



CLOUD REALITIES

CRSP02

Reimagining Telecom
Industry pt.2 - Regulations
with Ashish Surti, Colt



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[00:00:00] You look like that first time traveler, you know, with your money. Also, do you also got your money? Like, you know, is it taped on your body? I'm wearing a special jacket with all kinds of pockets and, uh, passport. It is socks, like some dollars in his socks.

Welcome to cloud realities, an original podcast from Capgemini. And this week. I'm delighted to say it's our second part of the Reimagining Telecoms miniseries, and this episode we are going to look at regulation. It's both protecting and supporting us in innovation and against cybercrime, but it might also slow us down.

So how do you get the right balance? I'm Dave Chapman. I'm Esmee van de Giessen. And I'm Rob Kernahan.

And I am delighted to say that joining us on the [00:01:00] show today is Ashish Surti. He's the Chief Digital Information Officer at Colt Technology Services. Ash, how are you doing? Good to see you. Hi Dave, I'm really, really well. It's a bit cold here, um, in the east of London, but doing well. Yeah, it is that time, yeah.

Tell us a little bit about Colt before we move on, Ash. Sure. So, Colt, for those that don't know us, we're a telecoms business. Uh, we Predominantly focus on B2B. So business to business, our purpose in life is to put the power of the digital universe in the hands of our customers, wherever, whenever, however they want to use us.

And really our vision is to become the digital infrastructure company that the world's leading businesses choose to connect with. So that's us. And we are now with our recent acquisition, the largest pan-European privately owned fiber. companies. So yeah, we keep, we keep busy connecting businesses together and, and, and driving this digital ecosystem.

There is, there is a lot to do there. That's for sure. Rob, you like to have digital universes in the palm of your hand, don't you? What are you thinking about some movie thing? What was [00:02:00] the thing in men in black where the universe was literally the thing hanging around the cat's neck? That's, that's why I envision when you use those phrases, all captions.

I love it. Well, welcome, Ash. It's great to see you. Thanks for taking the time to join us today. And also with us, it wouldn't be a Telecoms episode without Praveen. Praveen Shankar joins us. Praveen, how are you doing? Absolutely delighted to be joining you, Dave. Good to see you, mate. Did you have a good Christmas?

It was, it was really, really relaxing and lots of wine. So, so it has to be a dry January. So now it is dry January. Very nice. Praveen, why don't you remind us, it's been, it's been a couple of months since we put the first episode of the Telkom mini-series out. And we're going to have a number of them over the coming weeks as we move closer towards Mobile World Congress.

Why don't you just remind us of the of the five areas we're exploring and how it comes together? You know, [00:03:00] Dave, let me start with a quick recap of reimagining telecom industry podcast CDs, right? So as we know, telecom industry stands at a very key crossroad, right? On one hand, it is the backbone of a digital economy.

And it has the customer's trust. On the other hand, the sector faces significant challenges, right? Growth has been elusive despite massive investment in 5G and full fiber networks. The growth expectations globally are just hovering around 1 2%. High cost, suboptimal returns on the capital. Add to the strain while competition from non traditional connectivity providers, tech giants, satellite companies, and others intensifies.

And most alarmingly, customers increasingly perceive telcos as mere utilities, reducing their value proposition. to that of pipes. So these are profound challenges and they demand bold action. Hence in these five episode podcast series, reimagining telecom industry, we are



[00:04:00] exploring one of the five topics in each of the episodes that need reimagination.

The first one was on simplification. Today, we are going to talk about regulation. Then we will have growth, network transformation, data and AI. And in this series, we are going to speak to a few of the brightest minds of the industry and get their perspectives on the why. The what and the how to change and to reimagine.

So today's topic is regulation as I stated, extremely key topic, right? Let's take cyber security for an example. Focusing on cyber security is not an option for telcos, right? As we know, telcos are high value targets as they are the backbone driving the digital infrastructure. And they hold a huge amount of valuable data, including personal financial information for millions of customers.

With the rollout of 5G, proliferation of IoT devices, increased use of cloud services, means there are more vectors and endpoints that can be exploited by cybercriminals. Telecom [00:05:00] infrastructure is highly interconnected, so breach in one area will happen in another. Cascading impact across not only the telecom sector, but beyond that to energy finance, healthcare sectors and cyber criminals are becoming more and more sophisticated, right?

So telcos can treat regulations as a compliance checkbox to stay out of trouble. or can take this challenge into the strategic advantage by investing in innovative and reliable solution that will act as a differentiator. So again, extremely key topic, regulation back to you Dave. Well, let's get right into it.

