

Kristofer Lehmkuhl Forelesning 2015

Here, there and everywhere:  
EMPOWERING THE MANY,  
NOT JUST THE FEW

av

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KRISTOFER LEHMKUHL  
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Kristofer Lehmkuhl var en utrettelig forkjemper for Norges Handelshøyskole. Kanskje mer enn noen annen har han æren av at NHH ble opprettet, og helt til sin død fulgte han virksomheten med en aldri sviktende interesse. Han er derfor med rette blitt kalt “Høyskolens far”.

Norges Handelshøyskole har villet hedre Kristofer Lehmkuhls minne ved å knytte hans navn til en årlig forelesning for studenter, stab og inviterte gjester.

Forelesningen holdes så nært som mulig opptil Kristofer Lehmkuhls fødselsdag den 26. september.

Alle Lehmkuhlforelesninger som er avholdt fra starten i 1958 er gjort elektronisk tilgjengelig på [www.nhh.no/lehmkuhl](http://www.nhh.no/lehmkuhl).

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Lehmkuhlforelesningen 2015 er utarbeidet og fremføres på engelsk etter avtale mellom NHH og Telenor.

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## HERE, THERE AND EVERYWHERE: EMPOWERING THE MANY, NOT JUST THE FEW

*by Jon Fredrik Baksaas  
President and CEO, [Telenor Group](#), 2002-2015*

I wanted to start by telling you an old anecdote, but given the topic of today's talk and the news we are receiving every day from Europe's border areas, I want to address one thing first:

Europe is currently experiencing a severe refugee crisis at its doorstep. Refugees and migrants are leaving behind everything they know and love to find peace, opportunities and stability in our part of the world. Such major migrant movements have happened several times before in history, and even involved people from this country migrating to the US more than 100 years ago. What's different today is that the mass migration is reported and broadcasted faster and closer than ever before. The mobile phones force us to see and to share joy, desperation and pain.

Mobile and digital communication can help distribute content documenting injustice or abuse. Videos uploaded and spread online are difficult for governments to deny. The awareness that this opportunity is available to most people is in itself a force for transparency and democracy.

At the same time, mobile connectivity makes information about life elsewhere available to everyone. The knowledge itself has always been there, told from people who had travelled abroad or through letters from faraway places. Today, this has become instant, and everywhere.

Connectivity has made the world smaller, and it has immensely accelerated the speed of information. We are seeing the effects of it today and arguably they can be both positive and negative. In today's world I will argue that empowering the many people through mobile communication is not only sustainable and responsible business, it is also the right thing to do.



One of the best examples of empowering individuals that I've seen in my career stems from an encounter in rural Bangladesh, about 15 years ago. It was in the middle of the network roll-out project of Grameenphone, Telenor's local company, and we were literally connecting one village at a time. Often there would be only one person with a mobile phone in each village. The "village phone lady" would probably be the centre of the information flow in her local community even without a mobile phone. The one I met had taken a micro loan and invested in a phone and a Grameenphone SIM card to make a living as a mobile information hub in her community – charging people for the use of her telecoms equipment. To begin with, probably as a good monopolist.

During a field visit in Bangladesh as a deputy CEO, I met one such lady in a village outside Dhaka. She spoke enthusiastically about her thriving business and about how the entire village had come to rely on her for all their communication needs outside the community. Then at the end of our conversation she grabbed my arm and said privately to me: "Mr. Baksaas, please make sure that nobody else in my village will get hold of a mobile phone!"

This lady had obviously realised something important about supply and demand, and the incredible power of being an information hub. She had also grasped the immense potential of mobile communications. I could of course not promise that mobile phones would stop with her, as we believed – and still believe – that the mobile phone will be everyone's tool to stay connected – rich or poor, doesn't matter.

The story of Telenor and of mobile telecoms during the last twenty years is one of rapid growth and of empowerment. Not for the few, but for the many. In Bangladesh alone Telenor today serves 53 million people. That makes impact on society in terms of stimulating trade, creating employment and stimulating innovation. It has also made Grameenphone the largest tax payer in the country, contributing in 2-3% of total tax income. From one company alone. Grameenphone's stock listing was also instrumental in creating a viable capital market in Bangladesh.

