BUSINESS **AT THE** INTERSECTION **OF CULTURE** AND DIGITAL TRANSFORMATION

**An Interview Series** 

# TRANSFORMATION **STARTS WITH STARTS WITH NOT WITH YOUR TECHNOLOGY.**

### Thank you for downloading this 4th ebook in a continuing series on Culture and Digital Transformation.

In the two years since I began interviewing organizations for this series, I've been delighted to see a growing, though it's often a grudging, acknowledgement that any Transformation is fundamentally an exercise in Culture first and that the Technology is merely the latest flavor of Transformation.

That's important to recognize particularly because, according to IT research heavyweights IDC, the annual global spend on Digital Transformation is expected to reach 2.3 trillion by 2023. So this is not an area of business any leader can afford to get wrong.

In this volume you'll meet a broad section of Culture leaders working across a diverse set of industries tackling some of the thorniest aspects of Transformation. The fact that they are all female (and feisty) is deliberate. Diversity and Inclusion has become one of the most talked about topics in business literature and rightly so. As organizations urgently seek out ways to generate growth and eke out a competitive advantage, the astute ones realize that building a culture that can embrace – and channel – new thinking is an edge. An edge that only comes from a culture of diverse thinkers and inclusive doers.

From small-business start-up to billion-dollar media organization, from world-renowned incubator to the corridors of government and onwards to a true melting pot of diversity – Asia – each of these leaders has a unique perspective on how Culture has built a competitive advantage for them and a pathway to growth for their organizations.

I hope that you find their stories illuminating and inspirational. More simply, I hope you find them helpful.

Reading these stories, I am reminded of Lou Gerstner's iconic quote about IBM *"I came to see that culture isn't just one aspect of the game—it is the game. In the end, an organization is nothing more than the collective capacity of its people to create value."* 

I wish you every success on your organization's journey.

Hilton Toronto, January 2020

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# How Corus Entertainment has put culture at the heart of its transformation.

Digital Transformation is rapidly changing many industries and, almost overnight, transforming centuries old business and operating models. Few have been transformed as quickly – or are transforming as relentlessly – as the media business. I recently had the unique opportunity to sit down with Cheryl Fullerton, EVP People and Communication at Corus Entertainment. In a far ranging discussion, punctuated by Cheryl's infectious laugh, we discussed how the media landscape has transformed and the implications that it has for business leaders trying to build a media organization. And, most important, what a Culture and People leader could do to accelerate that transformation.

**HB:** Cheryl a pleasure catching up with you. I'd love to start by getting some background on you and on the Corus organization for my readers.

**CF:** Why don't we start with Corus and the exciting developments going on here because when I give you some of my history, it will make perfect sense why I'm here at this time in the organization's growth.

Corus, is the largest pure play entertainment and media company in Canada. In simple terms, we operate TV brands and networks, radio brands and networks, and we have an original content business. What we love and do best is to find great stories, tell those great stories, and connect people through those great stories. Stories that we broadcast on our own properties and we also sell internationally; which is definitely a growing part of our business. As our sector is constantly evolving, we have to be thinking of content in short form and long form and in different distribution methods. The pace of evolution is incredible and it's also incredibly exciting.

For me, Corus is a great fit in many ways.

When I was a kid in high school and even into university, I had no idea what I wanted to study, or do, or be, because I was equally as interested in sciences as well as the arts. So calculus, chemistry, physics and biology were equally as interesting to me as art and literature and languages. I studied science because I loved the idea of understanding how things work, and supporting people in being healthy. My first summer job, which then became my first full-time role, just happened to be in a benefits department within an HR team. When I looked around at the corporate world, I realized that there was just as much to learn. I realized that for people who were fast learners, and worked hard, there was a lot of opportunity to create your own path. From my benefits role, I got interested in pensions then compensation; got fascinated by leadership and then my career just grew. I realized there was tremendous scope to learn how things work, gain expertise, do



analysis and get fact-based solid results. That appealed to my scientific side, but also, HR roles allowed me to focus on understanding, supporting people and helping people be healthy and successful, so it helped fulfill that human side too. It turned out to be a wonderful profession that brought together all the elements that I liked.

I've always been in companies and situations where there was a lot to learn. I liked the idea of working in different industries; and I liked that I could work across business units and corporate and consulting environments. It gave me different ways of stretching and building a core skill set around how to support people to be successful, and how to support organizations to be successful.

**HB:** Through this course of interviews, one of the thrusts is this notion of transformation, digital transformation of organizations and culture. The media industry you've chosen to go into is one in significant transformation, so do you want to talk to me about what culture means for you within the setting of your industry and why it's so important to get it right?

**CF:** To be perfectly frank, that was one of the things on my list that I was looking for coming over to Corus. Every industry and company is going through some kind of disruption and transformation. We are not unique, but I really did want to put myself inside a company that was actively working to define and understand what it wanted to be in the future – so that I could be part of that exercise. Transformation means re-thinking; challenging assumptions and creating new solutions that didn't already exist. It means a certain type of leadership. It means a certain type of communication. It means a certain type of decision-making.

All of that is culture. That is what I am interested in and that is why I came here.

And because I was in the lovely position of working with a relatively newly appointed CEO and in a company taking on a major acquisition, there was a lot of opportunity. We took the approach that we were going to create a 'new company' after the acquisition. From a culture perspective that included building and defining the DNA right from day one and embedding specific words and direction into how we spoke about the company, in order to emphasize the behaviours and characteristics of a culture of innovation and of strong partnership.

You can't reimagine any company, what they'll do, and be like in 5 or 10 or 15 years, if you don't have people who are willing to go back to first principles and change up anything they have to. It is impossible to create without a team who can rethink how you accomplish your mission – in our case, how we serve society in telling our stories in new ways.

**HB:** What a fantastic opportunity coming in with a clean slate and a like-minded CEO. So where did you start? What were the areas that you and your CEO aligned on to build this type of culture?

**CF:** It actually started to take shape through the branding work we did before we closed on the acquisition.



We had engaged an external marketing company because we wanted to take the opportunity to refresh the visual representation of the company. In simple terms, we wanted a new logo. But, as a marketer, Hilton, you know that a logo is a representation of an idea, a commitment, a brand – so we had to think through our overarching brand, what was it going to stand for and what direction were we going to flex the organization into the future.

A critical part was really thinking about "why do you exist and how do you differentiate"; all that good marketing, branding work. How do you act? What kind of values are important to you? What's the DNA? What do you expect of people? How do you expect people to show up? How are you going to talk about that? What words are you going to use to build up that brand language?

The transformational acquisition had given us a unique opportunity to reimagine all of those foundational elements. It was amazing. Bringing this to life meant starting to use those 'brand' words and phrases early, starting to embed them in how we spoke about the new company. And then when the time came to stand up and say "here is who we are" from a culture perspective, we honed the language into our new values. It's something that I'm incredibly proud of because it involved us taking out all the words created, the little phrases, back to our people in a survey and then in targeted focus groups. We wanted - and needed - a gut-level reaction to how they felt about those different phrases before we launched and set them in stone. The feedback challenged some of the words we were in love with. Our people told us where we were not clear, or simple or pointed enough, what resonated, so there was a lot of last-minute work to polish these key elements.

Importantly, none of this happened in isolation; we already had an overarching objective of a highperformance organization, which included defining our approach to engagement and how we would measure progress. We did a lot work to make sure that anything we did was very organic and integrated with each other part.

**HB:** I am looking at the values you've shared. I adore the humanity of them and they do feel differentiated. They

seem very action-oriented. Have I internalized what you were hoping those values would communicate?

