on how one could walk the tight rope?

AD: Yeah, so I think firstly not all noise should even be paid attention. I mean like as an investor I just wouldn't watch CNBC, it was a waste of time and that's noise that is just absolutely distracting. The noise I am referring to is the view of even smart participants in the market. So, research analysts who write on companies, I would want to read their reports even though over time you figure out who the better ones and you prioritize your time reading the better ones, to understand market cycles, there are great investors out there and great thinkers, you know, Buffett himself, Howard Marks, people like that. And so, you read them to stay attuned to market cycles. So, I think, to be a good investor, you have to read a lot, I mean, Buffett is 89 and still reads more than 500 pages a day. And so, I think, just have to be that curious individual who reads a lot but I think figuring out what you are reading, being able to filter out the crap very quickly, so you are reading better stuff. And even when you read there are contrarian views, you've got to cull out the fact from opinion and then be able to create the opinions for yourself. But when I say keep your ear to the ground because other people will have access to facts that you don't, they have garnered something, they have done some research on comparable from elsewhere, they have found out something about the company and connections with other companies, they have analysed the balance sheet the way you haven't, so you can't ignore that. So, I think, being able to cull out facts from different places, but being having that… I almost feel being away from the noise centre makes you better and so one of the reasons I moved to Delhi was partly personal, my parents, my wife's parents… but partly I had this belief that Bombay is the noise centre with regards to the markets and being away from Bombay would make me a better investor. And I think that's true if you look at even people like Pulak Prasad, who was at McKinsey, who I think is a good investor. He lives in Singapore and he is away from the noise, he is not talking to the Bombay people every day. Buffett lives in Omaha and not in New York. I think just being away from the noise helps you as well because your friends then are not people from that world, they are from another world, and so it's… you are not consumed by the noise in a sense.

DJ: That's a great insight. I was talking to Dr. Ramachandra Guha in a different context on the podcast as well and he made a very similar point saying, since I don't sit in Delhi, it's much easier for me to be independent with my views as compared to when I am in Delhi. So, a similar point he made in a different context. Got it. Moving forward Ashish without… you had spent some time with ChrysCapital, clearly financially it was lucrative. As you thought about the next innings, one of the questions I think about and ask some of the people on the podcast is, when you reach a certain level of financial outcomes, you always have the choice of changing course and giving back in some way to the society or you could say, I am on a track where I have figured out how to create financial returns, why not create more wealth, stay the course and maybe write a bigger cheque to make a bigger dent. How did you process choices when you neared 45?

AD: Yeah, so, I mean, I feel a few things. One is even in terms of my business; I had what I call controlled ambition. We did raise the first billion-dollar domestic private equity fund back in 2007, so I was ambitious. But I actually cut it back in size when the crisis happened down to 950 million because I wanted our investors to know that I cared more about returns than about size. I never really believed that size was the most important thing; that actually having a good reputation as a good investor who did well for your LPs, your clients was really the best thing. And so that controlled ambition, you know, we had the opportunity to look at Southeast Asia, in fact spent a year-and-a-half visiting companies and potentially looking at expanding our business there. We thought about expanding our business into real estate or some other asset investing class, but we just stayed away from it. It was a controlled ambition, just do what you do well, build a good reputation, just deliver consistent returns; I think that was important to me. In terms of the financial side, I think because I had this controlled ambition, you know, I was not wired with my ambition that somehow; I wanted to take a billion-dollar fund to a 5-10-billion-dollar fund. Firstly, I am a realist, India has only so much absorptive capacity particularly if you want to keep generating consistently good returns, and so I didn't want to overextend. I think sometimes when you are in that you convince yourself that you are going to do the next big thing and the next big thing. I sort of felt that I had gotten the platform to a certain stage where now it was secure. We had raised five funds, I stayed till we raised the sixth but with the explicit understanding that I would not be around and that I knew I had set us on a trajectory where we could get to fund and if my colleagues did well they could build the business beyond. So, building something to the last was important to me, and I wanted to get out at that point in time when I knew that I had put the firm in good hands in a sense. As far as my own personal situation, you know, again I never let my expenses… it's not that I live an ascetic or super-frugal life, but I never let my expenses grow in line with my income. I mean, I had a much slower trajectory and I had no real desire for the fancy cars or for anything super-fancy and so in that sense, I think, having a little bit of that detached attachment towards material goods makes it easier to walk away from the desire to accumulate more, whether it's paper wealth or electronic wealth or physical things etc. And so, I looked at it and I said look, I have been very lucky, god's been kind, I have done financially very well in my 30s and I had the ability to step off and importantly for me that marker I think was critical. I think, once you put in your head that you want to have a different career and you have a marker you then start working towards it. And so, I never had this desire then to continue on and do something bigger better etc. because that marker was there and I said enough is enough. Frankly, if I had made a fifth of what I had made even in terms of financial wealth or even a tenth, I probably would have made the same decision.

 

DJ: And on that note just like you had a marker in terms of time, did you have a marker in terms of the number you had in mind in terms of if I hit this number in terms of savings or wealth, that's a trigger or you just had a rough order of magnitude?

