Mega Talks with Bask Iyer – Part 2

Ajay says: Today we have with us Bask Iyer. Bask brings more than 30 years of experience in executing and driving change. He recently worked as a Chief Information Digital Officer at VMware, managing critical technology systems and driving digital transformation. He has also served as the EVP for Dell Digital, where his team successfully executed the largest technology integration between Dell EMC and the revamp of Dell E-commerce. Prior to this, he's also served as CIO at Juniper Networks, Group CIO and Officer at Honeywell and executive roles in GlaxoSmithKline and Johnson & Johnson. So Bask, taking this forward a little bit, you know, there are always, when you look at a CIO's job or CTO's job, there are always these goals that you've to do every day, right. You are supposed to meet the short term, make sure that it happens. And then there are, you know, larger change that we're talking about, they are so critical for our success. You know, but there has to be some long term aspect to it. In your day to day, how do you balance the short term with the long term and make sure that you still stay relevant from the long term perspective while meeting your short term objectives?

Bask says: Yeah, I think one CIO advised me in a slightly different way. He told me that when your operations don't work, don't talk about strategy, right? And when operations is working, don't talk about operations. There's two categories of people who will always say, I'm running it on time, I'm under budget, I cut costs, I save money. In those cases, the CEOs are thinking, I got a good operator but he's not visionary. So, this is why they start having a Chief Digital Officer or OT person or Chief Data Officer because they don't feel like their IT department has the vision to take them forward on data. But if you talk strategy and no result, all the business guys be like, you know, I should hire my own people. Let this person come and do visionary speaking. Let me hire somebody else to get the job done. So, I think, I always believe it, you should have some singles and quick hits. You can't go for the home runs or the boundary hitting all the time because, you know, the promise lasts only so long and it's getting shorter and shorter and you know, first 30 days people want to say, are you going to do something and you have to find. I always say, if your email is not working, fix it. Before you talk about systems of records and engagement, people have no confidence in you. So, I think the first job for the CIO is to fix some basics but we get stuck in the basics. So, we keep on talking about that, there's an ERP project that's going to take ten years and so don't talk about any new project or we're going to upgrade the network, don't come and talk to me. Are we doing an acquisition? By nature, companies are so dynamic. You are going to acquire company, you're going to divest, you've got to save money, you've got to cut costs, you've got to implement ERP, you got to implement financial systems. So, I always have an eye for some really good short term projects. But the vision should be there, you should have a vision, I generally don't talk too much about the vision to people unless they are interested. Like the CIO, CEO ask for a strategic plan, then you present. But the business leaders are actually so fed up with IT right now that if you keep talking about three years from now, I'm going to bring AI and ML, they don't believe you and they just saying it's a waste of time, let's do our own. So, I think the bias has to be do some results right now and take some singles, get some credibility and then people will trust you for a longer term project.

Ajay says: That's really interesting because when you're talking about taking the singles, you should also look at the ecosystem. You're basically at this point of time being bombarded by a lot of information, whether this information coming from startups, whether the information is coming from other companies or who are trying to give you examples of other companies. So,

when you look at these goals, what role do you see your direct team playing? What role do you see partners playing and how do you bring all of that ecosystem together? Maybe startups as well, how do you bring all of that together to try and because startups are always challenging the status quo, what is the status quo. So, how do you bring it all?

Bask says: I think the CIO and the leadership team should pay attention to innovation happening outside. So, we tend to typically go to the traditional big events. I'm not going to name them but those are the events we go to. And where the big company vendor has a big show and dance and the CEO comes and shakes your hand and you have Eric Clapton playing. It's all fun but learning you get from those kind of events is very little. And then the networking again is not really that intensive because of thousands of people, you don't really network. I have benefited a lot from working with startups and systems integrator and partners and suppliers. Because if you show interest, these are the things I want to talk about, these people bring that to you. They bring that out and say, here's some examples of what we are doing. The partners will say, here's what we are doing with your competition, would you like to know? Why would you not like to know? I mean, that seems like the best learning. You don't have to go to the university, the startups I found is, what people do is they take, they go to a startups, they take the time with no intention of ever using them because most people are already decided, unless they see it on a quadrant or on a report that it's validated by 100 years, they're not going to try it. So I tell people, don't waste the startups time, their time is the most important thing. These folks really are trying to race for time, so don't take your whole team with no intention of ever using them. But if you do, go with an open mind to say, I'm going to give it a shot. And these days with SaaS especially, you're not spending million dollars, right? You just have to buy $1,000 license a month or $2,000 license a month. Why are you even doing a proof of concept, why don't you just use that for a month and see how it works and what results it produces?

Ajay says: But if you're a CIO of a large company or CTO in a large company, would you actually dabble with startup with success? What if the startup gets acquired or you know those are all risks they've got, disappeared itself?