Bangladesh wasn't the first international expansion Telenor made, but it is probably the most significant one in terms of local impact and building a modern society.

## IT'S ALL ABOUT CHANGE

I'm honoured to be invited to join the long list of prominent and accomplished leaders to hold the Lehmkuhl Lecture, and I'm happy to be back. I believe this is my 3<sup>rd</sup> visit only coming back to NHH during the 36 years since I graduated. Little did I know about my coming career when leaving this room with the diploma in my hand.

As noted by my former colleague Kristin Skogen Lund, now President of the Norwegian Confederation of Trade and Industry (NHO), in her lecture in 2012; the list of previous lecturers makes for an interesting read. It reflects the development of Norwegian society, and that of international business. She talked about embracing change – about sailmakers in the south of Norway who didn't believe in steam boats – and quickly went out of business, and about Kodak that never adapted to the age of digital photography. And I can add from my own sector, the death of Nokia's handset business is another glaring example, not to mention the way the mobile industry has lost ownership of chat and messaging solutions to a host of different applications and online services. Economic history is riddled with companies that have become too successful, complacent and ultimately failed. As Bill Gates said: *Success is a lousy teacher. It seduces smart people into thinking they can't lose.*

In the business I've been working for the past 26 years, being able to spot changes early and adapting to them, is essential to survival. At the same time, you need to make sure you are not losing momentum on your core business. We are approaching the end of one S-curve, and we're exploring opportunities to get hold of the next one..

Today, in the digital communication sector, we are competing against – but also collaborating with – agile entrepreneurs and disruptive services that didn't even exist just a short while ago. Telenor is an attractive partner. We are a major mobile operator, with significant presence and in-depth understanding of attractive, populous markets that are challenging for new players to enter. It is our size and reach that earns us a seat around the table in discussions with the Googles and the Facebooks of the world.

Twenty years ago, in 1995, my predecessor Tormod Hermansen held the Lehmkuhl Lecture in this very hall. He was speaking as the chief executive of an organisation that was coming from being a monopolist, preparing for the liberalisation of the Norwegian telecoms market. He spent a lot of time in his speech discussing the future challenges – both regulatory and competitive – of a company preparing for a sea change, of being – for the first time – exposed to the forces of the market.

Today we know that Telenor was one of the previous public service telephone companies that actually managed the transition to open competition very well. We've been in the communication business for 160 years, and feel that we still belong to the future. Since I'm now more than a month out of my CEO role, but still associated to Telenor, I will take the liberty to speak about what I believe brought Telenor to what it is today, about the mobile industry and how it impacts and empowers societies, and what I think we're likely to see as everything continues to go mobile and digital.

## THREE DEFINING MOMENTS

As so many things in Norway, customers' need for our services originated from our relationship with the sea. Fisheries, supply boats and petroleum installations were all in need of robust, effective and reliable communication. In addition, Norwegian Telecoms – Televerket – was expected as a public service unit to provide equal quality services to every nook and corner of the country, from the highest mountain to the deepest fjord.

This customer need was a fruitful foundation for technical innovation. Together with our Nordic neighbours, Norway was a pioneer in developing and deploying better and more efficient mobile technology solutions. Universities, research institutions and companies – both private and public – were part of a common effort to develop more robust standards with higher quality and capacity.

Today, however, the technology advantage in telecommunications hardly exists. Mobile operators are using more or less the same equipment all over the world. The hardware-based mobile tech giants from the Nordic region – Ericsson, Nokia, as well as some of the large mobile operating groups such as Sonera and TDC, have had their ups and down. Some have even been acquired by others and are substantially smaller than at their peak. Telenor is an exception.