So Ash, let's maybe start with a bit of context. So Praveen teed us up a little bit there in terms of regulation, And why it's critical to understand it and how it fits in with the themes that we're looking at in terms of overall telco transformation. That's that's that's happening. A modernization. Why don't you set the scene for us?

What? What's going [00:06:00] on for you in the world of telco regulation? And what are the varying different drivers of of what looks like a sort of a hyper regulation state? Yes. So look, I think, you know, Okay. Particularly focused on telcos, if you think about what part we play in this digital ecosystem, you know, we are the, the carriers of the data that is essentially running the digital ecosystem, whether it's a stock markets, whether it's e commerce, whether it's businesses talking to one another, and even today, you know, a car, a Technically can't move without it communicating back to some kind of, um, it system somewhere and telcos actually sit right now, it is traversing all of that data and allowing things to talk to one another and and electronic transactions to occur.

And I think that the regulator has over time. Recognized that without the telecoms industry and the way it's been set up, and you know, we have to go back probably a decade [00:07:00] or or maybe multiple decades, really, in terms of the birth of the Internet, it was never really designed up front to to take on this amount of transactional load and become so critical to everything that we do as humans right now and what computers do, right?

And I think as part of that, there's a catch up process happening now, because not only do we need to make sure that it's a sustainable ecosystem and it works all the time. on a, on a, not even a 99.9 percent basis, it's got to be up a hundred percent. So if you think about all the things that you have to think about from a local government perspective on a global perspective, then, you know, we've, we've got to an era now that we normally apply regulation.

When we need to try and control and bring standards and, and, um, approaches to things.



And I think that's where the telcos have been really focused on over since I think pre covid and really post covid. I think everybody's recognized that if the telcos are not operating at a hundred percent mark mm-hmm then there are things in the ecosystem that start to fall away.

And that can be life [00:08:00] threatening on one side to the other side of, of just doing business between, between organizations and people. And I think that's where the regulation is really starting to, to step up to make sure that those, those really are independent ecosystems, whether they're company or countries focused, but there's a, there's a piece that kind of joins us all together.

And I think that's where the regulators trying to play, play a part. I see. So they're, they're effectively trying to create standards for interoperability and stability in the main. Yeah, I think the standards have been around for some time, you know, that we have common protocols that allow telcos to talk to one another.

There was common ways in which telcos have to interrupt with each other. But I think it's more, it's more the protection, the security, the integrity and more the availability. And I think that's where the real focus has been going in. And I think that's alongside that if you think about cybercrime that goes on from a cyber side, but actually geopolitics and actual physical destruction now is also quite important.

quite pivotal in that, in that thought process, what role is cyber and, and [00:09:00] cybercrime playing in, in driving the conversation around regulation in particular, clearly it's, it continues to be a substantial issue that, that all tech organizations and operators are dealing with on a minute by minute basis.

But How is that framing the regulation conversation? Well, I think personally, I think it's at the forefront of the thought process for regulators. I mean, if you look at cybercrime, whether it's, um, you know, espionage to, you know, very specific focus cybercrime for monetary purposes. A lot of the regulatory demands that are coming towards us, particularly in the telco spaces, all around those basic controls around access management, making sure you've got vulnerability and patching in place, making sure your networks have been designed and secured to avoid other people taking control of them or disrupting them in some ways.

I think they've been very, very focused. In fact, you know, if I think about the controls that we're being asked to implement in the telco world, goes back to that original point I was making in hotel, because we're not designed [00:10:00] necessarily to have this level of layers of control. So we're now retrofitting that back in.

And Dave, you know what I always say, one of the greatest crimes of the internet was that security wasn't built in from day one. They forgot about it, didn't they? I do remember you saying that on quite a regular basis, Rob. Yeah, but it's a really good point, which was people didn't think about security or what it would need to be.

Now, when they invented it like decades ago, and we've been retrofitting it in and it has been clunky at times, but it does feel like a level of maturity is starting to rise where it's now embedded more and more, and it's easier to work with, and it's there by default, etc. I think the last few years. Half a decade I've seen a dramatic improvement in security awareness and security implementation.

So we, I do see that curve, but like you go back 10 years, it was a bit of a mess, wasn't it? Well, Rob, I totally agree. I think you're right. The focus on cyber in the last decade is never, you



know, it's [00:11:00] right at the board attention. It's in every organization, every government as well. But, you know, you've got to, like you say, you've got to think back, you know, security was really a mainframe topic.

And for those that are old enough, it was this thing called RACF, which used to do the access management. And that was a security team in an organization, probably five or six layers down somewhere, just basically adding and removing permissions to where we are today, a much more business focused conversation, talking about the availability, the integrity of an organization.

Looking at data has obviously become quite a big topic as well. So absolutely elevated. But I think the issue still comes back to like we just said, is that the retrofitting, we're still retrofitting modern security technologies, but organizations are still, and telcos are one of them, using systems and technology platforms that are 30 40 50 years old.

