



PIVOT TO THE FUTURE

EPISODE 1 TRANSCRIPT

HOSTS: Omar Abbosh, will.i.am

GUEST: Jean-Pascal Tricoire

Will.i.am: I pivoted a bunch of times. In my music career I pivoted, but what got me here it's not what's going to get me to the next place.

Omar Abbosh: I mean a lot of the old rules of management that every grew up are not really correct anymore.

PJ Tricoire: So what works?

Omar Abbosh: Making a wise pivot.

PJ Tricoire: And what's the difference between a wise pivot and a quick follow?

Omar Abbosh: You have to get up after people tell you no. The minute you show up in Los Angeles, the signs are everywhere that you're in the heart of our global culture. It seems like everything here in Los Angeles is pivoting to the future and quickly. This is one of the world's epicenters of imagination, change and growth. It's a place synonymous with art and entertainment, creativity and determination and hustle. But it was also in large part technology that really changed and grew this area, well, technology and people who were smart enough to know what to do with it.

My name is Omar Abbosh and in my day job as chief executive of Accenture's Communications, Media and Technology business. I'm incredibly lucky to work with global business leaders, helping them navigate and manage their way through today's ever-changing economic and technological landscape. And I had recently co-wrote a book about it, also called *Pivot to the Future: Discovering Value and Creating Growth in a Disrupted World*. This is a great time to meet my co-host for the series, Will.i.am. You know him as a member of the Black Eyed Peas, but he's one of the few people on this planet who has lived and thrived in the middle of where technology, business, art and entertainment all collide. Hello, Will.i.am.



Will.i.am: Hey, hey. How you doing Omar?

Omar Abbosh: I'm good thanks, how you doing?

Will.i.am: I'm awesome.

Omar Abbosh: Now, before we get started, our listeners should know we're doing this because we share a passion for disruptive technology. And, we're going to interview some of the biggest leaders of industry, all individually masters of reinvention. People like Hans Vestberg of Verizon and Jean-Pascal Tricoire of Schneider Electric, amongst many others. But for this inaugural episode, let's roll around in disruption first. It's a concept you're familiar with, you're a musician, a producer, tech investor and overall big deal visionary. Why all these pivots?

Will.i.am: When you've been able to capture the lightning in the bottle in one field, the next field wants a piece of that lightning. I pivoted a bunch of times, so in my music career I pivoted. The name of our group was Black Eyed Peas and the whole premise was let's play colleges and those kids that are at college will eventually graduate and take us out into the world with them, and that theory was true. We had this big college following, two years later, three years later we had a bidding war. And we became pretty successful, at least we thought we were successful. But in that path, Jimmy Iovine suggested a pivot.

I was producing this girl at the time, her name was Stacey and he says, "Why don't you put her in the group?" I'm like, "Put her in the group? What are you talking about? What group?" "Put her in Black Eyed Peas." "You want me to put her in our group?" He's like, "You're producing her demo, why don't you put her in your group, develop her through your group and sign her to your label." I was like, "But I don't have a record label." "Now you have a record label. I'll fund your record label, and consider putting her in your group." So that was my first pivot, being open-minded to folks that have been successful, that have seen something like that happen in the past. And the reason why he knew that would probably work is because he remembered Fleetwood Mac before Stevie Nicks and Fleetwood Mac after Stevie Nicks. You have to trust the whispers sometimes. So, that trait, that experience helped me and i.am+ pivot to the position that we're in now.

Omar Abbosh: What made you decide that you wanted to expand your interest beyond music?

Will.i.am: So in 2000, we did a Dr. Pepper commercial and that's how I moved my mom out the ghetto. I didn't really take much interest in the mechanics behind, "Wait a second, they're paying me buckets of money for 30 seconds of a song and I get a couple hundred thousand for an hour and 20 minutes of music." I didn't really look at the math then. When I really took into account what was actually happening is when we did the iPod commercial. When we launched iPod with Apple in 2003, that was their first iPod commercial and their first iTunes commercial.