**CF:** Yes, very much. To your first point on the humanity of our values, I think there can be a tendency to get very precious about these things and forget that at the end of the day, if you would like people to act a certain way because you believe that will create the right type environment to achieve your objectives, you just need to be super clear about what you expect of people. And if you express values in a way that helps people draw a quicker line to 'oh, that's how you want me to act', you're making it easier for them.

When we launched our Corus high-performance culture objective, we defined it through the framework of align, equip and inspirebecause it was a really simple touch point. Quite simply it answers the core question – how do you engage people to do great work?

Some people define this kind of framing as: head, heart and hand. At Corus, we chose align, equip and inspire, in part because the acronym AEI is easy to remember! It means that if people are aligned with what is important, if they are equipped to do great work, and they are inspired to love what they do so, you will achieve your goals. It always comes back to the same thing.

Similarly all my work on engagement through the years has always gone back to those same ideas. People want to know and believe in the direction of an organization. They really want to have the tools and time and accountability to do their job, be trained, and be paid right. And they want to love what they do – they really want to care and feel that you to care about them and their careers. Again, it's all the same thing.

**HB:** Can you talk about your role as the head of people and working with the CEO? So much of this is about CEO's commitment to culture. Sounds like you have great, maybe unique, relationship with your CEO. Do you want to talk to me about that dynamic and what is has allowed you to do?



**CF:** Our CEO was an important part of why I came here. He had a very clear idea that he wanted to evolve Corus toward. He wanted a company that did more than talk about culture and would be less transactional and more transformational in our People portfolio. That was important to me. More specifically, as a business partner, he is very open and he really listens to people – which is so critical when the business is evolving at the speed it is. Although he knows the business inside out and backwards, he's got genuine humility to really listen to people and accept other people's ideas. And that is a gift, quite frankly. We're able to debate, discuss and hash things out – and ultimately achieve great things because of that.

**HB:** That's excellent. Switching gears, obviously you're inside a technology organization and digital is a huge part of where the media landscape is going. How do you build the confidence (and the budget) to invest in culture when so many people think that digital transformation is all about the technology?

**CF:** I guess I can come at that in a couple of different ways. One of them would be, I didn't really need to make a case that culture was important. I just needed to listen to my colleagues and then play back what I was hearing from them – and frame up how I could



help. My early days were spent talking to people and asking them direct questions. What do you do? What do you need? Where are you going? What keeps you up at night? All those sorts of questions. The biggest headline was, we can't just rely on the ways we used to do things and all the things that we already know and are good at. So what I played back was; we need people who can challenge assumptions; people who can go back to first principles; people not afraid to try new things and sometimes fail. All of the things that I heard were about innovative culture, including open and supportive leadership, and resilient externally focused people.

The other thing that I would say is I always find it surprising that anybody would think any technology alone is what makes transformation happen, because it doesn't.

It is people who figure out the business strategy and make the decisions, people that design the technological solutions and make the choices and its people that decide how to market solutions to their customers, let alone understanding customer needs in the first place. All of those are very human skills; the technology is only the tool of the brains of the people who figure out what they want to do with it. So no matter how you come at it, it always goes back to people first.

I don't think that lots of budget is necessarily needed to build culture – though, it would be great to have more. (laughs)It's a mindset as far as I'm concerned. You do need a certain level of investment in the right people, and the right tools and resources to support building the culture and supporting the engagement of the people, but actually it's not about that. Sure, you can absolutely under resource it, which slows down progress. On the flip side, I think you can also over engineer it. Sadly, that thinking leads to the misconception that there is a plug and play solution. Anything as organic as culture has to be created organically.

Culture is not something that anyone can come in and do for you; it's not an app; it's not a tool; it's not even something that a consultant can do better than you. Its dedicated time and conscious focus. It's about being there when communication happens, when decisions are being made, when business strategies are being created and making sure that the desired culture and people considerations are integrated into all of those business activities.

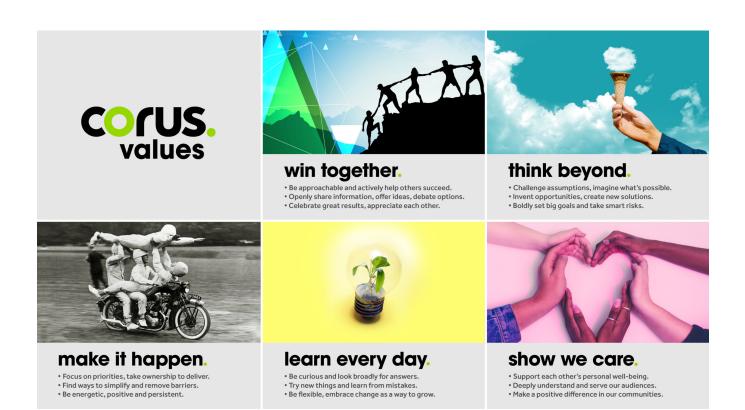
For organizations that are transforming or evolving, we need to create fertile ground so we can bring our people along on the journey; and then ensure that we can orient people's mindsets and beliefs to what is required to succeed in the future. That means you need to socialize all your people right up front.

**HB:** I adore that you mention employee and culture socialization. In your experience how critical has a socialization exercise been when you are going through change?

**CF:** Oh, that's probably the biggest thing, however, you label it.

If the change is enormous or disruptive, and you are actually at the phase that you need to understand the scale of that disruption in order to pick a direction, socialization of the problem is the smartest thing you can do. Sure, it can set up a degree of anxiety and uncertainty, but you also now have people that have a mind set to help do that thinking because the challenges are out in the open. By being open and upfront, you can start to feed into a problem-solving mindset. And also build trust in leadership, which builds resilience. Conversely, if situations become highlighted unexpectedly, because your people read something in the news or something is going on in the economy or industry, and leadership isn't talking about it, you're already behind the eight ball. It is critical that you socialize the situation; andyou socialize the thinking along the way and who's working it.

You can tell your people the what of the change, but it doesn't actually mean anything until everyone understands the why and have some kind of belief and trust in that information. And then when it comes to it, they also need to understand what it means to them specifically. That's hugely important.





When it comes to culture and transformation, that's probably as close as I'm going to get saying, "Thou shalt".

Regardless of the culture you have or want – and all organizations have different cultures – it is always all about communication, building trust, and building alignment to get where you want to get, faster.

**HB:** I adore that fact that you connected the fact of socialization to transparency and then ultimately trust. Time and again, the organizations that are comfortable socializing that change is inevitable are the ones that ultimately foster and adapt because their transparency builds trust internally.

**CF:** Absolutely, it is about change resilience and how you build that in people, building their own understanding that they can get through things, proving to them that they can deal with uncertainty – because it's certainly not the only time change is going to happen. You are building a skill set that will do you, and them, well in the long run.

**HB:** I know Diversity & Inclusion is of significant importance to you personally and to the Corus organization. Can you talk about D & I within the frame of your culture and how that's tied to your business outcomes?

**CF:** Absolutely. To me Diversity and Inclusion is the heart of people and culture. The idea that each person deserves to have their well-being nurtured and supported in the environment that they live and work, is the goal I personally have always wanted to support. One of the ways to ensure the well-being of others is to give the basic respect deserved for what is unique in every person. The fact that there are barriers and prejudices that get in the way, that judges that uniqueness as good or bad, infuriates me personally.