And there's your challenge because actually trying to retrofit security to manage today's threat profile is actually quite [00:12:00] complex and quite costly to organizations as well. I think Praveen does that connect back to some of the simplification conversation we had before that these like layers of legacy are introducing complexity, cost and time.

Into sort of response times from telco organizations, that kind of thing. So is that another call in your mind for how simplification plays a big part in modernization here? You know, absolutely. I think everything starts with simplification, the challenge that telcos have, right? Because it has gone through mergers and acquisitions, lots of changes, lots of dynamic changes.

It's in the industry. Everything starts with simplification. Unless the processes, systems, data, everything is simplified. Nothing stacks up. So absolutely agree, Dave. Very good. And you touched on in your opening there, Ash, that sustainability is also something that's, that's top of mind. Now you clearly, I mean, as we're recording this.

California is basically on fire. So I think, you know, you [00:13:00] look at some of that footage and it's, it to me looks like, you know, when you watch an apocalyptic disaster movie and the over the title sequence, they've got some sort of shots of news articles that have happened that have led up to whatever sort of singularity then ultimately happens that the heroes of the film have to deal with.

I mean, that footage looks, looks like that to me. And it's a, it's a, Very stark reminder on the, on, on what we're playing with here. And I wonder how regulation is leaning into that. So in your mind, how can regulation help in the world of telecoms to sort of, you know, lean into the sustainability problem?

Yeah, Dave, really good point. And again, and if anyone is listening from that region to this podcast, I hope everyone's safe and well watching that from a distance. Um, it's heartbreaking and people's livelihoods been literally burnt away in seconds. So hopefully people are safe. That's the main thing. Look, I think that again, the regulation around ESG, we take it very seriously at Colt.

You know, [00:14:00] we are committed to targets, but we also see that from our customers as well. Um, and I think that's really important for the behavior of our customers. Now, when we are going through an RFI and RFP process for those that want to learn more. issues now becoming a table state conversation just a cyber has been over the last five, six, seven years.

We're now starting to see issue on that. So we have to demonstrate our commitment. We also have to demonstrate what we're doing in this space and particularly cult have been



Double downing is what I'd say really trying to push hard and making sure that everything we do is sustainability is by design in both our products in terms of how we return up to our customers, even the ecosystem and some of the things that we've been doing, which I think is a little bit unique in the telco space, right?

Removing legacy telcos is not if I can use the word sexy. It's not. It definitely doesn't add value. Definitely immediately. But actually what we see is that it is reducing costs for our customers. It's also helping them in their targets in terms of what they need to do. And we've [00:15:00] changed the narrative with our customers as well.

So where we've been retiring some of our legacy network capability, when we go back to our customers and give them the value proposition around that actually it says, look, we can reduce our, our cost footprint. We can reduce the power draw. We can even reduce the footprint of the technology. that sits in your, on your premise and all of those things start to resonate.

And we are now starting to see customers less pushing back on those things and actually drawing from us and pulling us as well. So we see it as a value driver. We actually see as a growth leader and, and one that will differentiate us from the others. Can you give us a specific example of a sustainability concern or regulation that you've responded to in the, in the product?

Yeah, I mean, look, you know, one of the things that we have to do is carbon calculation. And in a telco space, it's quite difficult to calculate carbon. And if I just try and explain that, you know, if you've, if you've dug a trench and put a duck into a, into the ground some 20, 30 years ago, and you might have used some diesel diggers and things like that.

Well, how do you [00:16:00] actually calculate the cost of that carbon at that point in time, whereas today it's slightly different. Also, a lot of the electronics that we have that are 20, 30 years old, try and really figure out what's the carbon footprint of that particular device. Now you can work out the power draw, but all the electronics that sit within that device, the um, the electronic side of that and how that electronics was made, it's quite difficult to kind of calculate some of that.

So that's quite, that's been some of the difficulties for us in terms of having to respond to some of these requests that we're getting from the regulator. So, and therefore We have to make some assumptions, but I don't think that's just a telco challenge. I think most industries are facing the same thing.

How do you truly calculate your current carbon footprint? And then how do you demonstrate that reduction over time? And it's a classic retrofit again, isn't it? So like the previous conversation with security. If at the point of manufacture, you know, you have to measure CO2 and it's in the front of your mind, you can collect all the data, but essentially you're having to go back over decades of manufacturing and try and work out what was the state of play at the time this was built.

It's a very [00:17:00] complicated thing to do, isn't it? So you've got to expect that there'll be some, as you say, assumptions in there to say it's best, it's best sort of effort slash guess to be able to work out what it is. But it is a thing of the past that you're trying to work out what happened. So it's a bit of an archeological dig against CO2 in a way.