That's when I realized, what a second, our music can truly sell a bunch of different types of products and that's when I told Jimmy we should make our own hardware and use our music to sell our own stuff because they're using us to sell everyone else's stuff, so Jimmy's response was, "Well, what do you mean you want to do hardware? What do you mean we should do hardware? You know how hard it is to do hardware, that's why they call it hardware." That's how we all started Beats, was that simple, honest, ignorant question. That excitement, ignorant of the complexity of hardware got us to creating the brand Beats. And then I started my company and boy, did I realize that hardware is freaking hard. It truly, truly is the hardest thing in the world. First you have salaries, that's the first thing.

Omar Abbosh: Salaries are hard, I agree.

Will.i.am: Because as a startup, it's unfortunate that you miss a month and it's inevitable as a startup you're going to miss a month and that's the hardest thing when you see your employees and their kids. It's one thing if you're a startup and everybody's 23. I was a startup before, it was a group called the Black Eyed Peas but everybody was 20. And you could eat Cup of Noodles and no one's really truly going, "I'm out of here man! Can't take this Cup of Noodle stuff, man." But when you're a startup and you are just like a band, crazy hours and you have kids and you're not 22, you're not 23, you're 30-something.

Omar Abbosh: I mean, you just gave a master class in business by the way. You went from we were a startup once upon a time called Black Eyed Peas and we built lightning that made a brand, other people then wanted to use the brand to promote tech brands and you drove a whole lot of tech brands and then you were like, okay, so that's pivot number one. Then pivot number two's like, "Hang on why are we promoting other people's technology, why don't we make our own technology?" and then you became your own company, a big global company. And then as you went through that you talked about the power of branding, the power of the team. You talked about heart.

I think business people would say, "Purpose, the purpose that bonds people together, brings them together, the culture that you create so that your best people don't leave even when people are trying to poach them because you've made a family out of them and they care about what you're all in it for together." That's part of business. But again back to your motive. The Dr. Pepper motive was clear, you're getting your mom out the ghetto, that's super clear but subsequently you don't need to, so where do you find the desire to keep involving yourself and being entrepreneurial and branching out into new areas?

Will.i.am: That's an awesome question. So, there was this movie that I saw on TV, a doc called Waiting for "Superman" and Waiting for "Superman" was about America's troubled school system, how bad it's performing and in this documentary they highlighted a school called Roosevelt. And that school is, at the time, one of the worst performing schools in America. And it hit my heart because my mom went to that school, and that was a school that I was supposed to go to but I got bused out. And so, I was like, somebody has to become Superman, not wait for Superman, you have to become Superman. So I realized



that there were a couple of supermen and women in America, one, Dean Kamen, two, Lorraine Powel-Jobs. Dean Kamen with First Robotics, Lorraine Powel-Jobs with College Track and I asked them if they could bring their programs to my hood. And nothing's for free, and as big as their hearts are, somebody has to pay for it and in that case it was me. So I brought those programs to my hood.

Omar Abbosh: But before you became the Supermanic Pied Piper, leading kids out of the hood, you actually had to get out of the hood yourself and pick yourself up and you said something about being bused out and I'm curious about that.

Will.i.am: So that wasn't me. So for me to say, "Yeah, ever since I was seven years old I was on this path," nope, that wasn't me. "I knew that the hood wasn't right." Nope, that was my mom. My mom put me on that bus at seven years old and when I got older I was like, "Ma, why aren't you afraid? I mean we live in California, there's earthquakes. Weren't you afraid that there's going to be earthquake and you couldn't pick me up?" She was like, "Okay look, that's a risk I had to take, and how many earthquakes actually happened while you were in transit from first grade to 12th grade? 12 years. An hour away from home to go to school.

"How many drive by shootings happened in the neighborhood? How many drive by shootings and killings and stabbings and drug overdoses happened in the school? So I think those odds, I think the gamble was right to send you out of the neighborhood." And that's the reason why I wanted to go back to the neighborhood now that I've had success so that kids don't have to travel too far to get a better education. But just because you get bused out doesn't mean it's a ticket to success. What I realized, your employees and your advisors and how everybody works together is the recipe to success. So I was blessed to have awesome friends. And we're trying to get our employees and advisors to all work in a way to where we push each other towards success.