We know D&I will ensure we are a stronger company. It's not even debatable. In our case, from a business perspective, we're all about choosing and telling stories that connect people, so the more we can incorporate the experiences and the perspectives of the people we are trying to connect with, the more likely we are to hit our business targets. That is just a basic fact and we have a good appreciation of that here because of the nature of our business. It is a core part of our business; and it is part of the responsibility and commitment to being a broadcaster in Canada, which is lovely. On the D&I front, what I want is to invigorate and re-imagine how to have a deeper impact faster and figure out what we could do differently. We started with the socialization stage by having conversations with our people, and we workshopped the language for what we wanted to achieve because we wanted to get that right. It's another way the company 'brand' comes to life. We had a draft and it used words like different and differences that so many organizations use when talking about Diversity and Inclusion mission or vision. I still get goosebumps talking about this, but one brave person in the room said, "I take offense at that word 'different' because implies that there is a norm; it implies something that everyone is being measured up against." I know that's not the intent of how people use different in a D&I context. I've used it in the past myself and I clearly didn't mean that. But when you peel away the onion a little bit, you do kind of imply that. Different than what? So instead we chose to talk about Uniqueness - and our tagline is Uniquely US.

It made me very proud that we have a culture where people will challenge ideas like this. And I do agree 'unique' is much better than 'different'.

**HB:** You mentioned a couple of lessons you've learned that you'd be happy to share with those reading this post. One was, "Thou shall socialize." Are there any other "Thou Must" for the Culture people out there?

**CF:** There are a number of basic principles that I always come back to and I'm just going to ramble some of them off (laughs). Most of these come from a very personal level and what I've learned in my journeys.

The first one is that everything comes down to the connection between people. Everything. Literally everything. Marketing, sales, manufacturing, research, strategy, innovation. If you dig into what makes that successful, it is always about connection between people or the communication between people. Always.

I also believe very firmly that people have the right and the responsibility to live their life on purpose.That their life and life choices should be as purposeful as possible – that they are thinking and assessing and actively choosing along the way. In an employment context that means, thinking of what they want to accomplish in their life and their working experience and empowering themselves to make choices.

I also believe that we should all see ourselves as a work in progress, and give ourselves a break for not being perfect. I intend to be continually work on getting better until the last moment on my deathbed! There is a quote by Maya Angelou that I use with this idea, "Do the best you can until you know better. Then when you know better, do better." I use that all the time because it absolutely ties to our disruptive world and concepts like change and acceptance of failure as a way to learn and move forward; don't worry about perfection, worry about continuous improvement.

**HB:** Cheryl, it's been an absolute privilege to spend this time with you. Thank you for taking the time. This was an absolute delight.

**CF:** Thanks for letting me chat about my favourite topic – culture. It was a lot of fun. And especially at such an exciting time in our journey. We're approaching year three as the 'new Corus', and we are seeing all the dots connecting. In our culture and our people and the work we are doing here.



# The Alchemy of Great Culture at Wave.

Digital Transformation continues to be one of the most hotly-debated business topics of the decade, I'm always delighted when this series of interviews carries the perspective of an accomplished and opinionated practitioner. Particularly when they have one of the most delicious LinkedIn titles I've encountered. Ashira Gobrin official title is the SVP of People and Culture at financial services start-up Wave. But, on LinkedIn, she's an Alchemist of Organizations which seems a very apt – and soon to be trending – description. I caught up with Ashira inside Wave's well-appointed and rapidly-expanding Toronto headquarters to discuss how you infuse a culture with purpose and drive the critical link between Culture and the financial performance of an organization.

**HB:** You must have the coolest Culture title on LinkedIn, Ashira. Tell me a bit about your background and how exactly does one become an Alchemist of Organizations?

**AG:** (Laughs) My career has been this wonderful non-linear journey. It began when I left my home in South Africa for New York City where I studied at the Fashion Institute of Technology with dreams of becoming an advertising creative director. I did get to do an extensive stint at Grey Worldwide, the global advertising agency's Interactive division, so I did get my time in advertising. However, as I look back on my career – which has spanned several operational roles, aligning developers and creative people in an agency, running an extensive P&L and being part of a significant international growth scale-up – I've been incredibly fortunate. I'm told that Toby Lutke, the CEO of Shopify, describes the route to a successful career as climbing a jungle gym. It's never a straight line to get to the summit. You start climbing and then you take these different routes as you exercise different muscles, routes (or roles) that stretch and grow you in different ways. That metaphor always resonated with me and is a perfect description of the career and journey that brought me here to Wave.





**HB:** That is a great metaphor. For those unfamiliar with WAVE, can you give me some background on the company and how you came to be here.

AG: Sure. When I left my last role, I was looking for a very particular type of job and a very particular type of CEO to partner with. What was critical for me to find was an organization that was focused on unlocking the potential of their people and focusing that potential on creating really amazing products to drive extraordinary business results. When I met Kirk Simpson (Co-Founder and CEO of WAVE) he had this very clear vision of what he wanted Wave to be and the customers he wanted to serve. What kept him up at night though, was finding someone who felt equally strongly about the vision. Someone would could help build an environment where people could do the best work of their lives and make the product he imagined. At the time Wave was only about 70 employees - we're over 250 today and growing rapidly - but we had this very candid conversation about what it would take to make it happen.

I was immediately taken by Kirk's authenticity and his conviction about building this organization out. He asked me to come on to lead the People strategy – but I had to test if he was limiting that role to traditional HR. I had never imagined myself as the "HR Person" as many of my roles had been more sales and operations. But Kirk was adamant that he didn't just want someone in the corner writing policies and telling everyone what they couldn't do, but someone who could work with him, the leadership team and the board, to actually build this organization and culture from the ground up. To attract those unique individuals who would build Wave into this world-class organization. THAT role, coupled with Kirk's vision and conviction, was really attractive.

With respect to Wave, we're a financial services application and set of services with a very well-defined audience. We serve entrepreneurs, with 10 or less employees, and provide them an entire suite of back-office financial products like invoicing, accounting, payroll, the full gamut all in one place. Wave is all about helping the 400 million small business owners around the world achieve their dreams by helping them with one of their toughest roles - keeping the finances of their business easy and running efficiently. Most of these people don't have an accountant or a full-time finance person. Many of them don't have any financial background either and its financial-management - particularly managing cash flow - that can kill a small-business if not handled correctly. We attempt to simplify those financial elements and provide insights in one convenient dashboard - rather than a collection of independent packages to run your payroll, another to run accounting, another for taxes etc. We're a global company with four million customers across almost every country in the world but our principal market is North America where 120,000 new small businesses are created each month.

There's something hugely motivating about creating something that helps people turn their dreams into reality, simplifies the enormous complexity of their financial lives, allows them to optimize their cashflow and elevates the professionalism of their small business brand. It's incredibly rewarding.

**HB:** I can imagine that. That sounds like an amazing focus and purpose to have at the core of your organization. Talk to me about how you build a Culture that really propels that vision forward – and attracts the kind of people who are motivated to do that?

**AG:** I firmly believe leadership plays a significant role. Not to be cliched but the commitment and the authenticity of the senior leaders is absolutely critical. Otherwise it doesn't happen. When I met Kirk it was abundantly clear he had both and, in him, I had a visionary to set the direction and a partner in the leadership team who wanted to make it happen.

My perspective is quite simple. Culture isn't about building systems and processes. Its about building leaders and, creating a team of individuals who are capable of doing their best work. Then just getting far out of the way and letting them flourish. If you hire the right people and give them the right opportunities, build the right skills and the right environment, then you can use systems and processes to help them shine.

Great organizations, and great cultures, in my opinion are those that truly engage their people. The engagement of a human is really that emotional connection to something that they do; and something their organization lets them build or create.

There's gotta be something with heart for them, there's got to be something that demands something unpredictable or unknown from us; something that we've never done before or something that inspires us to get out of bed in the morning or to stretch ourselves like never before. And we talk a lot about that here, about the tension between our current reality and our future vision; and using that creative tension to move us further towards where we need to be.