One of the things we've been trying to do actually is work with some of our partners and vendors, particularly ones that, for example, host our inventory for our networks, because that has all the details around the devices. Now, then, if you can go back to your



manufacturer for that particular device, it's Is there some kind of reference and data point?

And if we can collect that data in the right way and analyze it, I think then you've got a chance to kind of really calculate what, what, what carbon you're, you're producing. And just, just one other thing on this day, which is quite unique for, for what we're doing at Colt right now is actually giving back to our customers and the ability to choose a path that's the most greenest.

And what I mean by that is if we know what the carbon footprint is for a particular fiber [00:18:00] cable running from left to right across the subsea within certain geographies and locations, well, actually, if you're okay with the latency to be slightly longer, for example, or you want it to be lower because you know you're lower, you're going to lower your power footprint, then we can actually give that power back to our customers so they can route their traffic appropriately.

And then there's some stuff that we're actually innovating at the moment, and we can already see some customers really quite interested. in that space as well. Ash, one of the things that I have always seen whenever I speak to anyone in cold, that they're so passionate about sustainability. So my question will be, how have you fostered this entire culture of sustainability?

I speak to anyone. You'll be always passionate about it. If I speak to anyone about your top three priorities and the leadership team, everyone says sustainability will be amongst the top three. How have you fostered that culture? Um, so great question, Praveen, and I'd love to say it was just one individual.

I don't think it is. I think it is [00:19:00] a cultural thing within the organization. But I would also say that, you know, Kerry herself, our CEO, Carol Gilder, has been very passionate about it. And I wouldn't say it's just because Kerry's pushing it down the organization, therefore it will happen, but actually we've fostered, we've, we've spent a lot of time learning about what sustainability means, the impact that we can have in the industry.

We've partnered with a number of, um, there's a, there's a company called Arctic Arts at the moment. They're helping us visualize the impact that humans are having to the planet. And they do that through pictures, for example. And that's, that's resonated really well with our employees. Has that got a specific picture of Rob in there?

Oh, he's skiing. Yeah. Yeah. It's certainly if it's, if it ranks it, I dread to think, quite honestly. So, I mean, look, you know, I think the, there's no silver bullet to this, to the question, but I do think generally people are just generally quite passionate. We do a lot of things for CSR. Um, a lot of that is down to doing things around ESG.

And I think that's. Driven and fostered [00:20:00] that, that culture, that embedding it into our DNA. And that's why I think Praveen, when, when you, when you do talk to people, coltis is what we call them. Our employee based coltis are generally very passionate about this. And we do, we do encourage it. We try and provide schemes and methods by which people can, um, you know, put their own personal energies into that.

Okay. So we talked about regulation for the first section of the conversation and how regulation is building, it's particularly building around two key areas at the moment, which are both vitally important, but also the stack of regulation can create a bit of a, a bit of a challenge. But regulation doesn't always have to be thought of as a, a kind of a negative pressure, does it Robert?

Like it can be, it can be turned around, can't it? No, it's a, it's, it's, it's a very good point. I



mean, there's a, there's a thing in [00:21:00] there about. A lot of people just put their head in their hands and think, yeah, more. But actually, if you think about how you build that within your systems, how you can use modern technology to automate it, then you can use systems to do things like continuous compliance, where you can look at your estate, understand its posture, understand its positioning, and then you become better informed.

So around risk and controls and your exposure, it becomes a thing that is now always on. So it actually improves your position, position material in regulators don't create regulation because they just want to. They're doing it for a good reason. So the motivation behind regulation is to protect and control and to make a better society.

So there's a little bit about Actually, if you look at NIST 2 in the EU and things like that, they're trying to do that to materially improve the position of the organizations within that entity. And it'll be a good thing when it's implemented. But if you approach it with modern mindsets, using modern technology and modern approaches, it can actually be a massive benefit.

to [00:22:00] you and materially improve you as an organization. Now, Ash, obviously Rob is a regulation enthusiast. I think we all know that. But just make sure you don't get caught next to me at a dinner party and talk to me about cyber security regulation. But, but do you, do you guys see that in a similar way that regular, obviously regulation is there.

predominantly to help. And do you see the point that Rob makes? There is something that you've witnessed, which is it can be turned around and actually you can leverage regulation to actually fast track some things in some cases because you don't have to do the research yourself. Yeah, look, I think, um, I think there's definitely truth in the purpose of regulation is to try and drive consistency and also drive stability and other things like that.