AD: Yeah, no, I did because I just said look… so, I have to be able to live with zero income. What does it take? And if I conservatively invest that money and even with a 6-7% return what is the minimum that I need. Obviously in that scenario I wouldn't have been able to put my own money into philanthropic ventures, I would have to go raise it, I would have given my time pro bono but then it would have been a much larger, it would have been like an NPV of my salary in a sense, I think, is what I would have looked at in terms of… and plus a little bit just to secure the kids and everything else but not much more than that.

DJ**:** Got it. And maybe moving to that junction you were in Ashish where you decided to move on from ChrysCapital, one of the questions that I encounter in the context of the work I do with some of the leaders is, you know, I have sort of made the money I want for the rest of my life, there's enough buffer in it to take care of a few adverse scenarios, how should I spend my time? I mean, I still have the next 20-30-40 years of active life left ahead of me? Talk to us about how you processed that fork in the road. I am sure you had multiple choices right, back to your point you made you could have turned professor and taught given your passion for education, you could have invested in education companies or you could… you ended up setting up Ashoka. So, talk to us a little bit about the architecture of choices in your head and how that played out early in that transition?

AD: Yeah, I mean, I did, it's funny you bring it up. I did toy around with the idea of becoming a professor because academic life appeals to me. And in fact, I reached out to… one of my mentors was a former dean of Harvard Business School and he had also been an investor in our fund and Jay Light who was the person said listen, I know you, I know you will get frustrated in this in a couple of years so don't become a professor, don't become a high school teacher, but my pitch to him was even if I become a high school teacher I will write books and I will do videos and I will do like Sal Khan, I am not going to be like a regular teacher but… so, anyway, I mean, I think at the core when I think about it, I mean an entrepreneur at heart. So, I like creating new things, so that's one. And two is, this sort of education bug was within me from early on and I have already also believed just at an intellectual level that it's the bedrock of society and if you want to transform not only the economy but also society you got to work on education. And so, it just felt like the right higher calling for me. And then in terms of choices, I think, Ashoka thing in a way, I had always… I had an amazing experience at Yale, I had got exposed to the U.S., to a Liberal Arts education; it transformed me personally, it created multiple interests in me, I learned Spanish and then eventually Portuguese, fell in love with Latin America, I became good at learning languages, I learned a lot of different things. I developed a love for history, I had many interests and so I really wanted when I came back to India and I was recruiting people, I found them to be much more unidimensional and not having too many interests beyond the narrow work interest. And so, this idea of building a Liberal Arts university was always somewhere in the back of my head. And then it sorts of just happened, you know, while I was at ChrysCapital, Sanjeev Bikhchandani and a few friends were talking about this idea of building a new St. Stephens. There was another group of IIT'ians who were very interested in building an engineering college and eventually when we came together and quite frankly, Pramath Sinha, who is an ex-colleague of yours from McKinsey was someone that I reached out to because I had met Pramath earlier and Sanjeev knew him as well. We all came together as a group and frankly Sanjeev and I pushed very hard to say because we were putting in the initial capital that we want this to be a Liberal Arts university because that's what you really care about. And so that's how Ashoka emerged and in 2010 we bought the land. This was when… that was the same year I announced that I was leaving ChrysCapital, and I still had a year-and-a-half before I transitioned out. So, the Ashoka project was underway and then with Central Square Foundation, which is focused on school education, I had been on the boards of one or two non-profits even prior to while I was in my work life. I also started to give small bits of money to some non-profits, so I could go out in the field on a Saturday to just see what happens. I started reading books on education reform and so it was clear to me that I wanted to build a foundation that worked more on system reform in school education. And then I actually took a month off and visited about 60-70 different foundations and non-profits in the U.S. to just learn about teacher training, curriculum development, EdTech, you know, a variety of different areas. And so, then it became clear to me that at Central Square Foundation we were going to work on this idea of system transformation and really work by leveraging grant making but a lot of foundations just focus on grant making, that we would actually work on doing research in building ecosystem but also on policy making and then eventually working with government on system reform. And what attracted me most was this system reform part. So, these were the two early projects, I think, I was naturally attracted to them because my own personal interest in school education, becoming a teacher early on in life and then my Yale experience and therefore the desire to build a Liberal Arts university.

DJ: Got it. And maybe back to the point you made about the person in Harvard dissuading you from a career in academics, any other pathways you said no to? I am curious about while you picked these two, I am curious about what you said, what else you said no to at this junction?