Why? I will argue that it stems from a combination of being smart and being lucky, and from a robust company culture. It can be credited to the company itself and to its majority owner, the Norwegian State. So while Telenor is an example of successful privatisation and commercialisation of a state-run activity, the continued success of Telenor remains a product of how the company, has made continuous change and the long-term perspective a part of our way of working. I would argue that the explorer attitude, the same attitude and drive that made Norway a great maritime nation, is also part of Telenor's company culture. There are three defining moments in Telenor's recent history that can serve to explain this:

### *GOING INTERNATIONAL*

The Lillehammer Winter Olympics in 1994 were by some dubbed the "Mobile Phone Olympics" due to the 25,000 handsets that were in operation during the event. At that time, the gradual liberalisation of the Norwegian telecoms market had already begun. A competitor – NetCom – had been admitted in the mobile sector, and Televerket was incorporated. In 1995, the name was changed to Telenor.

Telenor scientists and researchers were crucial contributors to developing standards for mobile communication. SMS was made a two way feature because a Telenor guy insisted, and key members of the group developing the first GSM standard are still employed at Telenor. Telenor was highly competent in the technology field, but was not adapted to a life as a modern, competitive business guided by commercial interests and not only by public priorities.

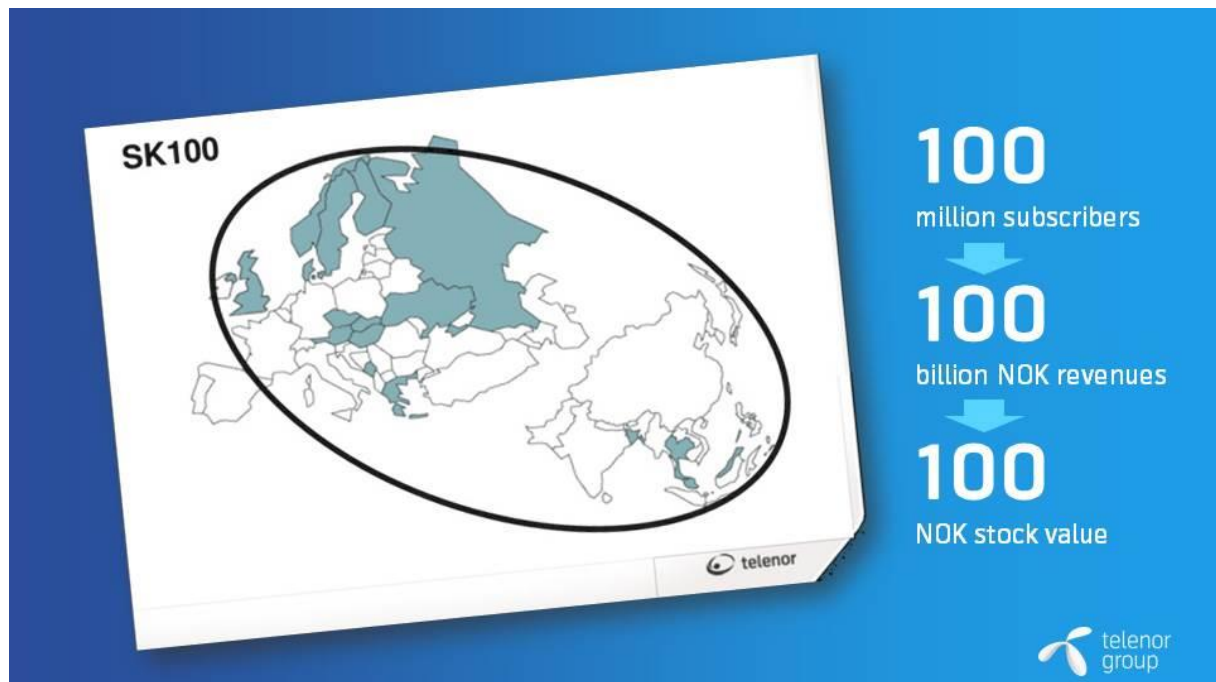
With the days of the monopoly gone, and the outlook to sharing the home market with others, we had to look further afield. We knew a lot about building and operating networks, we had people and resources to spare, and we had a competitive edge in mobile technology. And rather than letting the growing mobile business simply support the existing organisation, we set up Telenor Mobile as a separate unit competing in markets both at home and abroad.