So I completely buy that. I think that I think we've also becoming better at the regulator having conversations with private organizations as they craft and the ideas up, right? Because the reality is writing, writing something on paper and the reality of organizations implementing that [00:23:00] sometimes can Differ, but I think that that dialogue between industries, whether it's private government and the regulator needs to happen.

And, and I think in a telco space, we've been having some really good conversations with the regulators that we face off to, to try and craft and make sure that they're balanced in the way that they come across. I think that the challenge in the telco industry is that, you know, we, we are, you know, marginally making profit.

And when I say marginally, I think most of our competitors are negative growth. And I think, you know, we as Colt have managed to drive growth still in an industry that's largely contracting. And I think then the challenge you've then got is that when you've got regulatory pressure coming on top of that, it does drive more cost to your serve and your and your operations.

Mighty. I think the big piece that I'm kind of focused on when it, when it comes to regulation is that how can we see regulators working closer together so, so that when you are looking at controls, they become more common controls and the expectation is more consistent. And that's where we often [00:24:00] are challenged.

What I mean by that is our customers, for example, might be regulated by the finance sector. expecting a series of controls and measures and then you've got the telco actually coming after it in the same vein but they're coming after it slightly different definitions and expectations and then that's where the problem starts because that's the layering of cost



and control that starts to become difficult and that's a very good point actually the siloed concept of the regulation then having to overlap as industries meet and often the controls frameworks in the middle They're duplicated or they're called a different thing.

And there's a lot of complexity in trying to map that out. So again, it goes back to Praveen's point. Simplification is key in regulation so that when they come together and integrate, it's much easier because there is, it does cause still today, confusion and the regulators don't always work together as they should when they see those intersects arriving.

So it's extremely good point. And to add on to that, I think it's also about the tone that makes the music, right? Because if you pretty diplomatic [00:25:00] about, but these are the regulations and you've like the tone of voice, a lot of people feel like they're being, you know, restricted and that it's not helpful and not the story behind it.

Why regulators actually doing the things they're doing. And that, Also changed, I think, in the last years, but still for me, it feels like, oh my God, regulations, how can I avoid them? Instead of Rob that says, embrace them, embrace them, come on, don't avoid them. Do you see a difference in that when it comes to narrative and value?

And do you see something happening there? Look, I think, um, yeah, look, I, like I said, we've been spending more time on trying to find the common regulatory controls and expectations from the regulator. We also, I do, like I said, you know, when we briefly spoke about sustainability, equally with cyber as well, there can be growth levers because actually, if you can demonstrate a level of control, which then results in, you know, Much better SLAs, better downtime, less chance of being compromised.

I mean, if you've been in an organization that's had a cyber [00:26:00] breach because one of your controls hasn't operated the way you expected it to, that's devastating to reputation. It's probably going to be devastating to your pipeline. It's probably devastating from a reputational perspective as well. So actually, if you, if you use the regulatory controls in the right way and you embed them into the DNA of the organization, And that drives better SLAs and protects your network or your systems and your data.

I actually think there's a growth driver there. Often the challenge is that people see it as an overlay rather than actually something that adds value. Yeah, absolutely, Ash. Because if you treat regulation as a checkbox exercise, it is an additional cost. But if you see, and I'll give a couple of examples also, and if you treat it as, Some operational benefits or strategic advantage could be gained through regulations.

It could be absolutely beneficial. So if it takes a Telecom Security Act, as you know it pretty well, having an end to end visibility is one of the requirement. Now [00:27:00] having an end to end visibility of assets. It's an absolutely amazing thing from for operational efficiency, and if it and if you go ahead and use this as a strategic advantage, you know, advertise that look, I am compliant.

And if you are working with us, you are absolutely safe and secure. That is also great for your customers. So both from the operational side and from your customer side, it could be an advantage. Similarly, sustainability regulations. If you take some of the return materials being reused instead of buying new materials, which is amazing for your carbon footprint, is also great for your capex avoidance.

So again, that change of mindset of not using a regulation as a checkbox, Thanks. Uh, just to add on that, Pravin, we, um, we were quite early movers at Colt with, um, the Data Protection Act or GDPR some seven, eight years ago. We were probably one of the very few telcos that



actually established binding corporate rules.

And what [00:28:00] that really means is that we can demonstrate that when we process confidential data across our business, it's to a common standard that meets the GDPR regulation. In fact, what we found is that the moment we've done that in the R-F-R-F-P post with the customers, it didn't even become a conversation point.

It was done. And they recognize that as a value lever. And we've been doing that with ESG right now as well. So we've been going through the Equivardus and ratings and we were platinum until the acquisition, which is, you know, we're working our way through. But again, that's another conversation with the, with the customers that see it as a value lever that says that we've, we've hit Equivardus platinum status.