AD: Yeah, so I was very clear I didn't want to do anything commercial. So, the idea of investing in another format personally running a family office or whatever that didn't appeal to me, because I had already done that at a bigger scale earlier. I didn't… there was of course offers to be on boards and all… that's not me. I just, I had been on one or two boards, it's too passive a role for me and maybe I was also too young for it. But I just think it's in India anyway you don't have that much influence or at least you try to convince yourself you have a lot of influence and frankly I am too entrepreneurial where I just get tired of sitting in these meetings, I get frustrated and can't deal with it. So, that choice I ruled out of just being like doing like 8 or 10 boards and trying to contribute in that fashion. I could have taken a job running a foundation but it would have sort of boxed me into somebody else's world view and taken away a little bit of that entrepreneurial spirit. It would have given me more money upfront if I looked at a Gates Foundation or a large foundation, or convinced a large foundation in the U.S., come to India and I will put your money to work intelligently, but it would have been reporting into someone in the U.S. who did not understand the context and I was just worried about the entrepreneurial… it could have… why sort of give me much more by way of resources upfront would have constrained me. So those were some of the choices, I think. I wasn't going to go run an NGO because I just felt I didn't have enough ground experience, at the core I want to play to my strengths which is I still believe that I am more of a strategic thinker, I know how to recruit people, I know how to pull things together, I know how to mobilize capital, but I am not necessarily the best person to go and actually do the work on the ground. So that's why I ruled that out in terms of starting some kind of large-scale NGO.

## Reflections from Deepak Jayaraman

DJ: This is your host Deepak Jayaraman here. The point Ashish makes about his distinctive strengths is interesting. I feel, at this stage, this self-awareness is paramount for us to make choices and to cut losses in case we go down a path that turns out to be less fulfilling. Nandan Nilekani (NN) spoke about this in the context of him course correcting after trying his hand at Politics.

 

NN: "*it was an intellectual choice actually to get into politics but my experience was not very happy, and in that sense, I think that was one transition where I step too far in some sense, it was way out of my comfort zone, so after the election campaign and after that I realize that this was not where I want to be, that I didn't have the leverage, I didn't have competitive advantage in that area I didn't think I would be very effective so I realize actually my effectiveness comes from being what I am good at which is a technology led transformation agent and use my talents and abilities to solve large intractable problems and make that available to anybody who wants to use it, so that was my shift and them of course I explained to you that I was looking for something to do and this except happened and then the whole portfolio approach*"

DJ: If this topic is of interest, you might like my conversation with Tasha Eurich where she speaks about the notion of internal and external self-awareness which becomes all the more important in these phases of high stakes transition where we decide on the trajectory of our life. You might also like the play list – Reinventing yourself in the Curated Playlists section at playtopotential.com

If you are deriving value from the podcast, please consider paying it forward to Antarang Foundation, a Non-profit that I work with closely. You can know more at the Payitforward section of playtopotential.com. Could I also request you to take a moment and rate and review the podcast on Apple Podcasts or any other platform where you consume this. Given there has been an explosion of content supply in the Podcast space recently, it will help people find this content and derive value from it and also attract guests. Now let's get back to the conversation with Ashish Dhawan.

DJ: And you been on this journey for a decade plus now Ashish and if you had to sort of maybe juxtapose your growth in this phase versus your professional growth and ChrysCapital in setting up and scaling up ChrysCapital maybe with a specific reference to leaders who are at that transition where they are moving from a successful corporate career to the social impact world, any pieces that took you by surprise in this journey in the last 10 years? What are some of the things that you probably didn't anticipate and what would your perspective be for leaders who are that transition point?

AD: Yeah, I think it is a very interesting question Deepak and you know and some of this obviously I learned with hindsight, I had my own naïve assumptions when I went in. One is that as corporate people particularly I had about 20 years of investing under my belt, I looked at lots of companies, lot of industries, there's a little bit this naïve assumption that I can figure out this one pretty quickly, I read some stuff, I have talked to some people, and I will be able to synthesize it and come up with something different and put it out there that this is what needs to get done and almost be able to start preaching to folks quickly. And you know, I think in the social sector the production function is very complex, I mean, the number of stakeholders you have including the involvement of the government, the layers through which the whole education process gets transacted, you need an understanding of many things before you actually can make these comments. You need to read the evidence, the literature, which is more in the academic world, you need to understand the content which is curriculum and look at curricular experts and instructional design, you need to understand pedagogy and how that works, you need to understand the system, how does government work, you need to understand money, what role the budgets play and things like that and then over time, and understand the data, what data is out there, what's valid, what's not and understand how does this system change actually work, because it is a very complex function. To improve India's education system in one state, say Maharashtra, I think is much more complicated than running TCS, for instance. By the way it's almost similar number of employees, about half a million in each of those but I think far more complicated to figure out and it would be naïve, I mean, I mean it is naïve to comment with two months of understanding and try to go to the CEO of TCS and say, here's how you should run your company. It would be doubly naïve to do that with the actors in education.

DJ: And what drives that delta complexity?

