

TALKING AGILITY: EPISODE 2

PODCAST TRANSCRIPT

Welcome to Talking Agility, a podcast from Accenture. Your host is Elitsa Nacheva.

Elitsa: Welcome to the podcast. We're exploring the topic of agility and how organizations can develop agility to thrive in a disrupted world from all angles.

My name is Elitsa Nacheva and I'm a management consultant within Accenture's Talent and Organization practice, part of Financial Services, and I also co-lead the agile practice in the UK.

Today's topic is enterprise agility: vision and leadership at all levels and I'm very pleased to welcome my guest, Eva Sage-Gavin, to the podcast. Eva is the senior managing director of Accenture's Talent and Organization practice. Her focus is on helping our clients and their workforces shift their leadership mindsets, talent and cultures, harnessing the power of digital technologies to innovate, unlock new sources of value and transform their businesses. She brings a wealth of experience to our conversation. Eva joins us from San Francisco. Eva, welcome to Talking Agility. It's a pleasure having you today.

Eva: It's absolutely a pleasure to be with you, thank you.

Elitsa: My first question to you would be whether we can go into a little bit of a discussion around the role of vision and purpose in transformational change and more specifically, why is vision so important in uncertainty?

Eva: In these turbulent economic times, people are looking for clarity and they are

looking for a sense of purpose to help them to navigate to whether, to find those things that they are strong at performing, to be able to execute and have a sense of mastery in their job, and it allows the organization to align on what matters, given this time of great choice. Having a clear sense of vision tells you what's important, what you and your team are trying to achieve and it helps you make good decisions every day, particularly if it's a high-empowered environment where you have a lot of opportunity to affect your work, your outcomes and deliver results that are aligned with where the purpose of the organization is going.

Elitsa: I've heard an analogy, which I quite like myself and I would just mention it now and you probably can also connect with some thoughts with it but the analogy I've heard from Andy Young is, the managing director in T and O in the UK, is he often says that using an analogy of the fishermen in rough seas. He says the fishermen will use the lighthouse to guide them home and avoid the rocks, and also each fisherman will know what they need to do, and they wouldn't necessarily be needing anyone to tell them what to do so their vision guides them through uncertainty. And then, on the other hand, their desire to get home safely and to provide for their families and reunite with their families will keep them going.

Eva: I think that's really a beautiful analogy and there are a couple of different pieces in there that make it very simple: one is that their desire to come home and that light as a beacon for them. It's personal, right? They want to be home with their families, safe, and they want to have had a successful trip.

That vision and connecting with it is emotionally compelling; it's not just words. This is obviously their life, it's very meaningful. They're going to make good decisions because they're going to re-anchor no matter how stormy it is and use their humanness and be able to use good judgement. The other thing is that it's a guidance in terms of being able to stand firm and stand clear above the fray of stormy weather. And the final thing is, imagine a world in which there was no lighthouse and there's a phrase I often hear: if you don't know where you're going, any road will get you there, i.e., you could wander lost, and so I think that analogy's outstanding because it gives you really clear guidance, it has an emotional connection, and that's how we know change visions work because they're compelling for humans. And you know what will happen when you follow the vision. You'll get home safely with your successful fishing trip and you can constantly realign no matter how much the waters are shifting. We know the way, when you have a clear vision, you're going to get a 3-4 times greater outcome in transformational change than anything else.

Back to my analogy, what are the chances without a beacon or a lighthouse to make it safely to land. It would be poor compared to four times more likely to be successful with that clear, compelling beacon.

Elitsa: That makes complete sense and I think in the world, especially in the UK and London where we see so many fintech companies starting, we see that oftentimes that the noise from the outside can very much make the organization uncomfortable and wondering what's happening on the outside and if it is has that strong vision where they're trying to go, it will allow the organization realign back to what matters and not be distracted.

I would take you on a different side now. I know your work doesn't only focus on

leadership, but also on talent and workforce at all levels. Why does achieving enterprise agility require this kind of top to bottom cultural change?