In practical terms, building that creative tension is about creating the holistic environment where it is possible. And, critically, to ensure its all aligned to the business goals and metrics of the organization.

My focus is on creating an environment that attracts, retains and engages the people that we need. Making sure that this is a place that they love coming to every day. Where the energy is high, where they have the tools that they need. Talking about purpose, vision, values and business goals. That means sweating the most basic things like the hardware, software, the desks and chairs, how the office is laid out, what the meeting rooms look like, what events we run and how we socialize, how we have fun together. It's all in service of building a culture that attracts the highest caliber of people and keeps pushing them, developing them ahead of the curve and the growth of the company.

Then how do we tie all of these initiatives to real metrics and make sure that we're making the right decisions because we're seeing the company grow and perform?

I think a lot about things like: How do we measure things like culture and engagement and what kind of retention do we need? What's good retention and negative retention in terms of turnover? We don't want to keep people who shouldn't be here anymore – or people who don't want to grow or haven't grown enough. Yet we do want to keep the star performers as long as we possibly can. And all of this in a very competitive market where we know that everyone we're hiring has offers from other places already. These metrics are all inter-related and, being the healthy skeptic I am, I always want to probe and ensure that the metrics we post are genuine and valid.

For example, metrics like our employee eNPS score, which is in the 90s usually, and our Glassdoor ratings, which is between 4.8 and 4.9, are real authentic reflec-



tions for our employees. But if I had a good Glassdoor rating, but a large amount of turnover, or if we had a lower eNPS score but people were telling us there was a great place to work, I would want to understand which metric was genuine. We ask "how likely are you to recommend this place to a friend or a colleague?" and 92% of our people say highly likely to do that, then I look at our referrals to see if it's really happening. At Wave, one third of our hires come from referrals. So that's not even all the referrals. That's only the people that we hired – which is phenomenal. It means that our people are actually doing what they telling us they're doing but, it also reflects that this organization is one they're proud of and want their friends to experience.

It also saves us a ton of time in recruiting and that's money that we can put directly back into people's development, into things that make this a great place and hopefully keeps our people referring their colleagues. So, pushing the envelope...how do we attract, retain, and grow all of those people that we really need to get from where we are to where we trying to go.

If you ask me Hilton, what is the key metric of my job? The answer is that the business achieves extraordinary results.

And if the business is not achieving results then we have a people problem.

### We either have the wrong people or we have the right people doing the wrong work. It's really as simple as that.

**HB:** You're really talking about a strategic orientation to the business here. How do you build, or where do you find, people who have that strategic orientation to People and Culture?

**AG:** I think we're seeing a real evolution of the HR, People, Culture, whatever you want to label it. The traditional route, and classic designations, were very much policy and procedurally-driven. And that remains important but it doesn't equip leaders to build culture in the way that businesses need it today. The speed of business, the relentless requirement to find the very best talent and get them working on your organization's problems, that requires a fuller set of skills. As I said earlier, I never saw myself in this type of role but it was the combination of different roles, different experiences and different exposure, that made me great for this new role.

At present there really isn't a course or designation you can take to find that combination that works. And I don't think many people realize there's actually a burgeoning and much-sought-after role in it either. It's a role of, ultimately, balancing the policies and the potential of your people. I don't know anyone who is motivated by a policy but they're necessary. But policy is not going to ignite the imagination of the folks out there. That's why I put that in my tagline on Linkedin "Alchemist of Organizations, turning potential into performance" because that's really what it is.

### It's unlocking the capability of a human being and unlocking the capability of an organization.

**HB:** You talk about the speed of business, balancing policies and possibilities. In a start-up that has huge growth goals can you talk about that other critical balancing act – between your people, your customers and those highly-engaged investors?

**AG:** (Laughs) Absolutely because, you're right, those can be three distinct groups with very distinct needs. Not to be flippant but I think it begins with being crystal clear about your purpose and what you're trying to build.

We've agonized over that here at Wave, and have spent considerable time codifying it, because it becomes a critical back-bone to every decision we make. It is in how, and who, we hire. And, in many ways, it even defines who is excited by Wave and who wants to invest in us and why. That clarity of purpose is a wonderful critical filter.

Ultimately there are three areas that we have to think about. We've got investors that have trusted us with a lot of money and will want an ROI on that. We have customers that have trusted us with their data, with their money, with their bank accounts, and their personal information, and trusting us to help them make their businesses successful. And we have employees who have trusted us with parts of their careers and, and we have to live up to all three of those expectations.

If we ever overcompensating for one, we are shortchanging another one and, we would never make decisions that were in the best interest of our investors if they were not in the best interest of our customers. Because we need our customers to use our software, and to love our software, if our investors are going to ever see a return.

If we're going to achieve something extraordinary here, then we have to go backwards and make sure that we've got the right employees who are highly engaged working to service our customers who in return will use our product and they'll pay for our services... to then give the shareholders their ROI. Sure, we could do things that would give us more short term revenue and make our investors happy. That wouldn't necessarily be interesting for employees to work on or good for our customers. So there are other decisions that are longer term bets and maybe make our shareholders have to wait a little bit longer. But they're better for our customers and more motivating for our employees. So, yes, we're constantly balancing all three of those things at the same time.

**HB:** Can you give me some practical examples of the Culture or environment here and how you tie that back to your Purpose and goals?

**AG:** Certainly, one is quite creative and one example is quite mundane but we've done our best to make it fun.

One of the crucial aspects of our business is that clients trust us with their most valuable data. And that means security – and security compliance – is something we take very very seriously. The question, as the People and Culture person, is how do you make something as important as compliance part of the fabric of the firm. Enter the owls. Actually – it wasn't my idea at all. It was our previous head of Information Security, but it's a clear demonstration of the entire company thinking this way.

We have a number of these oversized owl statues that dot the Wave offices. They're placed on the desks of people who have forgotten to log-off of their computers when they're away from their desks. The rule is that you can only remove the owl from your desk when you see someone whose computer has been left open. Essentially, we're creating a behaviour of accountability and oversight in all our people but we're trying to do it in a fun and memorable way. Sure it would've been easier with something as crucial as security to institute a raft of policies but this way is more effective, more visual and, for those who arrive back to find an owl on their desk, more motivating to reinforce the behaviour.

Another example – you'll also see as you walk our offices these photo collages. Those photographs are taken by the actual employees during a leadership development workshop we run called My Voice, My Lens. They are taken and are intended to tell a story about them, their lives, their families or hobbies, their leadership, their visions, the stuff they consider important. They really are quite beautiful – and powerful – because it helps bring a fuller context and understanding of the people you're surrounded by every day. You get to know them more fully and more quickly when you see these photos. I'm constantly amazed and surprised at the beauty of the collages created. As we've grown, and continue to grow, quickly it becomes a very important to build connections and understanding between our people.

**HB:** I always ask my interviewees to share some advice with their peers out there. Advice for the people struggling with the same challenges and opportunities you are. What advice would you give?

**AG:** That's a big ask because I'm not sure I'm qualified to be advising anyone. Here's some things I've learned and, to be honest, I'm incredibly fortunate that I've sort of grown up in a family who thinks about people and leadership deeply. (Note – Ashira is the daughter of renowned author and leadership expert David Lapin)

Firstly, there's no playbook. And every organization is unique. What I've done here at Wave isn't guaranteed to be successful if you transplant it to another company. The personalities, the history, the business, the environment – they're all different and that means finding what works, or doesn't, for your particular situation. From my own (painful) experience you can do all the right things and you're still not guaranteed success. It doesn't mean you relax and take it easy, it just means you don't add additional pressure by beating yourself up if there are hiccups along the way. I can't over emphasize the importance of clarity of Purpose either. Its hard work but its wonderfully rewarding when you have it defined and you're able to use it as a universal lens for all your decision-making.