AD: I think it's the fact that there are so many… one is it's a very complex production function; how you educate a child is very complicated. I mean, there are home effects and so you have to look at how you can improve home effects and what role the parent is going to play. We don't think about it in our homes because we sort of naturally most of us play that role but with a low income, less literate parent who has many other demands with their time, dealing with the vagaries and vicissitudes of life, you know, what role should do they play, what is positive parenting, how should they get involved with the education is very, very complicated in figuring that out. How do you motivate a front-line government employee, change their belief system, how do you motivate them; there are half a million of them in Maharashtra right, teachers and what tools do you give them to succeed? You have data in the system and there's a natural tendency to inflate the data, it's a public system. How do you truth score admin data and improve it so that systemically you have better data coming out and make the assessments more low stake, how do you get people to start using data in this very complex system. How do you get the middle management sort of re-tooled so it can play an important role in actually coaching, providing feedback, collecting more authentic data from what it's doing today, so that whole change management? How do you do it within a public system? How do you get the political commitment? Because till you don't have the chief minister of a state behind it, you know, bureaucrats will keep changing and you will work for two years and then your work will be done and how do you get not only the political commitment from the top but people commitment, how do you get the top 400-500 people to buy-in and want the reform? So, system change, I think, the public system is much harder because you don't have the levers of control that you have and neither you have the capacity, you don't have a large HR department in the Maharashtra school system right, to tell you how you are going to do motivate employees and what tools you are going to provide them, you are sort of flying with a different system of middle management etc. So, I think changing government and improving systems is hard because there is much greater inertia, the incentives are very, very different and I think figuring that out is a big challenge if you come from the corporate world where you were used to having the levers of control, the joystick is in your hand and you come in naturally with all guns blazing with idea, you also have a tendency to want to move quickly and have this… I mean, I remember coming in and… so, I think, one big mistake people who transition is… my advice would be read a lot, listen, sparingly give advice in the first year, okay? Be more in learning mode and look to unlearn certain things and learn lots of new things because it's so complex, you need to really spend a lot of time deeply understanding it before you jump to conclusions. Second one, I think, would be you need a different sort of degree of humility, I think, working in the social sector. I think, one is, you know, when you are selling a product to an individual of course you need to understand the customer but here with this sort of beneficiary I think you really need to go a little bit deeper to understand the beneficiary, what goes on in their home and you are not just selling them a product, you are trying to change their life or their child's life. So, I think, having that empathy but also being able to deal with a variety of different people. Most people in the NGO sector are not corporate types, they are not driven by money, they are here on a mission, they think a little bit differently and I think attuning yourself to being able to work with them, I think, is critical. I think if one wears too much of their corporate badge, or too much corporate lingo upfront, you piss off a lot of people. I think, so learning how to deal with this sector I think is very… and respecting some of the people, I mean, these are people who have given up, they also went to IIM, they have given up 20 years of making money to do what they do, they are smart, they have learnt a lot and they may think differently, they may behave differently, they may not have certain parts of the management toolkit you do but for a moment, you know, you learn how to build an empathetic relationship with them and see the positives that they have versus starting to question what they don't have in their toolkit. The third is I think learning to work with government. I think when you are in the corporate world; you are just lobbying for your taxes to be lower or duties to be higher in your industry or just whatever you want to get done. It's that transactional relationship and government anyway keeps you at bay as best as possible. I think when you are working in the development sector and you really want to work on system change you have to work much more deeply with the government. So, understanding how do you build trust with government that you are not a transactional player, you are not just there to give them advice but first thing when you give advice there's no bias, that you are truly looking out for the interest of the children and the system and two, is you are willing to stay the course with them, you are not just a transactional player, you are actually going to help them, work with them and eventually let them make the decisions because they are just to support. So, we are not looking to take the credit away, we are not looking for glory and I think that part of dealing with government in that manner is something at least I had not been exposed to in the corporate world at all. So, I think, there are a bunch of things you need to do differently if you want to be successful here.

DJ: Got it. And maybe coming to you specifically Ashish, you spoke about learning and unlearning and if you had to really highlight the couple of things that you had to unlearn, you spoke about control and having the joystick, I think the point is well taken, any other headline themes around what you had to unlearn and also the one or two muscles that got built in the last 10 years that you didn't have earlier?

AD: Yeah, I think, the things I had to unlearn were, one is that this lingo part correct, that I had to hold back on the… there is maybe a… development management is slightly different from corporate management and you have to keep that in the back of your mind. And so, yes, 60-70 percent transfers, but I think being acutely aware of what doesn't transfer I think is very important. I think how you recruit people is very, very different because motivations are very, very different in this sector and then how you manage them and get the best out of them I think is different because the incentives that they respond to are very different. It's not money, it's something else and of course because there isn't money, I think people are very passionate also therefore more opinionated and much more… sometimes more rigid. So, how do you deal with that and learn how to… I think the people management side is very complicated in the non-profit sector because everything from recruitment to talent management to performance management it needs to be done somewhat differently and carefully and delicately, same is true in a university by the way. And then I think the measurement is very, very hard. I think we are just used to, I think, the corporate world makes it very simple with P&L and balance sheet and profitability and growth and RoE and RoCE and all of that. I think there is no one single metric that cuts across the development sector; each one will have its own set of metrics, there is a certain theory of change but looking at what the most important outcomes are, how you will measure it, measuring is also not so easy, it's not like the data is just given to you on a platter and then what are the building blocks, the intermediate outcomes and then the early lead indicators and having that framework clear and being able to… how do you get the data in a way such that it's reliable. So, this whole measurement and evaluation, both in real time for feedback but eventually evaluation to know whether something is working or not is very, very different from the corporate world and I think one needs to look at that. I think the other thing that's different is, you know, I mean, marketing in the corporate world is to sell your product, I mean, here you are trying to, you know, you are providing service to beneficiaries, so it's very, very different in terms of I think where you are doing your marketing is more around fundraising and fundraising is again different because you are trying to push buttons where you get people to emotively connect with an issue, which is again different from the way you do it I think in the corporate world. And to convince them where sometimes it's zero percent share of wallet to make it two percent or something like that. And so, I think, it's a very complicated sale process and it takes time, it's got a long lead cycle, if I were to describe it in corporate terms, and it's one that has to be very personalized and contextualized to the individual. So, I think, in those ways it's so different, you just have to unlearn the way you do it in the corporate world and figure out the context here is very, very different, and so therefore how you influence government is very, very different here. So, I think, unlearning how you did in the corporate world and then learning a lot. I think the learning trajectory and that's what excited me as I told you. The principal reason to have a second career was just you are off on a new trajectory and I think that's very much true whether you do your own thing or you transition as a corporate person full-time to working in a job in the social sector or even if you do it part-time. I think one has to think acutely about this, what's different and therefore tune oneself a little bit differently.