Eva: We talked a little bit about your analogy of the lighthouse and the individual or group of fishermen, professionals trying to find their way to that beacon, to families, to home, to safety, to bring in their haul for the day. All of this is part of a culture and culture forms a backbone. It forms a way to behave as individuals connecting in, as teams. That sets the stage for either successful change and capability building, or it can also be distracting and not enabling. And so, a leader has to think about stabilizing the backbone and set the tone. We often talk about setting the tone for the top that supports change, takes risks, forgives failure, and that lets people try and test, in other words what we call cultural agility, to bring out the best in their innovative and problem-solving skills. We know senior leaders are really important to set that tone from the top but for change, it's got to be embraced at every level of the organization. And that requires not just one time saying, this is who we are, these are our values, and this is what we stand for, but it has to be constant and ongoing and living. Culture is a living, breathing thing that are affected by internal and external forces and this idea of being able to change continuously is so important. I do think that analogy you used with the lighthouse and the beacon is a good one because think of all this change in fishing over many years. The technology implementations, team of fishermen working together, use of different scanning devices. In many of our industries, our change in culture is enabled by this new sense of insight we can gain from technology, data, insight about ourselves, insight about our teammates, insight about our organizations. And all that gives senior leadership a picture of the culture they're in, hopefully they'll be able to navigate to the culture that will be most effective and then

the ability to course correct if the culture needs different aspects to be effective in one's company or industry. And I have lots of client examples I could use to help you with this. So we think about a telco business in which there is leading-edge technology enables global communications in telecommunications and we think about the importance of an engineer who may have graduated more than 3.6 years ago, and I pick that number because we know that time for obsolescence of skills is just about four years post-graduation from a degree and the ability for a whole team of technologists in a telco is absolutely critical. We're working with a client who is embracing this idea of culture, agility and lifelong learning and they're implementing, with our help, this idea that we call learning boards that give people the ability to learn in bite-sized chunks. It also gives them the ability to navigate the new technology and software and capability skills they need for the shift that the business and industry is making, and then as they participate in these learning experiences, and they can be both self-study, they can be applied, they can also be in a virtual training ecosystem or they can even be in a virtual or connected classroom. Individuals can go through a series of learning steps, again at their own pace, at their own time to start with entry-level learning or baseline foundational learning all the way up to expert or mastery and many senior leaders today are trying to create these cultural environments where you're rewarded for learning. So if an individual in this telco goes through all the learning experiences for this new capability and reaches mastery, they have that as a credential. That credential then goes into their profile and then anyone who's looking at, who are my top experts in the company now that have this particular software capability in this new technology it can be identified, they can be recognized, rewarded, that can go into all forms of career opportunity. And at a senior leadership level you can see, wow, by

putting this investment in, we are seeing that X percent of our technologists are now in the new. In other words, they're able to perform activities that are brand new technology or software or client facing services. Now, all of a sudden, you have a connected culture with learning capability that you can visually demonstrate to anyone, any time and make sure that you stay at that competitive leading edge. It sounds simple, but imagine the crafting that needs to go into that, of where do we want to go, that's our vision, what investments are required, the individual's both motivation to learn but also the organization's support for them to have learning time and enable that and the ability to proceed through the levels of learning to mastery where we can then say, 70 percent of our team in X group has now achieved mastery in this new technology which makes us competitively agile. This particular telco has been able to make their way through that and what they're learning from employees is that being able to have flexibility in what they learn, how they learn and when they learn is having them go through these learning curves faster than their former traditional classroom learning approaches. So it's very exciting and I think the headline is, becoming agile as a company, as a firm, as a team, is in a sense learning to change continuously. And it's that hard and that simple.

Elitsa: Exactly, and I think if I reflect on this client example, the learning boards is one of my favorite ways to upskill myself. As you mentioned, it's completed on-the-go and it can be tailored to your own learning needs and I find that whenever I have some spare time during my day, whether I'm on the client's side or whether I'm on my way to home or to work, I can always log in to the learning boards, I can pick a topic which is of interest to me and I can see very much a blended, multi-level approach of curated learning that was specifically done for me, so either through videos or through articles, or whatever it may be I find it's really useful

so I'm really pleased to hear that for clients it has also worked.

You mentioned that culture change is not very easy. In fact, it's very tough. It's slow and it's hard. In your opinion, how do you think leaders can catalyze it?

