

K C Chakrabarty: Transitioning from student to professional lives – some reflections

Convocation address by Dr K C Chakrabarty, Deputy Governor of the Reserve Bank of India, at the V.V. Vanniaperumal College for Women, Virudhunagar, 24 March 2013.

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1. Dr. M. Narendra, CMD, Indian Overseas Bank; Dr. (Smt.) P. Selvameenakshi, Principal, V.V. Vanniaperumal College for Women; Shri S.M.S. Manickavasagam, Secretary and Smt. M.M.N Jikki Mathavan, Joint Secretary, V.V. Vanniaperumal College for Women Managing Board; distinguished members of the audience and dear students! It is, indeed, a great honour and pleasure to be here in your midst today to deliver the Convocation Address at this college of eminent credentials. I am proud of the fact that I have been handed this opportunity to deliver this convocation address at a college, which was inaugurated by one of the leading freedom fighters and statesmen of our times – Bharat Ratna Hon. K. Kamaraj, someone whom I deeply admire. The academic excellence achieved by your college over the past five decades is a glowing tribute to the vision of the man who introduced free mid-day meal scheme in schools and free education up to 11th standard for poor children during the 1950s.

2. To be amongst bright young students is always a refreshing and feel-good experience and whenever such an opportunity comes up, I quite look forward to it. Let me begin by congratulating all the students of the College who have successfully graduated in their respective academic disciplines and are receiving their degrees today. Convocations are special as they simultaneously signify both – a conclusion as also a commencement. They logically conclude a formal learning exercise and hence, provide an occasion for relief, fulfilment and joy for the graduating students as well as the faculty members. They are, however, even more special, because they commence a lifelong informal learning as graduates step out into the University of the World – step out with dreams, hopes and expectations into the *terra incognita* of life. In our days, when we passed out, it was not a dream but a nightmare, because of the difficulty in getting employment. Though over time, considerable employment opportunities have come up across various sectors, especially the services sector, finding a fulfilling job remains as big a challenge as ever. However, I am confident that this venerable institution has prepared you to face and surmount all challenges that life throws at you. I am privileged to share this special day with a bright set of youngsters, who, I hope, would turn out to be the highly successful financial and social entrepreneurs of the future.

3. This Convocation ceremony marks a major milestone in your career. It not only indicates the culmination of the hard work you have put in over the years, but also marks your transition from students to professionals. I know only too well the time, effort and dedication that are needed to acquire such important academic qualifications. I would also like to take this opportunity to congratulate members of your families who are present here on this very important day in your lives. I am sure they have contributed greatly to your success and fully share your moment of glory. You should always remember that, but for the support and love of your parents and families and the dedication and commitment of your faculty members here, it would not have been possible for you to reach this milestone in your lives.

4. In a country like ours, education is not only the key to a brighter future; it is, often, also a key to survival. Using education as a primary strategy, our visionaries and pioneers have aimed to harness, particularly the potential of girls and women, to learn, lead and act on their vision of change for themselves, their families, their communities and the nation. Pandit Nehru famously remarked, “You can tell the condition of a nation by looking at the status of

its women". The Beijing Declaration at the Fourth World Conference on Women (1995) noted that, "Women's empowerment and their full participation on the basis of equality in all spheres of society, including participation in the decision-making process and access to power, are fundamental for the achievement of equality, development and peace". In India, there has been a perceptible increase in literacy rate amongst women from 53.67 per cent (Census 2001) to 65.46 per cent (Census 2011). However, there is still a large gender gap in literacy at 16.68 per cent which needs to be bridged. In this context, it is extremely gratifying to note that your College has been doing a remarkable work in empowering women of this region by providing them access to quality higher education ever since its inception about half a century ago. I am glad to learn that this institution has received the Best Women's College Award consecutively for the last seven years. However, let me hasten to remind that such accolades place even greater responsibility upon the college, its teachers, administrators and students to work harder and keep up the good name of this august institution.

5. For years, women in India have almost silently supported the stability of our society's cultural institutions and the continuities and consistencies of their ethos. However, today, the contours of the world we live in are changing dramatically. The space for growing up and living has new co-ordinates. Educated, armed with knowledge and skills, women are entering in a big way the world of occupation, career, profession, competition and achievements in their own right and are creating a space where the emphasis is on expressing themselves and being accepted as independent, autonomous beings.