Fostering and nurturing people can be very hard – and its harder still if you're doing it in an environment where there is ambiguity or confusion about goals, values, about how we behave, about what we will or will not tolerate and, ultimately, ambiguity about where we're going and what we're trying to achieve together.

Married to that Purpose clarity is the leadership authenticity I've mentioned a few times. Kirk and I clicked because I saw that authenticity and people commitment when we met. That's absolutely critical for any organization that has bold audacious goals and wants to attract top talent. People see through inauthentic leaders and people quickly leave inauthentic organizations.

Finally, I think you have to find, or build, an environment that plays to your strengths. Marcus Buckingham talks about the strength and weakness paradigms. He talks about a weakness as something you're good at but doesn't energize you and a strength as something that you're good at and that does energize you. Personally I think its going to be vital for organizations to be places that foster that type of energy, build that type of success. If you're responsible for People and Culture, that's where I would be focusing my efforts and my energies.

**HB:** Amazing. Thank you so much Ashira. A very eloquent summation and some great advice after all.

**AG:** My pleasure Hilton. Thank you for your interest in Wave and what we're creating here.





# How Arcadis is building a transformative culture across Asia.

As this series of interviews on Culture and Digital Transformation grows, it becomes increasingly apparent that there are many organizations struggling with similar challenges regardless of region or industry. And, equally, many organizations scattered across the globe doing really smart and thoughtful work under the radar. I recently had the good fortune to interview Penny Murphy, the Head of Digital Transformation, Asia at Dutch multinational Arcadis. I was literally blown away when Penny described just how global the Arcadisorganization was and how many high-profile projects they're involved in globally. Against the back drop of Penny's office in Hong Kong, we had a chance to chat about how Culture and Digital Transformation actually happens in a market as vibrant and complex as Asia.

**HB:** Penny, a real delight to catch you in a rare moment between visits to your regional offices. Can we start with the basics like your role and some background on the Arcadis organization?

**PM:** Perhaps let me start with some background who Arcadis is and then I can give you context for my role and my mandate.

Arcadis is a Dutch-headquartered global design and consultancy business. We've been in business since 1888 which is remarkable. In that time we've grown to over 27,000 employees in over 70 countries and over 3 billion Euros in revenue and we're involved in some of the most enormous and fantastic design and infrastructure projects around the world. From the amazing CCTV Building in Beijing to the truly breath-taking Burj Khalifa in Dubai, Arcadis is involved in some of the most complicated and boundary-breaking projects globally. When I joined the organisation, I didn't realise how much of the work we do is around us... we fly low under the radar but the outcomes of our work with our clients have driven some of most iconic landmarks around the world. Our passion is to improve the quality of life and this is the drum of business.

In terms of my role, I'm responsible for accelerating the Digital Transformation agenda across this region. That includes markets as diverse as Singapore, China, Hong Kong, Vietnam, Malaysia and the Philippines.

While Digital is right there in my title, I'm often loath to use that word because people can default to it being a technology role, when I feel that technology piece isn't the most critical part of my role. Its about helping our people transform to new ways of working and helping them transform so the Arcadis organization can continue to grow and evolve. Personally, for me it is about bringing experiences and business needs together to help drive cultural change,

**HB:** That's helpful. So is there a global Digital Transformation objective or agenda here at Arcadis?

**PM:** Absolutely, particularly when you consider that a large part of our business is consulting and professional services. Those are incredibly important aspects of the Arcadis business but client expectations are constantly evolving so we need to evolve to fit those new models of



project management, collaboration and consulting. In the Asia region that means transforming how we access, serve and consult with clients across our 50 regional offices and 4,300 people.

When you consider Arcadis is actively working on over 30,000 projects globally the need – and the opportunity – for Digital Transformation is enormous.

**HB:** From our earlier conversations, two words – digital and sustainability – come up frequently in your materials and our chats. Those are quite unusual words to pair together. Can you explain their importance to Arcadis?

**PM:** (Laughs) I can appreciate that. Considering the business, we're in, sustainability can evoke a certain perception or stereotypical definition. At Arcadis we mean sustainability in an infinitely broader context than just environmental. Of course, we are deeply embedded in thinking about how to create sustainable cities and

environments for our clients. But it also means more here. We have a global strategy of 'Creating a sustainable future' – which intends to grow our company through the innovative use of digital technology to realize and sustain the full potential of Arcadis and the phenomenal talent we have within this organization. Digital tools and digital competencies play an increasingly large role in creating and nurturing that kind of sustainability.

**HB:** I get it. That must have enormous implications on your people and your culture to deliver that kind of sustainability.

**PM:** Absolutely and that's where the most interesting and complex part of my role comes into play because the variety of clients needs, we're working with is so broad. My colleagues are supporting clients think through the sustainability of urban public transportation for a municipal body to the future of mixed-use residential and commercial malls to how and where can we build the next critical data center for China's burgeoning number of tech giants. It is fascinating stuff and the transformation of how we, as Arcadis, operate is so critical so we can best deliver client success.

**HB:** So the digital backbone really is a combination of enhancing both the way you collaborate internally, but also in the service delivery of projects to your clients?

**PM:** Exactly. In many ways I think of myself as an integrator and my role is to make our various regional and business unit leaders comfortable with the changes ahead. I've had a non-linear career path which, in many ways, makes me appreciate different views and comfortable with change. I was very fortunate at the time I joined Arcadis, as the business in Asia was tackling some tremendous changes. We had this fantastic business diversification, but we also had to contend with new competitors coming into the market too.

So, at the same time as we were looking at developing how we could bring a better service offerings to our clients, we were also thinking about how we could build a cohesive cultural foundation that we could build from. **HB:** That's great context. So how does the culture piece play into this growth, evolution and transformation reality you're contending with?

**PM:** Considering we're a global organization I should start with our three strategic pillars and those exist under our passion which is to "improve the quality of life"

The first is "people first" which is a fantastic acknowledgement that we have to be committed to put our people and our culture first. Then we have "growth and innovation" – again only possibly through our people. And finally, "focus and performance". They're not as sequential as I might have portrayed them, but they're totally linked and integrated in how we think about the business and how getting the culture and people piece right will fuel real innovation and our performance.

My role then is to make these business objectives practical and deployable locally here in Asia. To remove the buzzwords, which can be intimidating, and filtering out the noise that inevitably occurs around change.

**HB:** Can you give me an example of "deploying" that into the culture?

Not surprisingly "health and safety" is an incredibly important part of our values. But, here at Arcadis, that extends far beyond the construction sites where you'd expect it but into every corner, and every meeting, we have here. Its that ingrained into our culture.

Any meeting that involves more than three people begins with a health and safety moment which could be as simple as reminding the attendees where the fire exits are. Or, as a local example, during typhoon season here in Hong Kong, we'll talk about being aware of the different typhoon signals and planning your travel accordingly. Another example is that Leadership across the world act as stewards of Health & safety behavior and every leader conducts H&S assessments with our teams – this could be as simple as a hazard walk through to sessions about managing stress.

When I first joined this was totally alien to me but seeing it deployed frequently and consistently across every Arcadis office I've visited has shown me how powerful our cultural commitment is to this behavior. That consistency is what I see as a great example of practically bringing change in our behaviors to life in a powerful reinforcing fashion.