Eva: I love talking about this. Ellie, in the beginning, we talked about I've relocated 17 times and I have crossed 8 ecosystems or cultures, so this is real for me. And 5 of them were global corporations where I was in a key HR leadership role. I think this is often the difference between success and failure, and it's very clear, based on my experience, that if you want to be agile, you've got to put people first. And this idea of being open to good ideas from anywhere in the organization, avoiding bureaucracy or hierarchy, agility thrives on empowerment, it thrives on innovation, it thrives on distributed authority. A workforce that's not afraid to take risks and leadership has to be responsible to open up that environment of listening, learning, doing and creating a change that's constantly agile. That can be that brand new employee that's just joined that has a fresh way of looking at a new problem that we're facing. A leader being human, being open, effectively using technology to get feedback from anywhere in the organization. Those are the things that unleash the power of agility. Best ideas come from anywhere and often those that are closest to clients or customers or patients may have the best idea in an entire ecosystem and help you to be able to problem-solve and create a new way of performing. We often talk about this idea of a growth mindset and that if people feel psychologically safe in their team, in their work environment, in their ecosystem or their culture, they're going to be more effective to come up with that idea that no one's thought of regardless of how long they've been with a group or how senior or how tenured they may be. And as a leader, being able to look at and listen and open

your aperture to hear all those things is so important. I think one of the most effective things I see with clients is using technology and this idea of being both digitally-savvy and human, to be able to look at the breadth of the organization, look at people and know where they are. We talk about this idea of, a technology we use called transformation GPS, and then the ability to move people through different stages of culture change, of the ability to provide ideas, test and fail, innovate and grow. And so I think of many clients that I work with, particularly in creative industries and I'm going to switch to another client where they will often do innovation huddles or they'll do design scrums and one consumer company I'm thinking of, that people will bring their best ideas into a workout session and actually work on things like customer journeys and how that customer journey could be hacked, could be re-created and could be faster, more enjoyable, get more for your money, have less frustration for the customer, and release time and create more value. We've seen that a lot in our retail consumers, who often are looking at, whether it's a hospitality industry, how can I use my time and my stay as effectively as possible, how can I check-in, check-out, how can I get loyalty and rewards for being a great customer, and how when I'm there can I get my needs met so that my profile is personalized and customized. All these ideas on enhancing and accelerating and improving the customer's journey have come from agile organizations where the best ideas have come from the newest people or people that feel safe in problem-solving and taking risks to test new and creative ideas. Bottom line is it's not one time, it's ongoing and the role of the leader is to create that flexibility and growth mindset and embrace it.

Elitsa: I really love, such examples are really inspirational just to see what companies elsewhere are doing. I read in an article that you published as a columnist in the HR

Executive that you're noticing a change in the C-suite title. You say that you're now noticing Chief Cultural Officer or Chief Collaboration Officer and when I was reading that, now it does resonate with what you said that the leaders are the one inspiring this type of change and perhaps while changing the title may not be the change that may be needed or solved for, it actually proves and shows the employee workforce that something is changing in the organization and may be a motivating factor for them.

Eva: No question about it and I've had the pleasure of meeting some people who had the title, Chief Culture Officer at client sites and showing the visible, demonstrated importance of employee feedback is important. One famous client who could be considered a disruptor actually has meeting rooms in their headquarters location that are named after locations where people had breakthrough ideas, so you might be meeting in the Morocco room or you might be meeting in the San Francisco room. And they've actually picked up the attributes of that location, what the idea was and you can immerse yourself in it as a symbolic respect for the fact that they're global, that ideas come from anywhere and it's also recognition for the individuals that generated those ideas of how important it is for everyone there in the culture to generate breakthrough ideas. And there were a thousand other symbols of that culture as we progressed through a multi-hour tour. That's the kind of thing I'm seeing Chief Culture Officers work on, what's important, how do you share it and broad-scale it and how do you create a safe environment where other people feel like they can do the same and they'll be recognized, rewarded and it gives them a sense of purpose, a sense of mission, a sense of tremendous pride that my idea made a difference in this case, for customers.

Elitsa: Yes, and ultimately empowerment which, as you mentioned previously, at the heart of being agile within the organization.