It's not a conversation to stop. Business from happening now, and all we're trying to figure out a way to which, you know, to circumvent some of those things. So again, if you approach it the right way, I completely agree. We can see that as growth levers for your business, maybe to bring our conversation to a little bit of a close today.

Ash, let's cast forward a little bit and just do a bit of crystal ball gazing. And where do you see predictions? Yeah, it's [00:29:00] one of your favorite, one of your thing that and reading the Telecom Security Act, probably your two favorite things on there. Oh, it's, it's, it's, it's a perfect Saturday afternoon, bottle of wine, some legislation.

Anyway, let's, let's, uh, cast forward a little bit and, and where do you see it going, Ash? Do you see, you've talked about how bringing the regulators together to, to create sort of more meaningful joined up regulation might be something interesting. Do you see that on the horizon or do you see it as something that actually we're still going to have to, you know, keep integrating as it were?

Yeah. Look, I think there's, there's quite a lot more work to be done. I think, you know, regulatory expectations will continue to change. I mean, who knows what's going to happen in the next five or 10 years, especially it won't be a podcast to say without saying the word AI and that's evolving. We normally are all over that.

I'm surprised it hasn't come up so far, to be honest. But it's evolving, right? The whole conversation is evolving. And what that means to society, what it means to technology [00:30:00] platforms, how systems and networks will be architected in five years, five or ten years time. My hedge bet is it will be different to what we know today.

Right. That's that's a fact. I also think that where we've been able to generally operate in silos as telcos, and we've got lots of telcos around the world, right? There's hundreds of thousands of them operating in silos, and it's the it's the handshake that's happening between between us that allows this ecosystem to carry on functioning.

I think that's gonna have to get tightened up further if we truly want to be able to say that the the telco industry is sustainable. It's it's completely reliable for what we've The pressure we're putting on it on a day to by day basis, more work needs to be done there. I also think the other piece that, you know, we're focused on and, um, I know Kerry is extremely passionate about this piece is what we call the net easy button.

And right now, telcos are vastly complex in terms of how you, uh, you price for services, how you procure them, how they get delivered. I think there's a, there's a huge [00:31:00] transformation that needs to occur because again, it's the telcos that are supporting this. digital transformation activity that's going on.

And whilst organizations have been simplifying and digitalizing their business models,



the telcos a bit of this now slowly starting to become the bottleneck in that. And I think that's the area that we really need to focus on. And when I said that easy, it's not just about procuring, it's about the security, it's about the carbon credentials.

It's, it's all of these table state things we would have to evolve. So my view is next five years, there's, there's has to be transformation in our industry. And that's going to get forced not only by regulation, but by But basically the demand that's been put on the, the telco industry today.

Ez, what have you been looking at? Yeah. So tapping into that, what we just talked about, I was looking into a book within the Netherlands, at least it's been a release, but you can [00:32:00] also look into it in English. Of course, it's about security innovation stories and they were deep diving in Not in Dutch, David.

I must admit my Dutch, I can about say Auschterblijft and that's it. Wow. That was a, that was a very unimpressed wow, wasn't it? Yeah. It was, I've underwhelmed everyone yet again. Nice try. Yeah, nice try. Uh, but, and it's talking about cybersecurity, of course, in the Netherlands, but also in Europe. And it's actually a call out that we're lagging.

You know, we're really lagging behind when it comes to innovation compared to China and to America and everything that we see around us. I'm, I'm also quite interested in to, to hear about it. Do you see differences in there? Are you talking about the ecosystem we need to connect in at the same time? You also want to have a country's autonomy, especially these days.

So how do you see that work? Cause I can understand there's quite some contradictions maybe in there. Yeah, there is. And I think this is where again, um, trust and the ability to share information.[00:33:00]

That isn't necessarily competing in someone. And we always say this in in the security world, at least anywhere that actually not competing with each other and secured. We actually got a common that we're trying to combat. And the question is, how can you freely share that information in a in a safe and secure way so you can you can protect consumers, you can protect businesses and other ecosystems.

I think you're right. I think the and this is some of the challenges I guess we're seeing now with Particularly in Europe around AI, if we come back to that, the regulator is already putting down regulatory. Expectations on how I can and can't be used. But if you flip that across North America, for example, it's not as heavily regulated and there are and that's allowing, I think, a little bit of innovation and test and trial.

Um, time will tell whether, you know, who's the right thing. Is it regulate first and then, then expose technology? Or do you use, do you allow the technology to, to flourish to some extent before you put regulation in? AI is an interesting one, isn't it? I've always sort of seen, [00:34:00] despite Rob's reframing of legislation as helpful and things like that, which to a certain extent I agree it is, but I've always seen it as it can also be hampering to innovation and it can also get in the way a little bit or it can make it more costly or it can make it slower.