6. Our women are now more confident about their ability to discover and identify their personal capabilities as also to discover a vision of life beyond that defined by social structures and the network of relationships. Today, they encounter the possibility of creating a world beyond their visible horizons and boundaries.

7. Empowerment of women, gender discrimination and violence against women have become subjects of serious public discourse as also sociological research in India in recent times. Several attempts have been made through the years to study the status of women in India and these studies have clearly brought out that the participation rates of women in economic activities are very low. The Draft 12th Five Year Plan document released in December 2012 has noted that there has been a consistent decline in workforce participation rate (WPR) of women since 1980s but the decline seems to have accelerated between 2004–05 and 2009–10. The decline in female labour force participation has occurred in both rural and urban areas, though the decline is much sharper in rural compared to urban areas.

8. The Human Development Report, 2013 presents the Gender Inequality Index, which is a parameterized indicator of the inequality in status and opportunities for the women in the population. Its assessment is based on three parameters viz. Labour Market, Empowerment and Reproductive Health. It is disappointing to note that on the status of gender inequality, the report places India at a lowly 132, which is a fall of three positions from the previous report. Our ranking on gender inequality is in stark contrast to our claims to being a progressive society and a developing nation. It brings into sharp focus the urgent need to implement effective measures for quickly reversing this position. Each one of us, cutting across professions and positions in life, have an important role to play in making this transformation.

9. Prior to independence, the gender divide within our labour force was an accepted norm. Especially since the 1970s, scholars and activists have challenged the inequalities that had been established and have fought to reverse them. These inequalities included unequal wages for women, relegation of women to unskilled spheres of work, and restricting women as a reserve army for labour. These scholars and activists have also sought to focus on class-consciousness in this discourse, recognizing the inequalities not just between men and women but also within social structures such as caste, tribe, language, religion, region or class. In recent years, the focus of such deliberations has gone beyond treating women as

useful members of society and now also focuses on empowering them to decide the course of their personal lives and the right of self-determination. I am glad that the V.V. Vanniaperumal College is playing a transformational role by churning out a knowledgeable and empowered lot of women year after year, who can claim their rightful place under the sun.

10. Lack of education and empowerment of women is also reflected in the extent of disparity between the proportion of financially excluded men and women. That women in India are much more financially excluded than the men is evident from the fact that as of March 2011, only 21 per cent of total bank deposit accounts were held by women and these accounted for just about 12 per cent of the total volume of deposits. Similarly, women availed only 18 per cent of the total small credit from banks in 2011. Therefore, initiatives to empower women should, necessarily, include strategies to link them to the formal financial system by providing them access to deposit and credit accounts.

11. However, considering the centrality of banks to the nation's economic order, their role in women empowerment cannot be restricted merely to linking them to the formal financial system. The banking and finance sector in India has emerged as a significant employer of women, though related data suggests that there is still tremendous scope for improving their presence in this sector. The financial sector, in specific, requires its employees to possess traits of passion, conviction and compassion that the women display in abundance. The sense of empathy and understanding that the women possess enables them to earn respect and acceptability of their co-workers. Expert studies highlight that women are more adept in dealing with concerns of employees, shareholders and customers. They are not only good at collating and combining information, their better intuitive abilities also helps them to make informed decisions. As leaders, the women bring in an environment of strength, confidence, inclusiveness and trust. It is no wonder then that women have risen remarkably to the top in the banking sector in both – the public and private sector in India. I urge this bunch of young women graduates today to choose finance and banking as their career option where they can really excel and serve the customers and society with distinction.

12. As you must be aware, the Hon'ble Union Finance Minister Shri P. Chidambaram has proposed in this year's Union Budget that an all-women public sector bank will soon be set up, which will predominantly employ and lend to women. This is, indeed, a very welcome step and will also, in a sense; help take forward the Reserve Bank's financial inclusion and financial literacy efforts, which also strongly focus on women's awareness about and access to financial services.

13. The world of banking has, in fact, been a mirror of history at large. "Money makes the world go around", the saying goes. Banking activities resemble a wheel turning continually. Banking in India too has gone through many phases. While historians can slice the past into countless slivers, in terms of transformational change, there have been only a few inflexion points in post-independence banking in India.