Telenor entered mobile operations in Northern and Eastern Europe. In these ventures, we learned the ropes of running efficient mobile operations under various regimes and in different markets. Limited exposure in each operation enabled us to quickly identify markets to stay in and which ones to exit. We sold out of Ireland and Germany with around NOK 21 billion in profits. These proceeds were reinvested in promising Asian economies still recuperating from the financial meltdown in the 1990s. Our Bangladeshi experiment, where we opened business in 1997 was accompanied by positions in Malaysia (1999) and Thailand (2000).

Going international, and especially going into Asia, has not come without challenges. Some shareholders were of the view that getting into uncharted territory with so many unknowns and different business practices was not something for a company like Telenor. And in the Norwegian public some concerns were raised as to Telenor taking money from the domestic operation to invest in challenging markets far away.

However, the Norwegian State in its ownership whitepapers from the 1990s up to today have stood firm in its commitment to keep an arms-length distance to the operations as such. At the same time, we have been able to count on support from Norwegian authorities, regardless of political regimes, in local disputes and challenges. Today, Telenor is present in 13 markets in the Nordic region, Central Eastern Europe and Asia. We operate in a footprint that is home to 1.3 billion people, and we serve in excess of 191 million subscribers with communication services in their daily life – on track to soon reach the 200 million mark.

The Norwegian operation remains a very important 25% part of our business. Telenor isn't a pure Norwegian company any more – it's one of the world's major mobile operators, and well anchored in Norway – and Scandinavia.





*FORMULATING A CLEAR VISION – SK100*

The second defining moment was the strategic agenda called SK100. In 2003, we set a goal to reach 100 million subscribers, 100 billion in revenues and NOK 100 share price. Codenamed SK100, after a SAS flight number between Scandinavia and Bangkok. It was a target for the new Telenor – a target for internationalisation, for growth and for performance. And just to be clear: it was a rather hairy target. In 2003, we had less than 10 million customers in total, and the stock price lurked around NOK 30-35. The target was internal and we did not speak very loudly about it.

For the coming ten years, SK100 directed our investment strategy. At the time Russia and Ukraine was in our portfolio but now being part of Vimpelcom Ltd in which Telenor holds 32%. We explored markets that were accessible and within reach. We looked at sizeable markets with an underserved population, opportunities to make an impact on society with telecommunications. Telenor expanded into the Balkans and Asia.

Our expansion followed a simple recipe: control or exit. Our experiences in Europe in the early years of internationalisation had taught us that to become the industry driver through majority ownerships was the better way. That would allow us to maintain our long-term perspective on our investments. Telenor wants to be an industrial owner with control and influence over operations, growth, development and performance. We entered struggling telecommunications companies, turned around their business and merged our own solutions with the unique local insight that only local businesses can have.

Contrary to many of our competitors, we did not go abroad with one global operating model or a strict play book. We nurtured the strengths of local operations – customer insight, market understanding. Global best-practices are implemented only in areas where they prove their worth. This decentralised model made our companies more national and less foreign.

Our growth ambitions shaped our way of working; we built a decentralised model combining global know-how with local market insights. We saw standardisation and convergence in the hardware space, but very different market dynamics from market to market. Running a telecoms business in Asia is still vastly different from running one in Scandinavia. But there are economies of scale to realise, and lessons to be learned.

SK100 was the success recipe that took Telenor from 10 to 100 million customers, from a national state-owned operator to a global mobile player.



### *BUILDING THE TELENOR WAY*

The third defining element is a product of the two first; our international growth ambitions and the decentralised operating model.

Telenor is a company built around people. We have 33,000 employees internationally, and they all sign up to adhere to the Telenor Way. Telenor Way is best described as a compass directing our way of work and of doing business. It describes a culture founded on Scandinavian leadership tradition and Nordic values, and over the years it has been enhanced and sharpened by European and Asian cultures.

It wasn't ready made in an office at Fornebu and rolled out across the organisation. It was built stone by stone, haphazardly and based on what made sense at the time. The fact that it came about in such a way is also its strength. I believe our corporate culture is Telenor's strongest sustainable competitive advantage.