Eva: Absolutely.

Elitsa: These are great success stories that you have observed at clients but there are also some mistakes that leaders make when they're trying to foster an enterprise agility culture or just enterprise agility in the organization. How, in your opinion, can leaders avoid these missteps?

Eva: Absolutely. We talked a little bit about the lighthouse analogy earlier and I think it's a good one because what if there were 5 lighthouses and you didn't know which one to go to? That was going to be the safe one that would get you back to where you need to go? That analogy is a good one because sometimes organizations and leaders set too many priorities. They try to spread themselves and their teams too thin and they have multiple projects at any given time without a north star or a lighthouse of exactly where they're trying to go in the bigger picture. The other thing you sometimes see is that people may not use all the strengths of a team, they might not delegate, they might get bogged down in detail. Instead of saying, you're roughly heading here, you're empowered to adjust and adapt, let's test and fail, let's try new innovative things. They may launch too many initiatives and micro-manage them which can shut down peoples' feeling that if my boss is just going to be watching over my shoulder every minute, why should I try that hard because they're probably going to take over anyway. So this idea of agile leadership structures, the idea of everyone is a leader, the idea of transparency of data and information, that regardless of your level, if you have access to information, you can be effective in coming up with creative problem-solving. Those are the things you see in a learning organizations that avoid these missteps. So this idea about us of

digital. We think about another analogy and I hope these analogies are helpful to you but I've decades of customer experience having been the Chief HR Officer and worked directly with individuals and think about the idea of the use of wearables. I worked with a major retailer, for example, that had issues in their distribution center, with what we call pick and pack. Well you probably know that if a product gets incorrectly picked and packed, the person has paid for accelerated delivery and at their home they've received the wrong product and you have what we call a very high error rate, you're going to have dissatisfied customers, it's going to erode your brand. And they're going to go to your competitor. So this idea of what are missteps that you can avoid through use of digital. In this case, they have the ability to have tech-enabled wearables, to be able to scan bar coders, to get the right content in the right box and be able to have accelerated delivery to increase customers' experience and surprise and delight the customer has become the gold star in the retail industry. And this is a great case where creative people working with technology, working with individuals at every level, some that may have a degree, some that may not have a degree but they were trusted to be learning agile, they were given this new tool, they were trained in the tool and got to use it and it's drastically improved the error rates in the retail industry to get the right product to the right consumer, as quickly as possible. Those are just small examples. We could use every industry and show how this connection between leadership, investment, best of human and machine can create accelerate outcomes and speed time to receipt, faster than we ever could have imagined a decade ago.

Elitsa: We have seen some of the latest Accenture research, specifically the one around enterprise agility and rotating to the new, and some of it says that some leaders are leaping ahead when it comes to enterprise agility and they're showing very

promising results. I think some of the findings from the TGPS Agility Index Survey we alluded to earlier also points out that there are very few leaders who are demonstrating top quartile performance. If you could summarize it, what would you say agile leadership looks like in organizations that you have worked with and why are there some leaders who are in the top quartile scale?

Eva: You know we're finding out, as you mentioned, through extensive research we've done, of what are the skills that can be what we call automation-resilient? And how do leaders see that and make investments? And so this whole idea of building a culture of learning, having agile leadership structures, you know there are probably a number of big levers that agile leaders can pull to set up what we call a responsive agile organization that's adept. So this idea of knowing where you're going, willing to invest in lifelong learning, continuous learning, and this is for workers at every level and I'll come back to that. Use of technology and data and making it transparent and available, so not just for the top leadership to be able to inspect or micro-manage but for you yourself to know how you're doing. That retail example I gave about accuracy. The first person that should know should be you. Back to the fishermen, right, better for them to course correct than someone on the shore yelling with a bullhorn they can't even hear. The idea of a culture that supports that investment, that lifelong learning, that ability to take training time and to have on-the-job opportunity, the idea of taking risks that are prudent risks so that new ideas can flourish. You can test them and not shut them down in a bureaucratic or hierarchical way. And then the idea of rewiring the organization. This is another role that agile leaders can play in releasing a culture's capability. So the idea that you often hear is how many layers are there between the most senior person and the person closest to the customer, or the