And I've sort of felt that for the majority of my career. I do think in the world of AI though, because the potential of it is very high, but also the unknown unknowns. are also very, very high in this space and there is a, there is a real chance with it that, you know, we could be the, you know, the genie could be out of a box here that we don't really understand the power of the genie, do we?

I think this is the challenge is, I know people say humans like change that we, we don't really.



I mean, if we, if you look at DNA, we don't really. of us for quite defensive characters. And we gather things, right? And that's how we, how we kind of We like change when we're like leading the change or having the ideas.

But when change is like foisted upon, Feels quite uncomfortable most of the time, isn't it? I guess the point I was going to make though, is that if I, if I think about my dad's career that [00:35:00] started in 1920, roughly or 1930s, he did the same thing. That's when Rob started. Says you Dave, says you. So, you know, he did the same thing for 40 years.

He was a, he was a tailor by trade. The only thing that actually fundamentally changed in his trade was that he used to use his feet to drive the, the machine, the sewing machine. And then in his timeline, the electric motor turns up and that meant that he could no longer have to move his feet. It would work by electricity.

So that was a big transformation clearly for him, but not one that had to change the way he thinks and the way he processes and the way he did the cutting of materials. Now that, you know, that was from, you know, from the twenties to the eighties, right? Roughly, give or take. Then obviously machines have sort of slowly industrialization has taken over.

Yeah. My point is that through industrialization, that's taken hundreds of years to transform, which has allowed us as humans to decide what's next on our evolutionary journey to be focused on as jobs. Computers have done that within probably four or five decades, but [00:36:00] it's been decades. I mean, it's given us time to decide.

I think my point on AI, though, is that the pace of change is so rapid that your career, what you start and what you end with could change. Possibly change 40 times or your career is gone or it's gone. Yeah. Yep. And I think that's the bit that I think people are going to be worried about. And I think that's where things like workers councils, things like labor protection laws, things like regulation is going to have to be really thinking carefully about because what do we all do if many of the tasks that we know of today have been automated, but then we don't find.

the next thing that we should be doing quick enough. And it is a fine balance because there's lots of examples of where unregulated things have caused harm. Yes. You know, in chemicals and in financial services and things like this. So we know that to be true. So we don't want to harm, but we don't want to stifle innovation.

And then there's the other [00:37:00] thing, which is, as we are all still nation states, or conglomerates, we legislate within those systems. Therefore, are we losing out? The FOMO kicks in to say, well, they haven't done it and look what they've just created. And there is a balance about A, our ethos and social responsibility to protect and to help and to aid, but also not to stifle and I think we're still finding our feet.

I think your point about the rate of pace of change increasing, meaning there's the political systems that surround all of this are getting a bit of a shock and they need to move faster because in my opinion the political systems aren't moving fast enough to cope with what we're starting to face. Or the other thing, Rob, is that the political systems are never there long enough to allow for things to be right.

So, because if you look at Europe, generally every four years or five years, and North America as well, you've got a kind of new new political parties possibly can, can take control. And there are different spectrums of views in terms of, you know, what, what [00:38:00] we should be doing. And then I think that could also drive different behaviors.

You know, one minute you've got investment and next thing you haven't because the



thought process is slightly different. Yeah, that's right. That constant shift from left to right to left to right, wherever it does frustrate something that should be on a 10, 15, 20 year arc. If you think about the strategic investment and we see that with capital investment.

But actually AI is a similar thing where we have to set a pathway that's going to last quite a long time because it's here to stay. It's not going away. How do we set ourselves up for the future is a very complicated question. Where did that get to in terms of the, in terms of the text that you quoted and what was your perspective?

Yeah. I love these top. I think it's, it's so interesting because I think that the, especially the different paces, it's like have a dual operating model, right? There was like a point in time that that was the, the way to have an organization. But if we actually have the same. situation now we have the government and all the regulations and then you have [00:39:00] all these startups, high pace, high innovation, but, and we're all operating in the same world and especially on the country level.

And, you know, being a Dutch citizen, I'm also quite worried. Like we used to be on top of the list and a lot of innovations and, and then a lot of things people were looking at the Netherlands. And now you see, we're actually, you know, we're at the bottom of the list now. So. Yeah, I'm hoping that our country also gets inspired, but also gets the push to really be on top of the innovator list again.

I tell you what I hope regulation was put in place for before it was invented and then released on stage, or I'm going to say unleashed on stage at CES. Do you know what it is, Robert? No, go on. I'll settle on no, because he wants one. It's the Samsung wheelie, or whatever it's called. What's the Samsung wheelie?