Bask says: There's a risk reward. So, you need to have similar to the portfolio you have is certain startups that you put seed money, you don't put your critical projects right away on. Certain projects are more mature but I have benefited in having those relationships a lot because the startups are the ones who become the next ones. And at the startup stage, you establish a relationship with the CEO. You may have a relationship with the CEO of a large company, but that person is meeting 50 people, 100 people, to him, you are an ATM machine. So, I think establishing meaningful non-transactional relationships with these startup CEOs and good partners are very valuable, it's valuable all through your life. The risk factor, there's a risk but you don't take the startup and put it on your most critical system, there are places for you to try. This is another way to show innovation to your business. You can still go to them and say, listen, we're going to try, I can't put it on your, the main job floor. But let's put it on a non-critical one, on your test lab or something else and we test it out and people feel like you're bringing innovation to them and showing what the future looks like. So that's often, most traditional folks will say who else is using it and they wait till, the minute something gets published, it's three years old. So, you're chasing the wrong wave. It's like when you're surfing, you want to surf the wave in front of you and not too far off or not, you're surfing a wave that has already passed you. So, you're always implementing things three years, four years behind to play safe. So, the reason I'm saying a little bit more aggressive is most CIOs I know are risk-averse and so it's

time to step in a little bit and the risks are minimal now. You're not spending tons of money, don't put it on your most critical system but you're not throwing a lot of money, it's not a lot of resources and you get the best resource on innovation. When this company becomes, say your IPO you know, you're one among 500 customers. What attention are you going to get today?

Ajay says: But I think look at the other way, so you talked about the startups and I get what you're saying, we're going to look at it from the partner perspective. So, there are so many partner options that are also possible and those are probably companies that are doing well as well and they have the wherewithal, they've also understood it. So, when you're looking at a partner, how do you decide this is the partner that you're most interested in?

Bask says: I need a partner who educates me. So, we always talk and I remember the first real estate agent I used and she didn't try it, I remember her name because she didn't try to sell me the house. She said, these are the neighborhood, schools are good, the houses here hold value and I said she's not trying to close the deal. So, she was just educating me and there's no way I'm going to not buy from her after that. So, there are some partners who are very good educators, they'll come back and show me things like, you know, I want to show you this company. I want to make an introduction to another CIO, I want to do that and so on. Those are the best partners because they are trying to enhance rather than sell a transaction to you. So those partners are very close, you establish a non-transactional relationship for a long time. It happens, it's like building a pipeline, you know, you build it and the projects automatically happen and we always do business with people we like. So, that's the partnership I look for and also the partners, you kind of waste their time as well. I mean, if you're really not going to try anything innovative and you've already made up your mind to do something else, don't jerk them around, I mean, they also, you know, they are doing something for a living. So, you have to be respectful when you say, hey, show me what is happening in the industry and the partner takes you to places, you should be somewhat willing to try it out. If you're not willing to try it out, don't waste their time because it is disrespectful. But I think that I like the partner who educates me, shows me new things and we always talk about price and competitor, all that stuff is important but very seldom have I awarded an award just for on price. I always would say that, I'll say if you're $2 cheaper than the other person, I give it to them. But nobody does that, that is the business talk. You give it to a person who you're going to grow with, establish long term relationship. And I learn and I still remember there's partners who send me some information now knowing fully well that there's no opportunity of business and I send them back information on what is happening. Those are the best relationships to have because you're learning from each other.

Ajay says: So, you're really after the relationship, not necessarily the partner.

Bask says: It is very important, it's the company name actually. As you know, companies are represented by the people, the brand takes you only so far, you are the brand for your company, I'm the brand for my company. So even of the partner, the people become the most important one, more than the brand for me.

Ajay says: So Bask, you talked about the multitude of technologies and I think you practically countered all that we could, the major ones there. When you try to put all of these technologies together, there is clearly, CIO would have, I presume, security implications. There are lot of times technologies get implemented and the CIO don't even know about it in that environment and when a security incident happens, there are people ultimately responsible for it and

everybody comes to know, how did you not know, nobody told me. So, how does one handle security in today's world which is you know, it's not like the monolithic example that you talked about, it has multiple partners, multiple players in the ecosystem, all trying to work together.