**PM:** Absolutely.



**HB:** You're right. It seems like such a small thing but when it is done consistently across the globe it does become a second nature cultural ritual. Can you talk to me about some of the cultural challenges you face dealing with a region as diverse as yours?

**PM:** I'm originally from the UK but have been living in the region for over 7 years now. Asia has a way of getting its hooks into you and not letting go. (Laughs) But to your diversity point, not only is Arcadis dealing with a desire to create a consistent organizational culture we're also having to contend with the national culture at play in each of the markets we operate in.

That can be incredibly different for a region with multiple cultures and at varying stages of the transformation curve. It's trying to find a way that our organizational culture objectives and values can complement the national culture realities. It's a very delicate balance at times.

One way we are combating this is to ensure we have plan that brings our people with us and caters to country nuances. In practical terms, that can mean determining how to deploy certain programs that could be perceived as overtly western into a more traditional eastern market. I have some advantage in that I'm ethnically Chinese, have worked in several international markets, and appreciate both perspectives which helps in providing a cultural bridge to translate and adapt our global programs to be locally sensitive and relevant.

**HB:** How does that cultural diversity and, I'm imagining, a spectrum of market maturity factor into driving transformation for you?

**PM:** The spectrum of market maturity is a great question. We've a rather elegant way of tackling that at Arcadis through a mechanism we call horizons. We have three horizons looking at addressing specific challenges, such as data, to future innovative business models. Globally, for transformation we work across the 3 horizons enabling regions to breakdown the transformative needs into relevant and deployable workstreams that suits the market maturities.

That simple three horizon construct means that we have a mechanism for determining what programs we can (or should) be pushing the local markets on. For much of this region we're designated horizon one and two which provides our local leaders clarity. We also work with our local leaders to determine how to implement the workstreams to allow them to be successful. For example, China 's transformation workstreams may be critical for them but Malaysia might choose to only focus on one of the workstreams as they may be more advanced in other areas. That means we're able to create both consistency (of themes) and autonomy (for individual markets) based on local priorities and maturities. **HB:** That seems more "democratic" than I'd have thought. Is there a reason for that?

**PM:** Within the Arcadis culture, that choice is hugely important.

It would be very easy to mandate a transformation, and sometimes that is necessary, but when you do that, when you mandate, you seldom bring your people along with you. Transformation becomes an experience done tothem rather than with them and that's hugely important distinction.

So giving leaders, and their teams and employees, a global framework – so there's some guardrails and common purpose – married with local autonomy and local market knowledge gets more emotional buy-in.

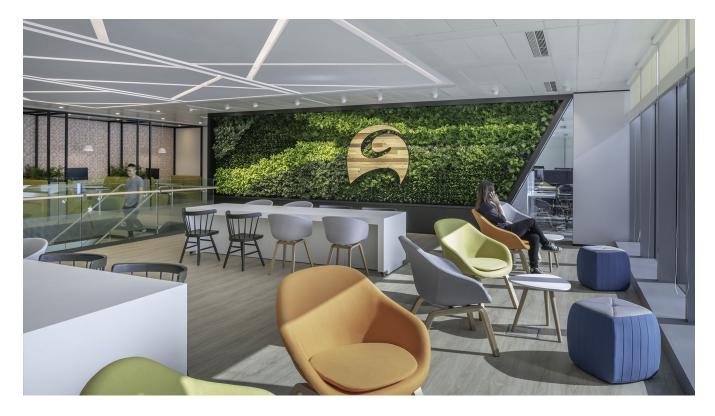
The other practical aspect of this philosophy is what we call "squads" within Arcadis in Asia. These operate within our Agile methodology (which in itself was a huge cultural transformation in how we did business) and are designated country participants who collaborate on regional workstreams. That means each country has a representative voice who can represent the needs of the individual market and filter out what will or will not work for them. Again, this is about co-creation. Culturally we've seen more real collaboration and willingness to transform under this "squad" idea.

**HB:** Fascinating. I do like the idea of transformation happening with, rather than to, your people. Any other nuggets that you've utilized in your region?

**PM:** Change is often mistaken for uncertainty. For me I see it differently. Change can be a great catalyst for building something new and differentiated and that must start with making solid decisions that drive the culture required for transformation.

To really transform, it is important decisions are collectively made – and collectively owned – because that builds a level of commitment which penetrates and cascades across the company.





Within that "democratic" model, as you describe it, I've found that one of the secrets of any transformation – and this is very much a culture observation – is that its critical to stay very very connected with the folks at the coalface. The folks beneath the country leadership. The colleagues doing the actual work and the one's often most impacted.

In this role I learned quite quickly how well – or poorly – an initiative was perceived by chatting with the PA's, quantity surveyors, graduates and the tea ladies in the various offices. Building that informal network, far below the executive level, has been so rewarding and insightful. The level of direct and candid feedback has been so helpful and it has made me consciously think differently about our programs and how we deploy them.

**HB:** Perfect. Those informal networks are huge. And, as you say, the access they have and the insight they provide is remarkable.

**PM:** And those networks have been equally helpful in that they've often helped me get my messages out faster too. In many ways informal networks are faster and more credible than any corporate channel could hope to be. I've certainly learned not to under-estimate their importance – particularly in a change environment. Its this invisible connectivity that stretches across our organization – and many other organizations I imagine.

**HB:** That's a great point Penny. My final question is always the same to the folks kind enough to let me interview them. What advice would you give your peers out there? Those trying to get to grips with complex cultural dynamics, be that organizational or national cultures, and trying to transform their company's?

**PM:** Interestingly, as much as there is no avoiding some of the very real differences across the markets in this region, I'm often struck by how a few simple concepts remain quite universal. And more importantly those universal concepts actually work whether I'm in Shanghai or Singapore.

One is the notion of authenticity. Being yourself consistently regardless of the setting or the people



you're interacting with. Whether they're those secretaries I mentioned, or the country Directors, be authentic. People seem to have a very well-tuned radar and they can instantly pick up if you're being inauthentic or inconsistent. If they see that inconsistency or lack of authenticity you're lost.

Secondly, and perhaps, interwoven with authenticity is modelling the desired behaviour you want from your colleagues.

I learned very quickly – particularly in an organization like this that has a quite distinct way of doing things and a particular engineering cultural orientation – that you can't just expect people to change and transform because you ask them. It took me some time, and some real introspection, to realize that I had to be the exemplar of the new behaviours and the new way of doing things. The classic thing about "modelling" the behaviour you want to see.

As I said at the start, while my title might say Digital Transformation, the most impact I can have is to help our people bring about new behaviours . That's when I'm really delivering on my mandate. Behaviors and authenticity goes a long way in the business of change.

**HB:** Simple but eloquently articulated. Thank you Penny, its been a real delight.

**PM:** My pleasure. Its been great to chat about Arcadis. We're doing some very exciting things and it's a great time to be witnessing our transformation.





# Enabling the "Intelligent Enterprise" at MaRS Discovery District, Toronto's Innovation Hub.

Canada, and Toronto in particular, is rapidly gaining international prominence as a location where innovation and technology can thrive. One of the foremost environments for that thriving ecosystem is MaRS Discovery District based in downtown Toronto. It is a bustling hub of entrepreneurs, business leaders, technologists, scientists busy creating new products, services and business models across a variety of sectors. The dizzying array of projects going on is testimony to an operating philosophy of the co-founder Dr. John Evans "Great minds may not think alike but they like each other's company; a brilliant idea in isolation is not enough to create a real breakthrough."In the midst of this energy and enthusiasm, I met up with Krista Jones who is the Managing Director, Enterprise to discuss the work her team does to build the critical thinking, tools, knowledge and connections that will help businesses and workforces succeed in the future.