DJ: And back to one of the points you mentioned Ashish, metrics are much harder in this space unlike in the corporate world where there's P&L and balance sheet. Given that, how do you set goal posts for your journey and for Central Square Foundation and for Ashoka?

AD: Yeah, so I think if you look at Ashoka, I mean, obviously eventually you would look at where have your graduates gone and what have they done? I mean if that's one of the things you are trying to change, right, is build leaders for different spheres but that you are going to find out in like 25 years, so it's too long a period. So, I think, in the near term you use more of the standard analytics which is on the student side, which is on the admission side, how many people applied, what is the quality of those candidates measured in academic terms, what's you percent selection rate, what percent decide to enrol if you make them an offer, what does the diversity and inclusion component look like and how we are doing on that. So, you can have a whole bunch of metrics around the whole outreach and admissions part, right? Now we are going to have a whole bunch of metrics around placement, where they are going, initial positions, salaries, roles, etc. And you can have a bunch of metrics around faculty in terms of the recruitment and the calibre you able to recruit and where they are coming from, which PhD programs, how many people apply for an open position, what's the quality, etc. etc. One can have a bunch of operational metrics in terms of the way you run the physical plant and stuff like that. On the teaching side obviously every faculty member, every course is evaluated, so you have a teaching score midterm and end of term and you can aggregate that and look at teaching scores by department, overall, see how you are progressing. So, I think there are plenty of…. on the research side there is publication citations impact. So, we are very metrics driven and I think we are cognizant of what's sort of near-term, what medium-term is and what long term is. If you want to build a great research and teaching university that really has leveraged impact, when I say leveraged impact it is that many others then want to copy the model that you are a pioneer for Liberal Arts education in India. It's not just the one institution you are building but you are spreading an idea as well, and how can we measure whether we are successful on that spreading part as well apart from the internal metrics of success. I mean, in CSF we don't have as many of the levers of control because Ashoka we have… of course subject to regulation and other things but largely it's being built by the leadership team. So, in CSF also I think the ultimate is improvement in learning outcomes and for that you look at many factors. So, if we are looking at systems change, if we want UP's education system and we are working in UP right now and the Chief Minister has announced a big program, is can you get the state committed for instance to basic need to see which is the main area we work on and there the Chief Minister agreed finally to announce goals what's called Prerna Lakshya in UP. So, how do you initially get political commitment and get them to actually announce something that the mission put money behind it, I mean those would be some metrics you will measure in terms of the salience and the commitment at the political bureaucratic level and we have got some metrics there. `and then look at are you able to work with the state to bring about some curricular change, change their materials, move more towards structured pedagogy, we have got some things we measure on that side and then finally from a delivery standpoint you can look at metrics around teachers who were trained differently, are their actions changing in the classroom, use an observation framework to see if the actions are changing or not. And then on the learning side, which is the outcomes, eventually if you look at, there are lead indicators and there are final indicators. So, let's take early literacy, the eventual metric you want is reading fluency and reading with comprehension, but the early indicator would be do kids recognize letters. I mean, it's shocking but in India about 20 percent of children don't recognize letters even in second and third grade. So, can we make that universal, can you take it to 100 percent, or decoding words is another building block leading up to reading with comprehension. So, we have plenty of these what I call, we have got a ladder of learning indicators as well leading up to the final learning indicator. So, apart from all the other system level indicators around governance, around some of the inputs and intermediary outcomes there are these, sort of, this ladder of learning outcomes that we know.

DJ: Got it. Moving forward Ashish, you have a unique insight into leadership given your journey at ChrysCapital, at Ashoka, Central Square Foundation and so on and you also have an insight into what's on young people's minds in terms of the people that come into Ashoka and graduate from Ashoka and so on. As we think about educating ourselves for the future, how do you think about, how people should think about that choice, you know STEM, Liberal Arts, something else? If a 6 or 18-year-old walked in to your office and said, you know, how should I think about this choice? What are some of the themes in your head?