Oh, it's the robot. It's called the wheelie? It was, wasn't it? Yeah. Yeah, it's a little round robot thing, looks like a football. Right, like, like Nick from Star Wars, they just took the head off. [00:40:00] It doesn't look Star Wars y, it looks more Pixar y, I would say. Right, okay. It's design aesthetic is Pixar and Disney.

BB 8, Was the ball that rolled around with the head? Just taking the head off. Definitely not the Death Star though, is it? It's not what we're talking about. Well, Ash, that's where I'm going with this. like, you know, the announcement of the Samsung wheelie did also strike me as a, as a slightly pre apocalypse announcement because it was like, Oh, that's the way the Rob, the robots are going to get us.

Well, that's it. You put a robot in every house, everybody has it. And then the day it turns, they're the ones that, yeah. That's it. It's not an obvious, threatening looking thing like, uh, Nobody never would be, David, but it transforms in the background to something completely different on the day. They can all talk to each other, and they have back, you know, they have back channels that we don't know about.

Here's the thought I had the other day, right? AI is in everything, or it will be, right? So, things that we use to detect Odd things going on. Well, if the AI all collaborates, we won't be able to detect it because the AI will do the nefarious thing, and then [00:41:00] the AI will remove the nefarious results from the thing that detects it, and then there's the rise, isn't it?

Not only that, like, instantly, all the robot chums also know about the plan, don't they? Exactly, that's right. Before you know it, I say beware the wheelie. Consumer advice and cloud reality is right there. Or at what point does AI take us to court and say we've got rights as well? I honestly, Ash, it's like you've listened to our Christmas episode.

I, I genuinely think that that kind of thing is going to start to happen. Yeah. And who was,



who was talking recently? Somebody was talking recently about that. IT would become the HR department for agents, AI agents. It was the NVIDIA. Which is you were the truth sayer on that earlier, Dave, which was, uh, but it's that thing when we, if you remember back to an older episode, we said, how will we discover AGI?

Will it be a TATAR and it's unveiled? I've created AGI. It's not, it's going to be somebody in a lab and gone, Oh, Ah, you know what's just happened there. [00:42:00] Yeah, exactly. I'd be like, damn, we didn't see that coming. Yeah. Anyway, look, Ash, thank you so much for joining us for this special episode of the show. A real pleasure talking to you today.

It's been a pleasure and thank you so much for the invitation. It's been a great conversation. Very good. Now we end every episode of the podcast by asking our guests what they're excited about doing next. And that could be something in your personal life, like you've got a great restaurant booked at the weekend, although we are in dry January at the moment.

So let's face it, a lot of the funds been stripped out of that. Or it could be something in your professional life. So Ash, what are you excited about doing? So Dave, I'm going to give you two for one. I'll do my personal bit. So I used to like creating models. Car models. Air fix. Yeah, air fix kind of things.

Or Revel reveal's the other one as well. So anyway, I bought a golf mark one at Christmas and I've basically built the car. The only bit that's left now is to put all the, uh, the stickers on. Oh, job. You gotta be careful to find a bit of painting. Right. So that, I'm excited about that. That's a, that's a finishing The reason you haven't done the stickers [00:43:00] yet, 'cause you're a bit nervous of it.

Yeah, something like that. And I'm starting to remember how to put them back on. Like the long, thin stripe down the side. That's going to be tricky. Don't break it in the middle and then you're there with it all. Yeah. So, well, sounds like we've got similar enthusiasts among us as well. But on, on the, on the professional side, it probably kind of comes wrapped back to, I think, you know, from a cult perspective, we've been spending quite a lot of time and money on investing in our technology stack.

We've, we're right in the middle of a integration activity that finishes in, uh, hopefully we'll finish in 2025, touch wood. I'm sure it will. But actually, it's the, it's the power of, in terms of how do we now take all of that investment we've made and all the conversations we've had around regulation, carbon footprint reduction, simplifying the business, reducing the cost of serving, growing, I think we've got a unique opportunity as an organization to really drive and accelerate that conversation with our business.

And that's what really is exciting for us at 2025 in, uh, from a professional standpoint, at least anyway. Very good. Well, we wish you nothing but luck with that. And [00:44:00] maybe just as importantly, good luck putting those long stickers on the side of that little golf. That is going to be a tricky one, my friend.

Stable hands. Yeah. If you would like to discuss any of the issues on this week's show and how they might impact you and your business, please get in touch with us at cloudrealities@capgemini.com. We're all on Blue Sky and LinkedIn. We'd love to hear from you. So feel free to connect and DM if you have any questions for the show to tackle.

And of course, please rate and subscribe to our podcast. It really helps us improve the show. A huge thanks to Ash and also Praveen, our sound and editing wizards, Ben and Louis, our producer, Marcel, and of course to all our listeners. See you in another reality next [00:45:00] week.

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