14. The first was the enactment of the Banking Regulation Act, 1949 which brought in a comprehensive and formal structure of bank regulation and supervision in India. The nationalization of banks in our country in 1969 marked the second such point. It generated forces that took banking beyond the elite class to the masses. It led to the establishment of a very substantial infrastructure across the geographical expanse of the country and was, thus, a critical trigger for financial outreach of institutions and empowerment of the common man. The third inflexion point in banking was the financial sector reforms initiative that was launched in the early 1990s.

15. These reform measures were initiated and sequenced to create an enabling environment for banks to overcome the external constraints – these were related to administered structure of interest rates, high levels of pre-emption in the form of reserve requirements, and credit allocation to certain sectors. One of the major objectives of banking

sector reforms has been to enhance efficiency and productivity through competition. As you know, the Reserve Bank is currently considering issuing licenses for establishment of new banks in the private sector.

16. This changed environment and the internal compulsions arising from greater competition and the need to improve market shares and/or profitability is resulting in the banks' quest for greater efficiency and an effort to reposition themselves, given the realities of the environment and their internal strengths and weaknesses. This also generates more possibilities and greater opportunities for young graduates and post-graduates like you. The Reserve Bank too now recruits a certain number of people every year. It is a wonderful opportunity that aspirants like you can look forward to, and prepare for, every year.

17. We live in an age of unprecedented opportunities. But, with opportunity comes responsibility. It is for tomorrow's managers to carve out their own place, to know when to change course and how to keep themselves engaged and productive throughout. To do things well, one needs to cultivate a deep understanding of oneself – not only the strengths and weaknesses but also how one learns, how one works with others, what his or her values are and where he or she can make the greatest contribution. Because only when one operates from strength, can true excellence be achieved! It is, therefore, for all of you to keep on learning, understanding yourself and your environment, so that you always stay ahead of the curve as far as success in various life roles is concerned.

18. The emerging challenges in the banking and finance sector call for a new, more dynamic, aggressive and challenging work culture to meet the demands of customer relationships, product differentiation, brand values, reputation, corporate governance and regulatory prescriptions. Understanding and dealing with difficult transitions would be the key for youngsters like you while designing strategies for the organizations that you will be eventually joining. While leadership skills, the ability to multi-task and manage competing imperatives will be the necessary ingredients of the new generation managers, the old-fashioned qualities of desire to learn, a strong sense of professional ethics, an enquiring mind, a strategic view, the qualities of humility and empathy, a willingness to embrace practical experience, and an eagerness to adapt to new experiences would continue to be critical. I am personally convinced that the women folk enjoy a head start when it comes to being able to multi task and manage competing imperatives.

19. Dr. Charles Eliot, the eminent educator at the Harvard University, was often asked, "How had Harvard gained its reputation as the greatest storehouse of knowledge?" His reply used to be "it is because the freshmen bring in so much of it and the seniors take away so little of it". The witty professor had, of course, said it in a lighter vein. I am sure all of you have made the most of what your College offered you and are taking away a rich treasure-trove of learnings from here. The inputs that you have gleaned as part of your studies here would surely give you the foresight to see things before the curve, much before others do.

20. Before I conclude, there are three basic messages that I always like to convey when I get to interact with students. All of you have completed your student life and would be entering into professional lives shortly. With the academic credentials that you have attained at this institution, I am sure all of you will be able to build up successful careers. My first message to all of you is to never be complacent in life, because complacency is a short cut to failure. Plan wisely during your good times so that you have enough resources to live through the bad times. My second message is that though bad times are inevitable, they are definitely not permanent. So, don't be discouraged and disheartened. Stay positive and keep on working hard and the good times will return. My third message for success in life and in your professional careers is to be information literate. Retain the curiosity to seek and assimilate knowledge and to use this knowledge for taking decisions in an unbiased manner. This will help in ensuring that the decisions you take are in your best interests and in the interest of the organizations you work for.

Conclusion

21. We live in exciting times and as you stand on the threshold of a new life – I trust you will continue to cherish the ideals and dreams of youth, after all, they are what make life worthwhile. While you must rejoice and celebrate your achievements, you must also realize the enormity of responsibility that would now be cast upon you. The knowledge and skills that you have acquired here and the values you have imbibed, must be utilized in not only carving a niche for yourself in the professional field that you choose but also in making a difference within your homes, your society and the country. You must work with a commitment towards upholding the values that your teachers and your Alma Mater has imbued within you. This would, perhaps, be the perfect “*gurudakshina*” to your teachers and to the institution.

22. I wish all of you every success in all your future endeavours.

Thank you.