Omar Abbosh: We've got a couple of parallels you and me, the mother thing. I grew up in Baghdad when Saddam Hussein was in charge and actually after a lot of nagging my mum one day agreed that it was time to get out and she packed my brother and I in a taxi, we put our life in the boot, or the trunk, and did a 14-hour drive across the desert to get across the border into Jordan and found my way back to England. So having someone in the family, one of the parents, whose actually thinking hard about the best interests of the kids obviously is critical. But back to friends, you knew your friends oat the Black Eyed Peas I think from a young age, how did you guys pass the point where you go, "We've got something here," and you're not just another one of a gazillion children bands out there that are trying stuff out but that you're going to actually make something special and make your mark, how did that come about? How did you feel it was going to happen?

Will.i.am: A little bit of arrogance. Just a little bit. You have to have a little bit of it because arrogance is ...



Will.i.am: ...because arrogance is armor. When everybody tells you “You suck.” And sometimes them telling you “You suck,” is accurate. But your arrogance is telling you, “You don't know what you're talking about. I'm good 'cause I like what I'm making.” And eventually you get good at your craft. But you can't be arrogant to a point where you... it cripples you from listening and knowing... you can't think everything you make is awesome.

But, you need some defense when you get bombarded by no's, when you get bombarded by criticism, hurtful criticism, give up criticism, what are you thinking criticism. You need that. That becomes your sword. You have to fight back. That's how we've managed to ride the heartbreaks.

Not just in music, but even in tech. You know how hard it is to make a product, you put it out and you go online and people read “Will.i.am's stuff sucks!” Like that hurts.

Omar Abbosh: (laugh).

Will.i.am: If I didn't go through music. If I didn't go through music, I would be like, “I'm done guys.”

Omar Abbosh: (laugh).

Will.i.am: I suck. I must suck. (laughing). I'm like, wow, you guys, whoever you tech people are, would not survive in the world of music. Because people hide behind their product when music you are the product. I can't hide behind nothing. I have to go out and talk, have to go out in front of the people that bought my product and speak.

You are the product. So, when people tell you “You suck,” it's far much hurtful, painful then what the product you made sucks. So, that doesn't hurt me. I'm like, okay cool, been here before, now let's improve. So, I have the luxury to withstand that storm, have that tolerance to withstand that storm.

That's what investors are investing in. Right? 'cause they know, investors know that a product can make it or not. But, the one that's going to get it over the hump eventually is a very very thick skin entrepreneur.

Omar Abbosh: Yeah, I mean everything you've said actually I'm sitting there thinking, yeah, all the entrepreneurs I've ever spoken to, who succeeded, is that you have to get up after people tell you no, you have to dust yourself off and go again. I mean, you call it arrogance, I'm thinking enough self-belief to withstand the continual critique. People who raise money starting a company had like 50 no's, VC's before they got the yes.

Will.i.am: Yeah.

Omar Abbosh: It does take a certain level of...



Will.i.am: Yeah, there's confidence, there's arrogance and then there's narcissism. They're related. Like, self-belief and self-belief when you're really really beat up, turns into arrogance. And then you're successful, then you become a narcissist. You know what I'm saying? That happens the everybody. I don't care who you are. Except my mom will kick my ass, so I try not go to the...

Omar Abbosh: You need someone close to you to keep your feet on the floor, even in big companies. If you're a leader in a big company, if you go down the narcissist route, and you surround yourself with people who tell you yes the whole time and how brilliant you are, for sure the company's going to flop. And it doesn't work. You need to make sure that the people who actually carry risk are driving the agenda.

Will.i.am: Yeah.

Omar Abbosh: So, as you think about Will.i.am Mark 18.3.4, what's in your mind of where you want to take your business and the brand?

Will.i.am: I need to improve, there's areas I need to improve in. One area that I really need to improve in is saying no. I really got to...

Omar Abbosh: That's a hard one.

