Mike Milken: Ravi, thank you for joining me.

Ravi Kumar: Thank you, Mike, for this opportunity. It’s always a pleasure and an inspiration talking to you.

Many people around the world are not familiar with Infosys. You have a quarter of a million employees today; you have 25,000 employees in the United States and you view it as your greatest growth market. What is the mission of Infosys?

Since its inception, 35-plus years ago we have been on a mission to build lifelong learners and create a sustainable talent model for digital needs of the future. We do believe employers have a role to be educators. Digital capabilities have very short life and we are getting into a period where individuals have to work in multiple professions in their life. Therefore, lifelong learning is going to become very critical and hence the dual state of educating and employing is what the future for large enterprises will be.

When I think of the company, it is one of the strongest companies in the world financially. You have approximately a $40 billion equity market cap, no debt and $3
billion in cash, and are creating one of the largest educational centers in the world for a for-profit public company in Indianapolis today. What’s happening in Indianapolis?

So Mike, three years ago, we started this journey in the U.S. Our belief is 60 percent of the world is going to get digitized by 2022. The future of workplaces and workforces – the two dimensions of an enterprise – are going to change significantly. The change was gradual, but the pandemic in some ways, and the post-pandemic era, the changes will be all of a sudden. Six out of the seven jobs of the future have not been created yet. We do believe we have that opportunity to build capabilities for large enterprises as well as for ourselves. We are replicating a finishing school, or a corporate university as we call it, in Indianapolis. The idea is to actually hire from schools and colleges, hire for capability-building, reskill talent from large enterprises and actually build digital skills of the future. That’s what broadly we wanted to do. We did this very effectively in India. We have the largest corporate training university in India. It’s a 500-acre campus we began 30 years ago and we are now replicating everything we did there in the U.S.

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So when I think about our challenges: Can we bring hope? Can we bring equal opportunity? I think in many ways you’re focusing on community colleges. With the cost of a university escalating today, let’s talk about how we can reduce the burden of student loans by giving people an opportunity for a high-quality job and the skills that will allow them upward mobility in the world of the future.

In the United States in the last 25 years, the cost of education has gone up by 150 percent. In the same period, inflation has gone up by roughly around 45 to 50 percent. So the cost of education has outpaced three times the cost of inflation. 5.5 million students go to community colleges in the U.S.; two-thirds of the workforce out of the 160 million workforce in the U.S. actually doesn’t have an undergraduate degree. They either have an associate degree or a high-school diploma. That divide in many ways, digital capabilities, new age capabilities, digital backbone jobs could have potentially bridged, but the virus itself is going to accelerate the digitization of enterprises. And the debate around the divide is actually going to trigger an acceleration of adoption of community colleges into digital skill capability building. I do believe that digital backbone jobs can blur the line between white- and blue-collar jobs as we call them in the past. The debate of inequality,
which is all over the world, is going to trigger that sudden shift. Seventy to 80 percent of students who go to community colleges are from the underserved communities. They actually work part-time in two or three small jobs. They have an American Dream in their minds, but they still don't find an opportunity in the corporate world. I hope corporations will start to look at skills rather than degrees to hire. Interestingly, Mike, the half-life of skills has gone down, which really means you don't need a four-year degree to be in a digital job. You need a lifelong learner. I would believe this is a single-biggest chance to bridge the divide using education as the equalizer.

We have been quite concerned for the last few decades about the burden of student loans. As you've pointed out, effectively the dramatic increase in post-secondary education has been met by the government loaning money, not having any payments or interest payments when you're in school. Then a person discovering that they owe collectively in the United States, a trillion dollars or more. Even if they go bankrupt, they can't get rid of their student loan. Now for maybe the rest of their life, they're going to have to figure out how to pay off that loan. As you've pointed out, the skills required for a job here in the 21st century requires some knowledge of technology. They might not have gotten that education in their four-year university, since two-thirds of the population doesn't have a four-year degree. We need to give them hope and opportunity. What you've been able to do is create a formula that gives everyone the skills needed for reeducation and opportunity in the future.

We created a model of “learn, earn, and work with us,” which essentially means you learn as you work with us. We convert those experiential learning into credits for them to actually progress and get undergrad degrees as they work with us. Because the world still doesn’t accept transitional period we should equip people with what they need, even if they don't work for Infosys. So that was one big learning.