Our business is about connecting people. Our unique resource is mainly people – because everything else we work with is more or less standardised. Our offerings are adapted to what we believe people need, not to what the technology can deliver. We serve almost 200 billion people with their everyday communication needs. We do so through a retail footprint of 1.5 million points of sales. There are hundreds of thousands of people who make a living from distributing or mediating Telenor connectivity.

To me, the strongest features of Telenor Way are those of empowerment and exploration. Whenever a leader assigns a task to someone, she also makes the person responsible and accountable. True empowerment is a natural part of modern work culture, but in some of Telenor's geographies it can still be seen as a quite radical idea. The implication of our culture of empowerment is that leaders who build capable teams are rewarded. One example: when we for the first time one year ago tested our network in Yangon, in Myanmar, we had invited the Telecoms Minister to set up a video call to one of our employees. I think it was expected by most of the local staff that the CEO or some other senior executive would be the one interacting with the Minister at this important occasion. But for Petter Furberg, the Telenor

Myanmar CEO, there was never any doubt who should do the first call – of course the telecoms engineer who had been working on setting up the system. So May, a young engineer in the team, was the one who first exchanged a video call on the Telenor Myanmar network – with the Union Minister of Telecommunications. In a Myanmar context this arrangement was at best unorthodox. But it was 100% aligned with the attitudes we promote and seek in the Telenor Way.

The need for a formalised Telenor Way became very clear to us in 2008, when we were made aware of hazardous working conditions with one of our sub-suppliers in Bangladesh. There young people, children below the legal working age, were doing hard manual labour – galvanising steelworks to be used in telecom towers – with little or no safety measures in place.

The conditions were in complete breach with all signed agreements and contracts between Grameenphone and its suppliers. But it was similarly clear that we had failed our obligation to make sure the principles and intentions of our contracts were followed. We were reminded the hard way that when it comes to health, safety, security and the environment there is no such thing as “arms-length principle”.

The Bangladesh incident prompted a complete update of our supplier conduct principles and agreements on business conduct – not only towards direct suppliers and vendors but throughout the supply chain. It also prompted a more coherent and consistent approach to shaping and formalising our corporate culture. What started out as a Code of Conduct and a set of policies and procedures was expanded to a complete set of attitudes, values, mission and vision. Thereby we also brought our corporate culture to the top of the leadership agenda. Telenor Way has become the compass with which we hire talent, globally. It is what our employees hold up and refer to when they explain what kind of company they are working for. And it is what makes Telenor a credible partner and counterpart to governments and regulators across our markets. It forms the platform of the Telenor brand.



## SHAPING OUR DIGITAL FUTURE

Telecommunications is all about change. If you do not engage in the change, you are soon overtaken. Look at Nokia! Nokia was a market leader in mobile handsets a few years ago. It was even quite an early mover into smartphones. But Nokia was caught up in its past success, resisting the smartphone transition. They claimed the superior quality and performance of their hardware, their phones – and they trusted their brand to protect them. Too late they discovered that it wasn't about the device, it was about the ecosystem. It's about hardware and software, together. That's what Apple understood, and what Nokia didn't.

Exploration is at the heart of the Telenor DNA. We have been part of all major shifts in telecommunications since 1855. We've seen telegraphs; telex and telefaxes come and go. We've been a pioneer in many ways; in hiring women to work our switchboards, in introducing Norway's first major paperless and hot desking office space, in embracing mobile technologies to serve customer needs. Our networks went digital already in 1994, when the GSM 900 standard was implemented. Three years later we were fully digitalised as one of the first in Europe. For the past 20 years we've been riding a mobile growth wave. Providing mobile connectivity, to everyone, everywhere, is our core business. That S-curve is now nearing its end. Again we need to find our footing in the next S-curve.