AD: Yeah, so look I have a bias here, but my general belief is that we look at what the 21st century requires. I think it requires you to be a somewhat broad thinker, to be a critical thinker firstly, to be able to analyse and think for yourself, think independently, to be a good communicator both in written form and in oral form. It requires you to be able to connect the dots between different disciplines and different data points and to be able to deal with ambiguity, requires you to be a lifelong learner, a lot of people are in knowledge industries where things are changing every few years and so you need to stay current, you need to be a lifelong learner and we believe you need to have an understanding of the other or have a social conscience to be successful. So, my own sense is, I think, STEM is extremely important, India needs lots of engineers and we did the right thing by in a sense prioritizing professional education. As a poor country, you do need a certain crop of engineers and lawyers and accountants and a variety of management people etc., professional people. But if you look at it Deepak, I mean, even today with our engineers, of course, I think the Indian IT industry got built because of the few engineering or three engineering colleges, the better ones, and so that was critical. So, I am not suggesting for a moment we do away with that. All I am saying is that in all aspects of education whether you choose STEM or you choose to major in something else that you should be well-rounded, so you should be exposed to other disciplines. So, what I would ideally like is that the IITs, the first year students learn how to write, they improve their writing, they get exposed to other disciplines early on, economics, philosophy, politics and with the best faculty, getting exposed to it and not so much the 101 course, but the ways of thinking. So, as opposed to the 101 economics where you are trying to just mug up the facts of microeconomics and macroeconomics, it's really how does an economist think, how do ideas get developed in their economics, what are the tools that an economist uses. So, I think, if you can get that broad exposure across different disciplines, it's these ways of thinking, I think, that helps you later in life. As I told you as an investor I had to think like a psychologist, I had to think like a historian, I had to think like a macroeconomist, I had to think like a data analyst and be able to synthesize all that, to become a good investor is my belief. So, I think, giving that broad education around ways of thinking is one. Two is, I think, making education more Socratic. So, wherever it is it's I think the flipped classroom, which is you read, you come to class and class is more of a discussion versus a sage on stage. Some amount of lecturing is required but I think given the online world and everything frankly somebody can record their lecture and you could watch it and come to class. So, I think, having more of a Socratic, I mean, why are why you doing this physically, I think, so that you can have more of a dialogue and push people and through that people also learn, you know, you learn to think critically, you learn to build an argument as you express your own argument, you learn to listen to others and filter out noise and at the same time know which arguments to build upon etc. So, I think, you are constantly thinking and participating in the discussion particularly if it's not too large a class. So, I think, the evaluation in Indian higher Ed needs to move more towards more holistic value, this idea of an exam and people bunking class and then just studying for the exam is a fallacious one. I mean, you know in life that's not the way life works. So, I think, being assessed on classroom participation, on papers that you are writing every week and eventually some exam which may have a smaller weight, so a more holistic evaluation. So, I think, what Indian higher Ed needs to do is not a question of STEM versus Liberal Arts. I think we need all, people need to study different disciplines but my main premise is this system of higher Ed needs to move to point towards greater student choice so that student is in control and when the… it's learner-centred and when the learner feels he or she is in control that's great. Two is, they must have choice. So, this idea of breadth and depth and they can mix and match, they get exposed to certain foundations, but then they can mix and match and obviously you need certain minimum depth in a particular discipline, right, but it doesn't have to be the same degree of depth that a narrow education offers you. A third is around the pedagogical approach with more active learning, more of the Socratic Method in the classroom. And the fourth is around the assessment being more holistic and well-rounded. I think those are and setting up, I think, the residential setting like the IITs or IIMs, I think, the reason they do better is versus a day college is that a lot of your learning happens like through your peers at that age, when you are 18 or 20 and so being able to construct it in a way where there's lots of 2:00 a.m. discussions in a hostel room or somewhere in a library, I think, is absolutely critical for young minds to develop and future leaders to develop. So, I think, the residential context also is quite important is my sense if one were to build future leaders for the country.

## Reflections from Deepak Jayaraman

DJ: This is your host Deepak Jayaraman. When I look back at my 4 years at IIT Madras, actually some of the courses I enjoyed the most were Microeconomics, German and Introduction to Modern Linguistics. They opened by eyes to a very different perspective and gave me an alternate lens to look at the world. Of course, I didn't quite use those lessons right away but I do think they made a difference to my mental models.

I had asked a similar question to Pramath Sinha (PS) who Ashish speaks about earlier in the conversation. He had an interesting take on the question.