**HB:** Krista, delighted to meet you. MaRS is a fascinating environment but can you give me some context on what happens here and specifically the areas you and your team are tackling?

KJ: Certainly. I'm less than a week away from my ten-year anniversary here and, as you can imagine in an innovation centre, that has meant a significant amount of change from the organization and ecosystem I joined. Our purpose is to help stimulate and assist the companies of the future develop, nurture and commercialize their inventions. Today that typically means businesses in the technology, science and social arenas because those are the areas where we believe businesses and jobs will be created. Not surprising that means areas like FinTech, CleanTech, Health and Enterprise. Importantly we've evolved significantly to be very focused on the societal impact of what we're creating here. This isn't soley a commercialization exercise but we emphasize elements like creating great organizations and focusing on triple bottom line metrics because we want to ensure we're making positive impact with our work. We constantly talk about being an "and" organization where for profit and doing good are co-joined, not mutually exclusive.

All of this dovetails into the work we're doing here at MaRS. Our Innovators are helping create the organizations of the future which will create the employment opportunities. Innovators in our enterprise sector are helping enterprises transform and transition and workers acquire the skills they need and put them to use.

**HB:** Fascinating and the MaRS Center certainly look like the type of environment where those serendipitous collision of thinking and ideas can occur. I completely



get the FinTech, CleanTech parts but why Enterprise? That sector is a little surprising. What specifically are you and your team tackling?

KJ: For many years our Enterprises haven't evolved from the Industrial Age "Command & Control" models and structures that were appropriate for that age. Those models and structures are completely ineffective and inefficient for the changing world we're in now - and the even more complex world that's on the horizon and rapidly approaching. Considering that Enterprises still constitute a large part of the business landscape, employ massive amounts of people and create much of the products, services, revenues and taxes that underpin our economies, it's critical that we help them adapt and prepare for this new business reality. And, ideally, if we can help organization's transform to become more adaptive and intelligent through technology, then we can make our societies more open, more fair, more socially-cohesive. The fact that the tech innovation community has turned its attention to this space makes me incredibly optimistic. When innovators turn their attention to a problem set they usually will find a way; they rethink the problem

from a different perpective and create disruptive solutions.

If we buy into the idea that Legacy organizations are unwilling or unable to transform and change, then I believe we're in for a very bumpy 20 years ahead of us all. I believe some can change – or many want to change – they need assistance to make it happen. Will there be casualties? Absolutely, but we're trying very hard to mitigate the scale of those casualties on 2 fronts; by creating the enterprises of the future and creating the tech stack to help the legacy enterprise transform and compete globally.

**HB:** That's a bold proclamation – and a fabulous goal – but what's the change you're envisioning?

**KJ:** The trouble is structural in many ways. We have built structures that are linear in nature – our job market and our progression within organizations was built on a scaffolding-like structure. Do this role for X period. Move to the next rung when you've proof you've done the previous rung. Now with automation, many of the rungs, in the middle of the ladder, will be eliminated. With automation, many of the tasks we needed people to do inside of the roles organizations created will go away; certain roles will conceivably see 60-70% attrition because of technology. What I don't appreciate is the notion that there is a binary belief that if automation is inevitable, your job future is debatable.

Jobs – at least how we've tended to think of them as rungs in a ladder or a career path – are changing rapidly. What's not changing fast enough is looking at a skills market versus a jobs market.

What are the skill competencies needed versus what are the jobs we're trying to fill. That's a very different but critical question we need, as Employers and Employees, to answer. What's not changing fast enough also is organizations not augment process and transforming their business models. **HB:** That's a very different view of what's important and what's needed for the future. What is it going to require of Employers and Employees?

**KJ:** Firstly I think its important to get beyond all the theory and talk about deployment and implementation because that's where the rubber hits the road. As a life-long Engineer I also get passionate about the "doing" part and making it happen.

For me that means we need to get more competent and focused on scenario planning versus the linear type strategic planning we've done for decades.

# Scenario Planning as organizations and Scenario Planning as individuals.

Truth is there is no one view or destination of the future so building the agility of thinking that contemplates (and prepares for) multiple different future scenarios will be critical. The first casualty has to be complacency - either within an organization or as an individual seeking skills for work in the future - because complacency wont allow you to consider multiple scenarios and just stick to the one scenario you know. While I can't tell you what the future will be exactly, I can say that one size fits all is not going to be viable, neither is waiting around to perfectly figure out when and how you're going to act. If your strategy is to wait until the future is crystal clear and well-defined, you're going to get crushed. Organizations, Governments and especially people need to embrace this scenario planning orientation if they want to ensure they've the best opportunities ahead.

**HB:** Adore you mention Scenario Planning and I can see the wisdom in that orientation. How well prepared are we for a world where Scenario Planning is well-understood and universally practised?

**KJ:** Currently, at least in Canada, I'd say not very well. And because our economy has fared relatively well, public and private enterprises don't feel the urgency to change. The urgency is being driven from workers, people seeing their careers and salaries stall. Public and private enterprises will need to embrace Scenario Planning to survive. At MaRS we are working closely with Government bodies to instil this type of thinking and competency but it takes time.

While our Canadian Educational system is good what we've not created in Canada is a vocational system that builds broad and diverse skills in 6 -12 month increments. We still have a very linear pathway that builds 4-year degrees and has a sequential grade system that you pass a set agenda and then proceed to the next year. We need to change what we're teaching and how we teach it.

I'm a fan of initiatives and organizations like General Assembly and, in the UK, the Union Learns approach. Union Learns is where employers pay into a system – operated by the Unions – to reskill union employees. The interesting thing being that employees are three times more likely to complete vocational training through their union than through their employer. At a State or Government level, Singapore has a very progressive vocational skills training approach too. There's a lot to learn from these various systems and I think they're indicative of how we need to help create a more diverse and adaptable workforce.

**HB:** That is amazing but also incredible daunting for many. The ability to constantly be considering multiple scenarios individually and as an organization is significant.

**KJ:** At MaRS we look at it through the building of an intelligent enterprise, through the lens of Process & Insights and People & Tools.

Those are the levers by which you're going to build the level of curiosity and inquisitiveness needed to thrive in this new workplace.



Knowledge, at least how we used to think about it, and the notion that several years at a certain school or college was an indicator of performance has been shown to be inaccurate.

You recently saw Google, Microsoft and I believe Facebook remove university history off their job applications because they had found inside their organizations there was no correlation between school attended and job performance.

The encouraging thing is that this agile and inquisitive orientation has nothing to do with age but everything to do with attitude. That means if you're entering the workforce, midway through your career or determining how you're going to adapt in the last decades of your job, it comes down to your willingness to think in an agile fashion.

**HB:** Okay I get that at an individual level and building a growth mindset – which Satya Nadella of Microsoft is a huge proponent of. What about organizations and the leaders of organizations?

**KJ:** It absolutely isn't for the feint of heart. Especially at the CEO and Executive-levels because it requires building this agile intelligent Enterprise while concur-

rently hitting the numbers and expectations of the street. I watched the CEO of Adobe Shantanu Narayengive an amazing talk about how their organization has managed this intelligent transformation. It certainly hasn't been easy but Adobe saw it as critical. Shantanu had to have the strength of conviction to complete this transformation.

In our previous chats, I told you I saw the Culture word as a crutch. That because organizations or sectors often say change is hard, takes too long or is impossible because the culture is too embedded or that "culture eats strategy" and so on. I think that's true but misguided in todays exponential world.

I compare our ability to readily adopt technology in our personal lives and the curiosity or ability to change in that environment but it doesn't seem to translate to our attitude inside an organization.