In our digital future, it's all about the services and experiences you put on top of mobile connectivity and into the handset. Ask people today what services they use, and few will talk about their mobile operator – they'll mention digital services that allow them to use connectivity for things that are meaningful to them. Whether they're all about social interactions, about consuming the latest news and trends, or if they are using their mobile phone to conduct financial transactions, develop their knowledge or get healthcare. Consumers' attention is shifting away from the concept of being connected. Of course you are connected. But then what?

That's the big burning question facing the mobile industry. Digital service providers are happy to push heavily regulated telcos into a "dumb pipe" role, squeezing margins and growth opportunities, while they themselves enjoy the new global citizenship as "born global" corporations. They thrive on challenging regulations and changing old ways of doing things, and they are not particular fans of building large organisations – or paying local taxes, for that matter.

No country or jurisdiction has so far found an efficient way to level the playing field. Facing global players with massive attraction power over consumers, with faraway offices and only a few local employees, national governments have a very limited toolbox. In Norway, Google invoiced NOK 1.9 billion in 2014, but only paid 1.7 million in taxes. It's a level of taxation few can match. We know the debate here in Norway from shipping. Just like the shipping companies, global digital players are easily transferable to any jurisdiction of choice.

In the digital society, where everyone and everything is connected, power and influence is shifting:

- Digital and social media have made all of us publishers and mass communicators – with potential massive impact on companies and societies.
- Global connectivity and ecosystems make it possible to deploy services to millions of people with the push of a button.

- Development tools are available for everyone with capabilities and good ideas.
- Small teams can put together amazing innovations that completely disrupts existing industries or companies.

Just think of one of Asia's most successful messaging applications, LINE. It is Japan's and Thailand's favourite chat and messaging app and a major advertising channel, reaching more than 700 million people worldwide at the end of this year. It was developed by four people in two weeks, in response to the March 2011 Tōhoku earthquake in Japan. It is ready to go IPO after only four years, and analyst consensus indicates a valuation of USD 35-40 billion – over and above Telenor

LINE is challenging a company like dtac, Telenor's company in Thailand. It takes over the consumer interface and lets users exchange stickers, images and other elements instantly, as a chat or messaging service that completely eradicates the market for SMS, WhatsApp, Facebook Messenger etc. At the same time, LINE is secured by being tied to unique SIM cards – so there is a dependency with mobile operators. Telcos own the customer interface and the distribution, the digital service owns the user experience, the user data and the advertising channel.

It's easy to become focused on one's own turf and "the mobile sector" versus "digital services", but to serve customers well over time there is really only one answer: collaboration. In a world that is going digital, companies like Telenor must think differently about what core and what adjacent business is. And we must get out of old habits of thinking of addressable markets as our existing subscribers. For digital services, global use is the ambition from day one.

In Telenor, we already placed bets where we see potential for the next wave of growth: e-commerce, mobile financial services and internet of things. We open up to new and radical partnerships, for instance like we did with Schibsted and Singapore Press Holdings when creating a global joint venture for e-commerce and online advertising. That was a bold move, and a move reflecting our ambitions in the digital space. It means we are not only the third largest mobile operator in Malaysia, we also take part in Malaysia's biggest online marketplace, Mudah.

Partnerships open up new and exciting opportunities for collaboration: Telenor owns banks in Pakistan and in Serbia. Our Easypaisa service reaches millions of people who have never set foot in a bank with payment services, savings accounts and insurance. That's financial inclusion in practice. In Serbia we introduced a mobile bank built around service design principles, challenging an otherwise stale and conservative industry in that country. Telenor is also moving into fashion with the social marketing application SoBazaar, soon to be renamed for its US launch.

So clearly, digitalisation isn't confined to the ICT industry anymore. Digital is everywhere, and it impacts the way we live, work, interact and trade. It challenges markets: the financial services industry, the entertainment industry, the hotel industry, the taxi industry as well as ourselves.

And maybe even more relevant to this city in this particular time: the petroleum and maritime industries have come to rely heavily on digital tools. What's more dependent on big data than North Sea offshore fields? We talk about "digital oil fields" and continuous innovation to

maximise extraction of a scarce and valued resource. Now, when these industries are experiencing a dip, talent becomes available in the market. The ICT sector should be their first port of call. We need talented programmers, computer scientists and digital wizards to create exciting start-ups, accelerate corporate innovation and build new business, may be also global.