PS: *"I then start by saying listen its ok that you don't know there's nothing wrong with that because otherwise people are under pressure that they are confused or they don't know and the ought to know and how come they don't know and so on so taking that pressure off and then helping them understand honestly what you specialized in will not matter in fact this whole thing about specializing in a subject and then being in a career and align to that as you know is tenures it happens sometimes but increasingly happens less and less. So, when it's important to measure in something it's not really that important to measure in the right thing and so that kind of releases the tension of a lot of parents and children when they realize and sometime they don't but most of times you can actually show the parents themselves that what they measuring and what they are doing now has no connection it puts the choice in perspective and so that then it opens up whole host of* *possibilities about what this kid could do? And I think that's when you move to the point of saying ok so what are your choices really? And there are host of choices I mean you could choose to go just study science or psychology or history or go abroad or stay in India and it takes the pressure off having to get the decision right"*

DJ: If we use the metaphor of an automobile, a lot of us grew up in a paradigm where there was an emphasis on building a strong engine. This made sense in a contest where speed is the differentiating element which works if you are in a career path with long roads and limited diversions. In a career that looks like a maze, the critical element in the automobile becomes the steering wheel. Back to what Pramath says, I guess we all need to start moving from focusing on the quality of the decision to the quality of the decision making process. Do tune into my conversation with Pramath Sinha if this is of interest. You can go to playtopotential.com and click on the Guests section. Now let's get back to the conversation with Ashish Dhawan

DJ: No, I couldn't agree more having sort of benefited from those 2:00 a.m. and 3:00 a.m. discussions in IITM and IMA. Just a few questions as we wrap up Ashish, I am mindful of time. First is you had a marker for 30 and marker for 45, as you think about your journey from hereon, are there any macro markers which you have in mind, which would be your sort of guide post as you think about choices?

AD: Yeah, so, I think of the things I have been thinking about Deepak is how do I… I think, in education I am still going to be very focused on it for the next few years' till at least my… I am 51 now till at least 55, but do I have a sort of slightly wider portfolio of initiatives where I am going beyond education, so that's for me is maybe the next move. I have already started seeding that in some ways. I set up a foundation to focus on air quality, I have got a couple of initiatives been seeded, that are around talent development in this sector, I have set up the China India Foundation that looks at learning from China not looking at geopolitical issues which obviously are very controversial. So, I have floated a few of these new things really because I have multiple interests and what I have learnt from how I can drive impact in education, can I do it in a more leveraged way in a few other sectors is something that's of interest to me. And beyond that I don't know, I mean, could I write a book someday or do some of that possibly? I am also very focused on having fun in life, I mean, you only have one life so it's, I mean, it's not that I don't have fun right now, I do, I have a great time but maybe at some point in life just saying that I just want to just chill a little bit and not always feeling like I need to be a producer but also just enjoying being a pure consumer. So, I joke with my wife that I am going to buy a bar on the beach and that would be next life, serving drinks to people who are working really hard and need a break but yeah something different. And so, I don't know exactly what that is but yeah, and I do have many other interests in life that are unfulfilled around languages, around living in certain places so who knows.

DJ: Got it. And why China out of curiosity of the various education models out there?

AD: Sorry, I missed that Deepak?

DJ: No problem, why China, I heard you saying about learning from China education, there are multiple models out there, but I was curious how you picked China?

AD: Yeah, so I have been going to China for the last 25 years and I am no China expert, I don't speak the language, I only know a few words, but you know China is most proximate to India in that it's a very large country, similar population size, through the colonial era went downhill effectively in terms of share of world GDP and really has woken up faster than India at least on the economic front and really powered through to the becoming a middle-income country and squarely on its way to becoming a high-income country. So, I think, on the economic development side, I can't think of a better role model than China because you know what happened in the U.S. happened much earlier and in Europe even earlier. And so, it's not in living memory, you know, it's… when you go talk to someone in the U.S. or Europe about development, I mean, they look at their context and even what they have grown up with and they can't relate to the Indian context. So, I think, what's interesting about China is not just the scale and the speed but I think also the fact that it has happened the last 20-30 years, so it's in living memory. And you can actually go see, you can talk to people and I think India like if you look at like vocational education, would we be better off learning from China or learning from the U.S.? I think from China to be honest because they have done it at scale and they have done it recently and they have done it leveraging technology tools which existed now and didn't exist 30 years ago. Or if you look at the way China has gone about developing a science and technology policy and how they pursued that, I think, India can learn something from that. You know, the U.S. did it after the Vannevar Bush plan in World War II and of course, they created a great military industrial scientific complex, but I think the Chinese one is staring us in the face and it's being done more recently or even in development areas like public health. When we talk about Ayushman Bharat 500 million people, the Chinese actually rolled out universal healthcare like over a decade ago. And so, we can learn about how they empaneled hospitals and how they ensured that service delivery happened and how they quality assured it, stuff like that. So, I just think it's the scale, the speed and the fact that it's proximate, it's just happened, it's important to unpack it and not miss out. It's also I feel because Indians don't go there that often and don't speak the language, that knowledge doesn't come to them as easy. I mean, there would be a report here or there, but it's superficial whereas the knowledge from the West is coming to you in various forms and you often interact with people from there. An Indian who works at IBM who tells you what's happening there doesn't happen, people will know more people at IBM than they will at Baidu for instance. So, I think, in that sense they enrolled for an intermediary in a sense to unpack that knowledge and to get scholars to visit and not only do itself but create a leveraged ecosystem to make that happen, sort of, catalyse that movement.

DJ: Very interesting. And a couple of things before we wrap up Ashish, as you have led your journey and continue marching on your mission, any leaders you look up to for inspiration? You spoke about Benjamin Franklin when you were a school student, but given your current stage of life, who are the people that inspire you?