Will.i.am: I've really got to do that one. 'Cause if I could learn to say no, then I could really fly. 'Cause I say yes far too much. It's a part of caring too much. I'm rammed with empathy. It's hard for me to say no to people and say no to ideas. Every idea to me is like, yes. A bad idea, I'm like, yo, I can make it even better.

Omar Abbosh: One of the tough lessons I remember reading about Jony Ive talking about, the chief designer of Apple, talking about when you wake up and you go to sleep thinking about this idea that someone has brought you and you love it and you love it so much and yet you still say no because of focus. Because of the need to focus on the things that you've really got to be brilliant at. That stuck with me as an example of something that's very, very hard.

Will.i.am: Yeah, that is the part of letting go and saying no that I really have to improve on. Because my path, me getting here was... I had to get my fingers dirty. I had to learn how to produce 'cause no one wanted to produce this. Had to learn how to come up with video concepts because no one wanted to direct our videos like that.

Had to learn how to do merch 'cause no one believed in us. So when you are your own chef, server, front desk person, that's how I got here. So now I have to undo that. And the undoing of that, that's the hardest task. Is undoing the navigation that got me here. 'Cause what got me here is not what... it's not what's going to get me to the next place.



Omar Abbosh: I mean, yeah what got you here won't get you there. You're talking about another pivot in yourself and actually that one's a real tricky one I think because people can be like the best sales guy. And then you promote them into management and now they have to manage sales guys. But just 'cause you're the best sales guy doesn't mean you're the best manager.

Actually, as you go up the leadership ranks in any enterprise, you have to make decisions with less information. And if you're someone who loved being in the detail, making the calls, being in control, the way you described, then to change the nature of your role, where actually you're depending on others and depending on them making good calls, even when you're not in the detail and seeing all the information is a different kind of relationship. Trust.

Will.i.am: Mm-hmm (affirmative).

Omar Abbosh: But different skills for you in terms of choosing people, making a team out of them, collaborating with them. How do you think about that evolution in yourself?

Will.i.am: The snapshot of what I'm doing in the future, I smell it. I know exactly what it feels like. I know the impact it makes on communities because I could smell it from a distance. I see it. Just like I saw what I saw when I first started the Black Eyed Peas. I'm like, I know what this is going to feel like. You know, there's not music that parents and kids are going to love. You know, there's not black, white, Filipino, straight, gay, Brazilian, Japanese hip-hop. 'Cause just urban stuff that urban folks like that don't translate to the rest of the world.

I knew what we can be, before we became it. One of the first raps, one of our first things is I played on MTV is a sentiment of what it is that we wanted to accomplish. And that's, we are about massive pill, no segregation, got black to Asian and Caucasian saying that's the joint, that's the jam. We weren't even successful there.

Yo my man, I got a plan to do it all. I got a plan that none of you all ever thought about 'cause underground people don't be thinking on going continental like Lincoln. How can you make moves when you always trapped under. I'm trying to reach the surface to learn more about the thunder. I wonder what really makes the world go 'round. Not thugs because thugs go 'round to bring other brothers down.

This was way before we even made money. Was the sentiment of what it is we wanted to accomplish. That was when I was 20, now I'm 44. It was 24 years of that career. Now, what is success look like for me tomorrow? 20 years from now I'm 64 years old.

Well, Africa's a different continent then. Because China would have already invested in the growth of Africa. And, we would have created an artificial intelligence voice operating system that's being used by companies that we can even think about right now because the jobs of tomorrow haven't even begun to be designed yet.



And, they're going to come from communities that have been left behind. Maybe the person that's going to create the big company is only eight years old right now. There just eight. And they're going to create a company on the backs of technology that came from our company. Because of our trilateral understanding of corporate, philanthropic, content. And the most natural way from the perspective of not looking at a person as a user or a customer, but as a person. From the perspective of not data to mine, but data to empower.

We want to empower people with our data. We don't want to just, we're not data leeches. I don't just want to suck to life, the data out of people. I want to empower them and I want to create a platform that's going to allow the disconnected, or the forgotten to dream up the jobs of tomorrow because the new technology, the folks that are comfortable are afraid of it.