Digital is moving to the core of what all companies are into, what everyone is doing, one way or another. If you are not prepared for how digitalisation will impact your business model, you are setting yourself up for failure.

It is good to note, then, that digitalisation of the public sector in Norway has come far. The company registry and the tax collection systems are state-of-the-art. The social disbursement systems have a longer way to go, but the resources that have been put into projects like these shows that the authorities are doing their part of being ahead of the curve. Similar realisations of the importance of the digital society are now equally apparent in emerging Asian markets as they are in Europe. Telecom companies form a vital part of this.

## EMPOWERING SOCIETIES

The UN's Millennium Development Goals are expiring this year. Three days from now, the UN General Assembly will approve a new set of global goals, the Sustainable Development Goals. The 17 goals are addressing issues like healthcare, quality education, equal access and opportunities, sustainable cities, employment and innovation. As the global infrastructure that reaches most people, mobile and digital connectivity plays a decisive role in both promoting and realising most of them.

Connectivity is the lifeblood of modern society. It is an enabler and a door opener to opportunities that would otherwise be inaccessible.

Here in Norway, the societal impact of telecoms is most visible when services suddenly stop. Be it a coding error or a sudden outage, be it this autumn's rapid floods or the fire in Lærdal last year – losing mobile connectivity is reported in stonger language than if people were without water or electricity. Our services play an increasingly crucial role in society.

At the same time, we operate in a technology paradigm where Moore's law is very much at work: rapid technology development and exponential growth in data demand means our networks need constant upgrades, improvements and replacements. In Norway alone, Telenor invests annually more than NOK 4 billion. This is over and beyond the cost of a new Opera house – every year.

President Bill Clinton said “phones mean freedom” and called mobile phones one of the five ideas changing the world. Professor Jeffrey Sachs called the mobile phone the “most transformative technology ever invented”. When Telenor moved into Bangladesh in the 1990s, there were almost no fixed line phones around outside the capital. The mobile communication network became the only truly national network in that country.

We see the same happening in Myanmar right now – but fast forwarded. We are bringing our combined knowledge and experience from almost 20 years in Asia to build networks that can deliver affordable mobile communication to people who have never used a mobile phone. At the same time, we deliver data services to urban youth who already own smartphones – but



haven't been able to use them as anything else than offline music players and gaming consoles up to now.

We see a pent up demand for connectivity in Myanmar that is breath-taking. When we opened our services in Yangon one year ago, we received 514,000 new customers – in one day. And it was a Sunday. Now, 12 months later we have passed 12 million.

Imagine how that affected our networks. In one day, a population double the size of Bergen went into our stores, bought a SIM card – and often a phone with it, plugged in and made their first call. About half of them went to the internet, too. Most likely to create a Facebook profile or to download Viber.

If you compare to neighbouring countries, the share of customers who go online ranges from as low as below 20% in Pakistan and India to around 40% in middle-income countries like Malaysia and Thailand. In Myanmar, a country that's been all but cut off from the outside world for more than 60 years, 50% used their new connections to go online immediately!

What happens in Myanmar is digital leapfrogging in practice. The urge to be connected, to be included, to get an identity through the mobile phone, is so strong.

Earlier this month Facebook reported that it had 1 billion users logged on during the course of 24 hours. Mobile operators of the world have 7.5 billion SIM cards in operation, every single day!

The next step after getting a mobile phone is to get a bank account or a credit card.. Combining a mobile SIM – which has a unique number – with a bank account – you are free to take full advantage of being connected. You can credibly identify yourself, you can buy and sell things, and you can take advantage of both free and paid-for educational content, healthcare services and government services. In Pakistan, local governments use our payment service Easypaisa to make sure government disbursements reach the intended recipients.

The disadvantage of not being connected is getting higher and higher. The basic belief that brought Telenor to what it is today still stands: For the many, not just the few.