Bask says: Yeah, I think you hit the nail on the head, I have been to audit committees where people say, how did you not know that this was implemented and they'll get tough. They'll say, the last time I looked, your title was Chief Information Officer of that Company. So, what do you mean, they didn't come and tell you? That looks like a childish thing to say it, right. And at the same time, you can't just go and tell manufacturing business people that everything they do should come through you, those days are gone. I think IT is completely decentralized, right now. In fact, it's going to get more and more decentralized and less centralized. So, the role of a CIO now becomes more like a diplomat and statesperson. You know, people who should feel that they're getting value from the CIO and the IT department. Are you a visionary, are you a mentor and then your business leaders will say, hey, I'm trying to do this big deal. Can you take a look at it and give me a hand because I don't want to do something and create a security risk. That's the relationship you should build too, not just command and control on. If you do something and put it in without me and I'm going to shut you down, that days are gone. And by the way, they're not even calling IT projects now, right? Most and I work for a lot of OT vendors, we just go and say it's a building automation system or we say security, physical security system. Anything we put anywhere now has a computer system and massive computer systems, right? So I'll give you one example of physical security system, a lot of CIOs would not know where it is installed, who install them, who owns them, what are they doing on the networking sites and they call it cameras. Every camera is maintained by some UNIX device on the network. Most of the cameras are made overseas, most of the Linux boxes or UNIX boxes have admin, admin as their passwords.

Ajay says: And they see everything as well.

Bask says: They see everything. So, if you asked, how many cameras do you have, nobody knows. You ask them, you know, if the cameras are working, we don't know. So, I've seen it several times, when you have a security incident, that's the time you find out your cameras are not working. And somebody will say, why would you not know that before? So anyway, I think this bridge between IT and OT as we call it, is very important. I mean, industry calls it IT and OT they call them manufacturing facilities, real estate and central IT department. So, the first is I think the CIO and the IT department should have interest in everything that is put in that and then becomes this mentor role. So, people feel like they want to come and ask you. And then to be aware and get you self-educated but there's tons of investment being made on all the building systems and automation systems and security systems, manufacturing, robotics, everything is at computer these days. Everything has a chip. So, if you show interest to that rather than your traditional projects alone, it's also more interesting and more innovative.

Ajay says: You know, even you get audited and you talked about being in an audit committee and now interest alone will not get you there.

Bask says: So, then we come back to our startup community, there are a lot of good vendors who are coming, pretty much like when you rolled out mobile devices, Blackberries was good because it had built- in security. Then, we had bring your own devices and other kind of phones, you had no control, right? So but there are software (MDM) Mobile Device Management software that vendors have made which helped you manage. So even if you have your phone,

you get on my network, I have some security over you. There are those kind of software available for IoT and Edge but if you don't even show interest and you're not listening to the vendors, they're not coming for a big shop, they're coming for a lot of startups. So that's what I meant, you have, say an interest in and you can actually help because you've seen this problem before, it's not complicated. And you can say, how did we manage mobile devices. So these are largely Linux, UNIX or Android devices and how can I manage, what should I manage them, can I put an agent on them, not an agent on them, those kind of things. And then it gives you so many opportunities, right? So, I think the simple one is cameras but in hospital systems, you know, there's some interesting challenges. You have a blood analyzer or something and that is a system and a Linux system on the network. See if that gets infected, what are you going to do? You can't shut it down, it's saving humans. So, only the IT department knows how to quarantine the computer, not the humans, quarantine that computer to keep it still working and then isolate it, update it and fix it. And if you do a few things like that, you become the friends for the hospital systems or the business person. So, I'm telling why not, if you're an automotive manufacturing, learn about how manufacturing works because that's what your CEO is looking for is how can they produce more cars faster.

Ajay says: Right.

Bask says: So similarly, hospital systems, we all struggle on beds, counting the number of beds, what was available and there's a ton of automation to be done there. I mean, cyber security is very important but if somebody breaks into your physical security, then there's only so much you can do with cyber security, so physical security becomes very critical. So, start with an interest and then you have solutions, you take the solutions and then take control. You don't stop, start just with interest.

Ajay says: You know, one of the challenges obviously is also the cost. Because as you keep multiplying and adding to the and what they call their tax surface in this case. You're basically multiplying the cost ten times over and while all businesses would say, I want to, you know, I would want to be 100% secure, make sure it happens. There's only so much, you will end up paying because the budget is going bigger and bigger. So, how do you balance the trade of cost?

Bask says: It is like an insurance rate, how do you buy insurance for your car and you say, hey, first thousand dollars, if my son hits the car and I'm willing to pay for that money and it was worth paying $4,000 if I get into a $40,000 kind of accident, so it's always a risk versus reward call is what you make. And in fact, CIOs have to make that with their CFOs and audit committee and so on. And then you come across as like a business person saying, is it worth paying another 10,000 to do this? Some of us sometimes just go and say everything's insecure so you have to do all of it. That's not going to work in a business. They have to get their jobs done or you can say I don't have funding or I don't know it exists, that is not going to work either. So, you need to have a risk tolerance kind of a methodology and people make those insurance calls all the time. You know, we get insurance for flood. Somebody can ask the question, when are you going to get a flood? What are you talking about? But we make the call and say hey, there's a big company, flood insurance is worth it. So, I look at security more as risk management and for those kind of judgment but the other security, device security is not that expensive. So, there are certain things that are not that expensive, you have to automate it because it's not good enough to say there's a security problem. This is the start of ecosystem and partners. So, I challenge the startup ecosystem to say, don't tell me I have a problem, I already have a

problem. I know that I have 100 problems, you're saying, I have thousand more problem, it's not going to help, fix it. So, if you're involved with those ecosystem and partners you can say, don't tell me the camera is not working or not are not updated, tell me how to update it. And so, if you're involved with them, you can direct their products to do more than what it's intended to.