So, when it comes to artificial intelligence, the folks that are comfortable are the ones that are like, I don't really know about this. Meanwhile, the people in the hood, they don't know about it. And, the moment they do, their imagination is going to spark. That's what we're going to do 20 years from now. But, I got to learn how to say no first. And let go.

Omar Abbosh: And that indeed is a pivot in action.

Will.i.am: Speaking of pivots, how does Google, I'm just asking this, maybe you know the answer. How does Google afford a Google X? They make their money, but they have like Google X that's like all this R&D, some of it's deployed, some of it's not. How does a company that size allocate income that could be income and aim it towards R&D that probably never sees the light of day.

Omar Abbosh: You remember when Google was Google, and then Google became Alphabet?

Will.i.am: Alphabet. Yeah.

Omar Abbosh: That was a pivot. Because actually, what Google were recognizing is that while we make a fortune out of search and advertising business models that are on search, that won't last forever. In fact, even in the core search, it's not like they treated it like a cash cow, they were constantly investing in the search algorithms and you talked about AV before, but constantly evolving it to find ways of optimizing it and making it better, so that's even in the core business.

But when they created alphabet what they said is, my core business is search and Google and advertising. But I've got a series of new businesses that range from Verily which is healthcare to Waymo which is autonomous vehicles to Google...

Will.i.am: Deep Mind.

Omar Abbosh: Deep Mind, all the AI stuff...



Will.i.am: Mm-hmm (affirmative).

Omar Abbosh: To say, we don't know which of those for sure will work and be huge. But we do know for sure that we can't rely on yesterday's golden egg forever. And so Google today when it used to make 100% of its revenues from advertising, today it's 86%. So they are making that pivot. Of course what they're doing is they're taking some of the profits streams coming out of search, which they've been alongside Facebook, a major winner in digital advertising revenues.

Will.i.am: Mm-hmm (affirmative).

Omar Abbosh: And taking some of that and repurposing it into these new areas, like Google X to say, hey, we're going to do some research, we're going to do some moon shots, we're going to figure out where new problems are that we're going to solve, that we can make future revenue growth from. And that is indeed a pivot in motion.

Will.i.am: For the companies that you guys work with, do they see Google's pivot as inspiration to like, "Yo, we're going to pivot, too." Do you see that a lot? Like, "We want to be like Google

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Will.i.am: ... to like, "Yo, we're going to pivot, too." Do you see that a lot? Like, "We want to be like Google have an R&D lab." Do you see companies coming to you guys asking for navigation on how to have a Google X type of pivot?

Omar Abbosh: Every single management team I talk to get the need to pivot. They really do. And they all, every CEO you meet, has been to Silicon Valley, or Shenzhen, or Berlin on a digital safari. So they've seen the new in their space. The life sciences CEOs will talk about precision medicine and personalized health care. They get that that's the evolution. We talked about oil and gas earlier, they know about electrification and decarbonization. The automotive companies know about electrification and autonomous. Every industry sees its pivot or rather, it sees its new. How to pivot is actually the heart of what we talk about.

Will.i.am: What was Accenture's original business model? Was it always this or did they pivot as well?

Omar Abbosh: No, I mean, Accenture has evolved massively and how we do it has evolved massively. So actually, of course, we've done a lot of pivots. If I go back to 2014 when I was asked to be the Chief Strategy Officer for Accenture, we looked at the market then and realized that technology was beginning to change really quickly. We'd all grown up in the era of-

Will.i.am: What year was this?



Omar Abbosh: 2014.

Will.i.am: Okay. Okay.

Omar Abbosh: All the folks in technology services from that generation have grown up in the era of the mainframe, something called client server, and the first version of the web.

Will.i.am: Yeah. Yeah. Mm-hmm (affirmative). Which is Oracle.

Omar Abbosh: Oracle SAP were in that, but there was a bunch of other technologies, but it was a steady growth era of the '90s and early 2000s. Then, the next version of the web came about that enabled cloud and mobile. IoT started. Artificial intelligence started. Smart analytics and in devices, embedded software in products started to take off. And we realized that the rate of technology change was accelerating, in fact, as you know, the world will never change again as slowly as it is today.