## ADVICE FROM A DIGITAL IMMIGRANT

I am a digital immigrant. I vividly remember when I got my first mobile phone, and what the world was like when you had to actually prearrange meetings and make appointments ahead of time.

When I was a student here, I wrote letters home to my parents in Skien.

Incidentally I have a family member in the room here today, and from just being connected to him via social media the whole family knows quite a lot about his student life. May be more than what I would have put in a letter to my parents back then.

So the way we communicate and interact with each other is changing. The world is much smaller and much more accessible – not only because of digital connectivity but also because of more affordable air travel, more leisure time and higher disposable incomes.

Where my generation could enjoy improving connectivity and global opportunities with limited competition from others, you are facing global competition from day one. You are competing against highly educated talents from all over the world, who are prepared to move anywhere. You are up against youth who are coming from conditions that are dramatically different than the protected life we live here. Growing up with constant challenge and constant competition creates a hunger, an attitude and a competitive force that is just incredible. You cannot fully understand it without experiencing it.

I'm happy to note that the composition of the student body is more diverse today than it was when I was a student here. That means the global competition is present here as well. Still, my advice to you would be to do as Telenor did: go international. Travel and experience the world from another perspective. Not in a two-week holiday or a short stay. Move somewhere and live there. Be part of society.

Early in my career, we lived three years in Japan when I was working for DNV. That's probably not very impressive today, but to me it was formative and important for my continued curiosity to explore. I also had the opportunity to take a position at a local Japanese company, but after some deliberations I declined. I still ponder about what it would have been like to actually work for a Japanese company and be deeper immersed in that culture. I will never get to find out.

You have all the opportunities in the world to get that exposure. If you get an opportunity, take it. Take it early; because once you've lived abroad, the barrier to do so again is much lower. And it's easier to move without family – though I highly encourage you to move with kids as well. Usually kids are more adaptable than parents and they will benefit tremendously from early exposure to another culture and a different reality. Redefine yourselves from Norwegian talents to global talents. Don't make your urge to go skiing every weekend stop you.

My second advice is to create yourself a clear vision – articulate what you believe in and what you want to achieve. 100 million customers seemed like a fluffy dream when we first started talking about it. We broke it into smaller pieces and started making it happen, market by market. Ambitious targets have the power to motivate and drive performance as long as you can see that every day takes you closer.

I've found great motivation in knowing that I am part of a project that aims to extend to as many people as possible to the benefits and opportunities of being connected. It is so rewarding to feel that you help build systems and services that are essential for society. My third, and maybe most important advice, is to always stay true to your values. When I say that the Telenor Way is built upon a Scandinavian heritage – treating people with respect regardless of position, being approachable and shunning complex hierarchies, being open, honest and transparent – I am not saying that those are qualities confined to a specific geography. But growing up in a country with relatively equal opportunities for most people has a positive effect on attitudes and expectations later in life. Nurture and value that heritage. In the global talent race, it is a sustainable advantage.

It doesn't matter that you are a long way from home or that something will help you fulfil your targets if it isn't the right thing to do. There are no shortcuts, no excuses. Your personal integrity is your most important asset.



## HERE, THERE AND EVERYWHERE

I've been lucky and privileged to be part of a journey that has taken our industry – and Telenor – from Norway and the Nordics with basic mobile services, to gradual expansion both geographically and in terms of service portfolio.

Today, the mobile industry connects 60% of the world's population. We have a job to do to connect the remaining 40%, and getting there will be harder than getting to where we are today. Governments continue to play an essential role in making it possible to reach all mass market consumers.

Now as we enter an era where digital services are increasingly important, our outlook needs to be global. We are serving increasingly demanding customers – actually some of the most demanding customers in the world are right here in this room. The future belongs to those who are able to engage, inform and entertain people like you.

A connected world is a smaller world, but it's a larger marketplace. It presents unprecedented opportunity to those with ideas, talent and a knack for selling it.

If there is anything the digital revolution has taught us, it is that great ideas can come from anywhere.

Connecting everyone means we have a better shot at creating a better future for all.

*(End)*