The second big learning. Mike, this goes back to what the manufacturing industry did in the Industrial Revolution; they created the apprentice model, which is very popular in Asia and Europe. The apprentice model was to handhold as you learn, and organizations have to allow apprentice models in digital jobs. So we created an apprentice model, and these are mostly for the underserved communities where you need mentorship and you need soft
skills enablement. Our belief is that as you hire from the schools. As you hire from associate-degree holders from community colleges or with a high-school diplomas, you need to do handholding. We believe that template which we are built is replicable in across the U.S. and it's replicable with state governments. We are helping some of the state governments where we have set up our centers to leverage this template of learn, earn and work and credentialize the learning.

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The future is going to morph to micro-learning on mega-platforms. That's what education is going to be for the future. I completely agree with what you said. Student loans are a vicious cycle because so many loans were available and universities had no incentive to reduce the cost of education. What really happened is nobody really competed with universities, while online tech companies like Coursera and Udacity tried competing with universities, but they really couldn't. I think this is an inflection point. If the corporations across the U.S. start to hire on skills, start to hire from community colleges, don't look for degrees, I think we are going to see a revolution in how you want to hire from the market.

I developed a close friendship with a man named Gary Becker who won a Nobel prize in 1992. I began reading his work in the mid 1960s and his views that the No. 1 asset was the potential of the human being, human capital. The secret to a country are the skills of their individuals. It was 100 years or so ago, Henry Ford said, 'you can burn down my factories, but give me my people and we will rebuild them.' If there was ever a company defined on the skill set of its people, its Infosys. What has happened during the coronavirus? How did you continue your mentoring, your training, your education, particularly in parts of the world where the infrastructure in their home, such as India today, might not have allowed them to do what they could do at work? How have you operated? What has happened to the company in the last three to four months?

So, Mike, 95 percent of our workforce in less than 10 days went virtual and supported mission-critical work for our clients. And that happened very seamlessly. We continued to hire, we continued to train and we continued to support internships. In fact, we have all the largest internship programs across the world. That's because we were enabled on a digital platforms for learning. Our ability to hire did not change. Our ability to support our clients did not change. Pretty much all our infrastructure was on the cloud. We were enabled for virtual operations, virtual on demand as they call it.
I do believe the bridge and the divide between rural and urban America where jobs are, you will see that shift to rural America because it doesn't matter which part of the U.S. you belong to. It actually, doesn't matter which part of the world you belong to as long as you are actually delivering work, as long as you can hold the productivity even without coming to work. Most of our clients have started to tell me that two-thirds of their workforce will not come back to a workplace, post the coronavirus. That to me, is the way work is going to be redefined. It's an opportunity for us to bridge the divide between geographies in the U.S. states where there are plenty of jobs in cities and rural areas where there aren't. This is going to be a game changer.

One additional shift which I have seen is the embrace of the gig economy into corporate jobs. The gig economy was restricted the ride-sharing economy as the call it. That shift is now going to happen to corporate work because work has become very micro, very modular, and you deliver work round the week and you deliver work 24 by seven. Therefore you are going to see an embrace of a gig worker in corporate jobs which helps us to amplify the kind of workforce which is available for the future.

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Let's talk about some of the challenges you and I have talked about over the years which have been brought to fore during the events of the first half of 2020. It is estimated at this time, that maybe a quarter to a third of all jobs that have been lost will not come back. Therefore, to give hope to people that you've outlined, we need to let them know how they get into the “gig” economy where jobs will be. The need to create millions of new jobs in America is required, and people who are 35 might not be going back to school physically. As I see it, this is a path that you've created.

We've gone from the lowest unemployment to the highest unemployment in less than six months. We've reemphasized the concern about racial bias and opportunities based on race, possibly based on religion, based on whether you're a man or a woman today. But in many ways, by focusing on community colleges, you're really focusing heavily on the minority population in the United States and giving them a chance to rise up. When you're training a person digitally, no one knows what the color of your skin is. No one knows what your religion is. And they're very focused on skills. Let's think about these challenges, not just to the U.S. society, but societies around the world, as you try to
They communicate the mission of Infosys and quite possibly substantially increase your hiring.

So, Mike, that’s a great question. In many ways, the stimulus package and what the government is doing for unemployment insurance is not going to structurally change skills for them to permanently get jobs. It's going to give them a temporary relief. Thirty-five million jobs have been lost because of the pandemic; 70 percent I'm told, are jobs for people who don't have an undergrad degree.