client, or the patient. In agile organizations, you'll find less layers, more direct learning and listening and more direct communications between the ultimate end-user, the client, the patient, the customer. And then the whole idea of how you get services, experiences back and forth to that client, patient or customer is the channels and the operations. So, I love to use a retail analogy as you know from my background. I spent about half my year in consumer. Speed is very, very important to the concept of agility and anything that opens up that channel so you can get to a consumer faster is going to be an important competitive advantage. Leaders can look across, we call them 9 elements, and pull these various levers to be able to release agility. In some ways, I've used the analogy at a famous consumer company where we brought in an entire orchestra and we talked about, yes the conductor has important role but every person on the orchestra has a role to play and being individually excellent but playing as a team, when to increase that third violin, when for the cello to kick in, when for the brass and the horns to kick in will create a really melodious outcome. Everybody doing their own thing with no music to guide you, with no conductor and no north star won't create that harmonious, integrated, beautifully orchestrated outcome. That's another analogy when we think about the role of leaders and culture and individuals and how they can play together as a team and stay constantly agile.

Elitsa: What are your thoughts on the role of learning as it relates to an agile workforce? We spoke a little bit about it but is there anything else that you would add?

Eva: Well, you know, data is our friend and recently this year, on Reworking the Revolution, we produced a report at Davos, at the World Economic Forum, and what was so compelling for me in that research is how much people at every level want to learn and the idea that they see artificial

intelligence and new technology will be affecting their lives. But the opportunity I saw was that only 3 percent of leaders are planning to invest in their workforce and so I think that was a signal back last January, so almost a year now, that individuals see the need to be lifelong learners, they see the impact of technology on them individually as consumers and in the workplace but there's a big, big role for organizations and leaders to play in that though they see the business potential to unlock value, there's at least January, a year ago, there wasn't a strong, clear market signal that people were going to invest. What I'm starting to see is this idea, whenever there's a leapfrog investment that creates savings or value, the best and most agile organizations are taking some of those savings and investing in their teams and their people and investing in learning. And so moving that 3 percent intent to invest into a much broader, comprehensive 10, 20, 30, 40 percent of savings into learning for the people on their teams. I believe this is going to be what we're going to see on the role of learning in an agile workforce. Those organizations that take any savings from technology capability and turn it into what I call a new-skilling strategy and then meet workers' needs, meet individuals' needs are going to have the most automation-resilient companies. They're also going to see market value. We have data that shows that truly agile firms have 2 times the probability, 2 times, to get top quartile financial results. So that's one of the things I do when I work with leaders is this is a business imperative. This isn't a nice-to-do. People want to be trained, they want to learn, they want to grow. There are savings being realized from technology and enablement. Those firms that re-invest in learning have a chance, 2 times, the chance to be in the top quartile financial results. It can also give financial results, we looked at the FS, the financial services, industry in terms of their EBIDA and a high average annual increase and so this idea that early adopters in any industry and strategic

leaders are going to see agility as a financial, a competitive, but also a human advantage, a place where people want to work, the kind of work they want to do, the fact they can be respected, valued, empowered, that they can be lifelong learners. That's the ecosystem of change and agility that's going to be the most successful in the market. It's going to attract the best talent, and it's going to be where people want to stay and grow. And that's the ultimate outcome in terms of learning and the agile workforce.

Elitsa: Thank you. That was a great answer and I think it's actually a very good way for us to end our conversation today. Thank you very much for taking the time, it was a real pleasure speaking to you today.

Eva: It was my pleasure and I'm glad we share our passion for the beauty of symphony, such a great example of agility, lifelong learning, empowerment and the beauty of the outcome for so many when it all works well together.

Elitsa: I really enjoyed my conversation with Eva Sage-Gavin today and I hope you did as well. If you would like to get in touch with any of us, please visit [Accenture.com/TalkingAgility](https://www.accenture.com/TalkingAgility) and click on the contact us button. You can also read our research reports on the future workforce on the website. We'd love to hear your feedback and your own journey toward agility. Be sure to subscribe to our podcast and don't miss an episode. Thank you very much for listening and I hope you tune in next time.