Will.i.am: That's a pretty good one.

Omar Abbosh: We were like, okay, we've got to evolve. And so, we changed a lot of things, but I'm going to pick only three. One is we said, "We need to completely rethink our services 'cause the services our customers want from us in the future need to be more new." And so we talked about digital cloud and security, and a series of things under that heading that we decided to invest in and go. Secondly, we recognized that Accenture had grown-up, actually, in the Midwest of the US, is where it originated, had become a global company, but with a standard common structure to how we did everything. So if you were a managing director serving up strategy advice to J.P. Morgan in New York, you were treated the same if you were a managing director running a piece of a call center in Bangalore, India.

And we were like, "Okay, that single monolithic business architecture doesn't work anymore. So we've got these new services, we need a new business architecture." So we had to actually break the company into different units, each of which reflected a different market with its own costs structure, with its own HR rules, like how the people, careers were managed. Where they were coming from, recruited from, how they were developed. That was a big change for us 'cause we had this very homogenous approach, and we had to go to ... well, actually, not everyone is the same, we need to reflect differences. I got involved, for example, in building-up our cybersecurity business. And the folks there, a lot of them came out of a mission oriented military intelligence background.

They were totally different from the folks working in Accenture Interactive, in the digital space, doing service and product design, who are much more free-wheeling, creative types. And so, it's like how do you create a culture of cultures, became a big part of us changing our business. And the third bit was investments to get to this new space, we had to massively invest. And we went from a company that didn't do a lot of acquisitions, we did a hundred in the last five years. We deployed something like five billion dollars. And so, the combination of new services, a new business structure, and major investments have helped pivot the company.



Will.i.am: How does your pivot process work? How does that work when you're a company that size?

Omar Abbosh: I tell you the sort of thing that causes a difficulty, right? So in a big company, and this is not unique to Accenture, the people running the company and the management team, they run the units. They grew up in those units and they're often awesome at that. The units today get all the money, all the budgets. The problem is you need to invent a business for tomorrow. Those units don't exist and the budgets don't exist, and there's no extra money 'cause the money's all being spent on today's business. So actually how do you get money out of the core business today to create enough of it that you can invest in the new business for tomorrow. That is tricky.

Will.i.am: How do you guys do that?

Omar Abbosh: Actually, what you have to do is you have to figure out how to run your existing business more efficiently all the time. So actually, you invest in innovation in the existing business to cut costs and create investment capacity that gives you budgets to invest in the new business. That's the heart of it. Now, how much you can invest in the new business, how quickly you can invest it, where you choose to invest it, those are all the decisions that management have to make. And making that trip, yes, you've got to bring the board with you. Actually, you have to bring your shareholders with you 'cause they're the ones whose money's at stake. And you have to convince the management team as a whole that, "Hey, it's okay to take money away from Paul's budget to give into Henrietta's budget, so that you can move money across the business over time."

And that is an ongoing dialogue and it actually takes adoption of the innovation thing. People have to understand that if they're not innovating all the time, we're going to hurt the business, and it takes courage. Typically, it takes CEO courage 'cause the CEO has to make some tough choices. In Google's case, Google X, maybe part of their answer, that obviously doesn't mean that's the answer for another industry. Different industries have different ways of how they find their way into the new, but at the heart of it, there are some commonalities. The commonalities are you've got to cut costs in the core business, you've got to find ways of growing the core business using digital technology, and you've got to scale the new business.

Will.i.am: In your opinion, what's the difference between innovation and invention?

Omar Abbosh: Yeah.

Will.i.am: Right now, that seems to be like innovation, innovation, innovation. How come people don't talk about invention as much as they do innovation? Is innovation just a lazy man's invention?

Omar Abbosh: So, invention, I think, I mean, I'm not a guru on the words here, but it's like you make something that no one ever made before. You create something



completely from scratch. Innovation is you're applying it and doing something useful with it. So it can be genuinely like a brand-new space that gives you a new product, a new service, you make new money, or, and more often, it's actually just doing things slightly differently in an area that you're already in, but that creates more value in that. And so, it turns out that if you apply innovation to the legacy part of your company, the pre-existing bit of your business, you can create much more value and much more quickly, than if you try and run at something that's brand-new and out there, and actually more risky, and you just don't know if it's going to play out or not.