AD: Yeah, so I am clearly very inspired by some of our corporate leaders, I think, Mr Premji, he is a real role model in terms of the way he conducts himself, his approach to his wealth and the trusteeship around his wealth and everything he has built, I mean, I really look up to him. I mean there are of course many others, Nandan, I think for his dynamism as he can… just cutting edge, I think, approach to the development sectors or India's social problems in terms of technology, societal platforms, both on the commercial side even I think looking at how you can build these public goods whether it's Aadhaar or the payments platform and other platforms. So, you know, I think folk's like that in India I find to be very inspiring and they are clearly my role models.

DJ: Got it. And especially for people who are at a crossroad or in transition, Ashish, I know you are a voracious leader, but are there one or two books that come top of mind for people who are sort of trying to figure out what's the next mountain for me to climb?

AD: Yeah, I mean, I would say that the books tend to be a little bit sector-specific but if one just wants to read something a little bit inspirational, I think, John Wood, the guy who started Room to Read, was at Microsoft and transitioned to setting up his own NGO. So, I would read his two books because I think they are just… you know, he came with a corporate context, got inspired, made the switch and so even though it's a more of a human interest story, less technical, I think for folks who are having thought about it as much I think that's a great place to start is my own sense. And then if you want to understand things like systems change, I would say as opposed to reading books I would just read some of the articles and blogs written by people at the Kennedy School and other places like that, The Oxford Blavatnik School, they are people who are these system thinkers like Matt Andrews and Lant Pritchett and you know a bunch of… Michael Barber. So, I would read those kinds of folks on more of this system change side.

DJ: Got it. And just wrapping up Ashish, this podcast is titled Play to Potential, given your journey, given the various hats you wear and given your view of the world, what are your headline thoughts on people playing to their unique potential?

AD: Yeah, so, I think, that if each person will figure out their own trajectory, my only sense is that all of us have a social conscience and whilst we may do whatever and make as much money as we want and even through the corporate world, I think, there's great opportunity for social impact. So, I believe that business is a force for good if well done. So, one is I think through business itself, one can have great societal impact but one has to be honest about it and not just drink the Kool-Aid or justify it to oneself. You can't run a cigarette company and believe that, right so... and even if you are… I mean, the thing with impact investing also is people can just put the label on. So one is, I think, through the business world how can that be a force for good and unleash entrepreneurial energy to solve some of India's biggest problems. And then I would urge people to at least dabble in the social sector, to read a little bit and maybe even find one organization or even just read what the Tata trusts are doing, and Azim Premji foundation is doing, Gates Foundation, read Bill Gates' annual letter, read MSDF and Omidyar, you know, I think it would be interesting for corporate people to just see that it's quite sophisticated what happens in the social sector, how complex it is, and I think it will just enhance their world view and may lure them to even if not make the transition full-time, which I hope some people will, even consider getting onto an NGO board or a foundation's board or serving as an advisor part-time. I think, having a little bit of that element added to your life will lead to a richer life, create greater purpose in one's life but also a great learning experience and get you to think about things very differently. And for those who really want to jump in headlong, you know, I funded a wonderful woman, Anu Prasad, who has created a program called ILSS, Indian Leaders for the Social Sector, which really does a nine-day boot camp for corporate leaders who want to consider transitioning and then literally works with them for 6 to 12 months to see if we can find the right home for them whether it's part-time or full-time. So, if people are serious about that, they should go to the ILSS.

DJ: Very interesting. Ashish it's been a wonderful conversation. Thank you so much for your time and your insights.

AD: Thank you, Deepak. I really enjoyed speaking with you.

## Reflections from Deepak Jayaraman

DJ: I hope you found the conversation purposeful. A couple of things before we wrap up. As you would appreciate, quite a bit of effort goes in identifying speakers, reaching out to them, having the conversation, editing it, slicing it into nuggets, cross referencing it to other pieces and so on. And we bring the content free of charge to you. The only humble request is that if you are deriving value and if this podcast has made a difference to your life, consider making a difference to another life. I would urge you to consider contributing to Antarang Foundation, a not for profit that I support. You can visit playtopotential.com and see the #Payitforward section for more details.

 

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## End of transcription

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Nugget from Nandan Nilekani that is referenced: Reflections on Politics as a career.

Nugget from Pramath Sinha that is referenced: Educating ourselves (and link with leadership of the future)

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## Ashish Dhawan - Nuggets

- 65.00 Ashish Dhawan - The Full Conversation
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- 65.02 Ashish Dhawan - Taking the entrepreneurial plunge
- 65.03 Ashish Dhawan - What it takes to be a good PE Investor
- 65.04 Ashish Dhawan - From PE to Philanthropy
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- 65.06 Ashish Dhawan - Unanticipated challenges in driving Social Impact
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## About Deepak Jayaraman

Deepak seeks to unlock human potential of senior executive's / leadership teams by working with them as an Executive Coach / Sounding Board / Transition Advisor. You can know more about his work here.

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