Most employers today want ready-made skills. Ready-made skills are not available. We are going to be in a dichotomous situation. We have 35 million people who are not employed, and we have hundreds and millions of jobs which continue to stay open because we don't find people. Who's going to create that bridge? That bridge I'm talking about is of people who have to move work stream, have to move industries. When you move work streams, when you move industries, just an online training is not enough. You have to handhold and you have to give them mentorship and you have to give them on-the-job training. In the limited period where you do on-the-job training, I would believe the local, state and the federal government can play a role in funding those apprentices so that employers find themselves incentivized to create those jobs. That is, “Student loans are a vicious cycle because so many loans were available and universities had no incentive to reduce the cost of education. What really happened is nobody really competed with universities.”

I think the magic formula; throwing money on this problem is not enough. It's not about structurally changing the skills of the future, but giving the support needed in this transitional period of on-the-job training to be stipends you pay to the employers who are actually employing those people because they're taking a bet. I think it's the need for the state governments. If they have to divert those funds, they should divert those funds to the on-the-job training, the online learning, the instructor-led learning, and finally, allowing those enterprises to be incentivized because they are taking a bet on skills of the future.

We are all familiar with the story of teaching a person how to fish rather than giving them fish. So you just told us that story in a different way, that continuing to bring fish to people is not the solution. Teaching them how to fish is the solution. As companies around the world, organizations, nonprofit, for-profit outsource to Infosys and others, they don't ask you, ‘what are the degrees of your employees?’ They are focused on your ability to do the work, create it, solve the problems. So it seems like outsourcing will
accelerate the opportunity for people with skills since the job is to meet the needs, not necessarily to solve that problem.

I’d like to address another issue. Infosys is its employees. It’s the services and the work they do for companies and organizations and governments around the world. What did you do to protect your own employees?

We made sure that we keep our employees’ health and employee safety the top most priority. And fact our employees were stranded in different countries because they couldn’t go back home. We made sure that we give local support to them and their families to stay as long as they can. We worked with the governments to get them back to their homes as safely as we can. A lot of our employees work at client sites, and at client sites that always a challenge because some clients were working in their offices and our employees had to make the decision if they have to go to work or not. And we took that call that if it isn’t safe enough, we will work with your clients to tell them why we cannot service them coming to their premises, but service them from our homes. As long as we can service them from home, it shouldn’t matter. But that has been our priority. We were very keen to look at mental health; that was a very important aspect. It was not just physical health, it was mental health as well. A lot of employees were very anxious, so we ensured that our communication was almost 10 times more than we do otherwise. I think we should over-communicate to the point where people start believing that there is somebody available behind to support you in the process.

“*I’ve never felt more gratitude for what I have than ever before. And I believe every one of us who has gone through this period would find themselves an immense amount of gratitude for the small things we’ve always ignored. We all have to work in striving to bridge the divide between the haves and the have-nots and strive to raise hope.*”

You touched on mental health. We are quite concerned and have been at Milken Institute, and our Center for Public Health has been very focused on this issue. You can understand the uncertainty today when you survey people, let’s say in the United States, that a lot of young people do not think that their life will be better than their parents. We’ve talked about some of the issues, student loan burden, but also the fact that there are not jobs for life. They don’t know what their jobs are going to be in the future. Let’s talk about your own family. How have you done there?
So, Mike, I had a baby in February. This is my first child and she was born just before the coronavirus. So I spent a lot of time at work, but I spent a lot of time at home. I would say that that was a silver lining for me. I’d spent at half time with my newborn baby girl. I live in New York, so it’s been most impacted, plus you live in compact apartments so you could get frustrated by the fact that you can’t even walk out. But I would say I’ve never felt more gratitude for what I have in these times than ever before. And I believe every one of us who has gone through this period would find themselves an immense amount of gratitude for the small things we’ve always ignored. I would say this crisis has been a big learning for me. It’s a big learning on how as humans, we all have to work in striving to bridge the divide between the haves and the have-nots and strive to raise hope. I’ve never found myself thinking more about raising hope than I have done so during this crisis.

I've had his view for 50 years, that doing good is good business. I think you've captured that. And I think this crisis gets us focused. We are excited about your daughter being born during this period of time. We are excited for your family. And we are so grateful for the mission of your company and its focus, which can change the course of history for millions of people and give them hope and upward mobility. So good health to you, and I look forward Ravi to spending time together in person in the next few months.

Thank you, Mike. Thank you for inspiring us to do better and inspiring us to be more purposeful. Thank you again for this opportunity and thank you for this friendship.