It turns out CEOs and big business leaders, they know that innovation's important. In fact, we measured it. They spent something like 3.2 trillion dollars a year on innovation today. So that's like corporate venture capital buying technology companies, R&D, research and development. So people spend a lot of money on innovation. The returns they're getting on that innovation is going down, and in fact, only about 14% of companies are actually getting more returns out of innovation. And for me that's interesting, it's like everyone knows it's important, everyone's spending a fortune on it, but not everyone's getting the yield out of it that they need. Why is that and how do you manage that? And that's something that we have spent a lot of time on in the book talking about is like, how do you grab innovation in your business and make it useful?

Will.i.am: Why do you think that is? People have spent tremendous money on R&D and then overthink it when it's time to go to market?

Omar Abbosh: Actually, I think too many companies in growing up in a management era where the focus was on how do I get to profit fast? The answer is cut costs. They ended up cutting R&D costs. They cut engineering costs in their business. And so, a lot of the, you talk about invention and the core science, that was being done less and less in businesses. Now you've got some industries like life sciences, they do a lot, but a lot of other industries kind of stopped doing that. And so, their ability to be good at adopting R&D wasn't coming from within, they'd outsourced it, they put it somewhere else. And so, actually, the managers, while they were good at managing contracts and managing the commercials, the money, they were maybe not so good at actually finding new value from all these innovations 'cause they were not in it, they were not in that creative process themselves.

So that has been a problem. The companies that get it right understand that it's really a long-term game. It's not like, hey, I take some smart, up-and-coming executive and I send them to Silicon Valley, and I create my corporate incubator or my corporate VC, and hope for the best. That just doesn't work. It's the company that says, "Actually, a structured approach to innovation is the right thing. It's not a one-off act of creative genius, that is innovation. It's very deliberate, it's methodological, it's systematic." And you keep going at it, is one thing. So they have a structured process and approach to innovation. Secondly, they make it everybody's problem. So it's not like some clever people on the side of the business, at the edge, doing something.



It's actually, no, innovation's got to come back into the mothership, into the core business. They spend a lot of time thinking about how does that work? And they create the right incentives for leaders to actually pay attention. So, yes, you've got your day job, yes, you've got to deliver the product, yes, you've got to hit your quota, and you've got to engage with the innovation process of the business, and keep evolving your business. And the companies that get that and make stride, tend to do a lot better.

Will.i.am: Next time on The Hoseberry Game of Thrones. No, the Hoseberry. Previously on Lost. Give her back my son. Is this Walt? Remember that episode where he was like, "Walt. Walt." Anyways, all right. Next, on Pivot to the Future, Jean-Pascal Tricoire, the chairman and CEO of Schneider Electric.

JP Tricoire: I believe that the main job of a CEO is to build the best teams. Your job is to make them work together at the best of their collective capability.

Omar Abbosh: It's a company that started off in the pig iron business and today, they're in industrial controls, industrial automation and the software that goes with it.

Will.i.am: That's, that is mega pivot, pivot. If you like... you know what I mean? That's a super pivot.

Omar Abbosh: Definitely, some of the learnings may be old school, but he describes how they kept pivoting the company over time so that it's still a strong and vibrant business, 25 billion euro company today.

Will.i.am: Wow. That's awesome. All right. If you're in a tough situation in business or you're in a situation where you need a source of inspiration, check us out on Pivot to the Future.

Speaker 2: Pivot to the Future is supported by Accenture, produced by Stuart Coxe and Lisa Gabriele at Antica Productions and eOne. Music by BoomBox Sound. This podcast is based on insights from the book *Pivot to the Future: Discovering Value and Creating Growth in a Disrupted World*, co-authored by Omar Abbosh, chief executive for Accenture's Communications, Media, and Technology Group, and is available wherever you buy your books.

PART 3 OF 3 ENDS [00:35:35]