Ajay says: Taking this further, we're hearing a lot about sustainability these days. What in your mind is sustainability and how does a CIO translate that into an objective for himself or herself?

Bask says: So, there are the usual things you can do in sustainability. You know, like making sure that, as paperless as possible, reduce bureaucracy and so on. Let's think, a few outside the box, if you will. I think the last two years have shown that we can work from anywhere. Clearly, people are not driving into work so why would you reverse that trend? So, the first challenge is, IT created this remote work, our CIO created this remote work, we have succeeded successfully. So, one of the things I'm thinking is CIO should say, why not, I mean, we got it working for you, why are you driving and coming back and polluting the drivers and so on. So that would be one, if I had my dream because it saved a lot of cost for us and pollution. Not every industry can do that but a lot of IT industry is going to do that. The other one is like I told you, we worked a lot on supply chain automation so we figured out what it cost to make a product here in the US or in a country or in somewhere else, get it over a container, ship it over and to the extent that it cost about $2 apparently to ship a television from China to here, from all the way from a factory into my home. So, very proud of what we've done. Can we apply that now in manufacturing and actually do lights-out manufacturing here? So why wouldn't a CIO and the head of manufacturing push for manufacturing in each country? And that, just imagine the phones getting created in Cupertino or in Mountain View, the design goes across miles, gets made somewhere else and put on its container to come back, so our children can go back into Cupertino to buy the phone and it travelled so many miles. Some people are going to look and say this is really ridiculous, did you not know how to manufacture.

Ajay says: 3D manufacturing as well.

Bask says: Well, 3D manufacturing, it's not simple because we moved all the components, everything is gone. But I think, IT can help in removing the labor arbitrage. We can say if you remove labor, I can make this automated factory for sure and I think that's a pretty, those are some bold projects to take on. And then, here you can channel your startup ecosystem, if that's really important for you, then why wouldn't you challenge your partners or your side of the ecosystem to say, can you give me projects ideas that other competition is doing to save something for the environment. So, those are the places to go and I'm glad that there's a focus put on it and I'm glad to hear you say that people are actually putting money on those projects because that used to be the problem for a while. As you know, everybody had sustainability goals, but there was no extra money.

Ajay says: I think, people are getting more conscious of that, especially I think, one of the big reasons for that change is also Gen Z because as Gen Z comes in, there is clearly, what we're hearing is they want to work and they want to have a purpose behind what they do and they want to find their purpose in the pace of work. And I think, companies increasingly having a Gen Z workforce that's only going to increase. And if they have to be relevant in that workspace, they will have to make sure that what the goals, objectives that they actually live up to are going to be relevant for that generation.

Ajay says: By talking about Gen Z, my next question is really, you've been a very, very successful and I would say in a lot of ways hands on CIO. You've seen various industries, you actually experienced some controls and you've done lot of transformational jobs. What's your advice for an aspiring Gen Z youngster looking to work in IT and technology side of the house.

Bask says: I'm going to sound like my father, but I was fortunate that there was no specialization in IT, so you have to know about security, you need to know about database, you need to know about operating system, hardware, software, running cables, you have to do all of that. You were just IT guys and you did every project. So, I was fortunate that I was able to get a variety of knowledge. Lot of folks go in and like I said, they would never know hardware. They just assume, it's somewhere, it's in the cloud. So, if they get an opportunity to learn hardware, software, database, make it as wide as possible, like security experts, the best security experts are one who know a lot about applications and operating systems and physical and so on, so that would be the advice, I give them. I'm actually very respectful of them, I mean, I've seen the way they work and the tools they use, they're far better than a lot of things that we do but that is one experience. The other one is what they are doing right is, they're choosing jobs based on their manager and the company and the mission like you said. When I used to work, I used to go take any jobs that I can get with any company regardless of what they did. And I work with some really awful managers because you thought, it's a job and you do that. So, what I respect them is, if you're a bad manager, you're not going to be a good talent. And if you don't do good things, you've got a company that's creating evil things, you're not going to get good. So out of necessity, you're going to become a good manager and a good company. So that I enormously respect them, they have the conviction to walk out if the manager is not supportive or whatever. So, I wish, we had the guts to do those things during our times.

Ajay says: On that note, thank you very much for being here. It was a pleasure talking to you and look forward to more such conversation in the future.

Bask says: Same here, thank you very much, appreciate it.