We'll readily download new apps on a whim or give up oodles of our privacy in the apps we use at home but seem to resist that openness in our workplace. That's because the way we think, collaborate, share ideas and get stuff done in our personal lives shouldn't change once we step into our work environment. I readily accept that organizations are never going to be as open and keen to experiment as we are as consumers but we need to find a way. Take SLACK as a great example of a group of people who were dissatisfied with the confines of email and built a collaboration tool that made them more productive. After some initial resistance, Executives saw Slack as a great alternative to email because it was working and was making the organization more agile.

Perhaps that's the Culture piece I tend to cringe against. The piece that isn't willing to allow new ideas to flourish and the culture constraints that reinforce the kind of single-minded, uniformity of how we behave in the workplace. That's of the Industrial Age and that age is soon going to be part of the history books – along with the organization's who weren't willing to adapt their cultures.

**HB:** Are there other aspects of how organizations – or even society – behaves that is holding us back? What prevents the kind of curiosity and adaptiveness you're talking about?

**KJ:** Certainly. Ultimately, what we're trying to create is a working environment where folks can contribute to the maximum of their potential and have the tools to do so. In some cases that means automation but in many cases that means augmentation which I see as way more powerful. The worst application of technology is when you automate a poor process and call it digitization. That's not a step forward in my opinion.

In terms of organizations, I absolutely believe a lack of diversity is a real challenge. That means diversity of experience, of thinking, of background, of perspective not just on the scales of gender and race. When you've got multiple points of view – and the organization and culture genuinely allows them to participate – its infinitely easier to imagine and develop multiple scenarios of the future. That's one.

The other – and this is perhaps more societal – is a certain bias or historical belief in the types of jobs that are "good" jobs versus "menial" jobs. I recently had a long chat with young adult who was caught between being a pharmacist and a paramedic. The family saw the pharmacist route as more "important" perhaps or more lucrative while I was in exactly the opposite place. I saw the Pharmacist role being one of the ones highly likely to be significantly displaced by automation and technology whereas the Paramedic role would teach all these amazing skills that would be fantastically transferable in many many other places – working under pressure, working and negotiating with people under volatile and changing situations, remaining calm and able to make quick decisions. Those are irreplaceable skills and if you need to be a paramedic to learn those, go be a paramedic. If being a paramedic is a passion of yours be a paramedic because passion trumps everything in today's world.

Ultimately we all – individuals and organizations – need to rewire our thinking from the type of linear pathways we've used for decades and start thinking in terms of scenario planning and alternative outcomes. That will take curiosity and mental dexterity.

It will also require us to think in terms of skills and not jobs in the future.

The optimist in me – and as the mother of three kids entering the workforce in very very different ways, I think we're absolutely capable of changing our organizations and ourselves as employees to do it.

**HB:** Phenomenal Krista. Adore that optimism. It has been a thorough delight.

KJ: My pleasure.





# Culture transformation using the power of purpose at the Calgary Chamber of Commerce.

One of the delights about my ongoing series on Culture and Transformation is finding inspired and enlightened leaders in some very unexpected corners of the business community. In recent weeks I've had the opportunity to discuss Culture, Transformation and business outcomes with one of the most dynamic culture advocates I've met. Dr Sandip Lalli is the President and CEO of the Chamber of Commerce in Calgary Canada and, in her words, is a genuine culture catalyst. For non-Canadian readers, Calgary is a very important part of Canada's economy as it is where much of the country's oil reserves rest but, beyond that, Calgary is also a bustling technology hub and home to several of Canada's largest organizations and employers. The Chamber of Commerce serves a vital role in promoting business growth both within Calgary and the province of Alberta. With so many stakeholder groups in business, academia and government working with the Chamber of Commerce, I sat down with Dr Lalli to discuss how Culture has played an important role in deepening those stakeholder relationships and building the visibility of Calgary as a business destination in Canada.

**HB:** What a delight to be chatting with you Sandip. Can we start with the basics? Can you give me some context for yourself, your current role and talk about the Chamber, the context of the organization within Calgary's business community?

**SL:** Sure, a little bit about the Chamber first. We are a 128 year old organization that is Non-for-Profit, non-partisan, and we have been at the crossroads of everything significant that has happened in the history of the City of Calgary. For example, the Chamber itself was actually started 3 years prior to the City actually being amalgamated which is pretty interesting. So many of the things that have become staples in our community today like United Way, Parks Foundation, University of Calgary and Calgary Economic Development; they all actually come out of the Calgary Chamber. The development of the Calgary Airport, for example, is a great example of an initiative borne out of the Calgary Chamber. So, the Chamber has always been squarely at the crossroads of business and development in this city. When I took this role, it was really a chance to form a new narrative and, metaphorically speaking, help shape and define what is that crossroad and the railroad that is going to propel the Calgary business community back into the global marketplace and really balance out the ecosystem that we have here.

**HB:** Love that history. For those not familiar with Calgary and where it sits within the Canadian community, can you give us some context? Can you characterize the Calgary and the Albertan business environment and the challenges that it is currently under?



**SL:** Absolutely. The province of Alberta is a natural resources province and has always been. Our province started out in agriculture, then progressed into oil and gas which is what we are facing now in terms of a business and political crossroads. Our Albertan oil is a significant contributor to the Canadian economy and most Canadians, if not all, recognizes the impact Alberta makes on the lifestyle that is Canadiana. Albertan oil makes a huge contribution to the national (government) coffers that allow us to support many of the great social services that Canada is known for. Albertans are very proud of that fact.

In recent years, there have been some business struggles related to how Albertan oil gets access to global markets which impacts our competitiveness and the revenue we can earn. So what we are doing is trying to work ourselves into a place where Alberta can compete again; we were winning on our technology; we were winning on production; we were winning on our environment and regulatory processes; Which is all critical. In Alberta, Calgary has always been the bedrock of business and commerce. That is why the Calgary Chamber has taken on a crucial role by doubling down on commerce and helping move the economy forward back on to a global marketplace and be a global leader.

**HB:** In the spirit of your role, can you characterize the Chamber's role? I listened to a recent radio interview and you used the phrase, "Catalyst of catalytic" several times in that interview. Could you talk about that and the role of your organization contributing to that?

**SL:** Absolutely. We have a unique and wonderful opportunity here at the Chamber. Because the Chamber is industry agnostic and non-partisan, we have the privilege of having the voice of the business community and the genuine ability to move change conversations forward. We get to take those kitchen table, board room table conversations; put them together from an industry agnostic perspective; and from a competitiveness stand point and tie those back into a real commerce discussion.

We truly get to be that catalytic voice that says, these are things that are needed to ensure a vibrant economy and a vibrant community as we move forward. And because we are agnostic to industry and agnostic to partisanship, our voice gets heard.

People know due to the legacy of the Chamber, older than the city of Calgary; that we have a way of positioning things and listening that so that we can move to solutions faster. That's the piece that people look to us and we've gotten really good at it over the last 128 years.

**HB:** I'm hearing that your organization requires a deft hand by being both a catalyst and an advocate. That must have significant implications on the culture you need to foster as a leader within the Chamber and how you build the capability and capacity of your people to fulfil on those two different roles.



**SL:** That's right. Part of the strength of the Chamber is that the business community believe in and value our platform. They know we're always looking to help business here in Calgary get ahead and grow and that we'll always be agnostic and non-partisan. In short they trust us.

The trust part is something I can't emphasize enough and, to the culture question, that has to be embedded in the culture of how we work here at the Chamber too.

For me, trust is entirely about vulnerability. For me that means letting go – I actually let go on the third day I came here (laughs) because what I've learned is that you have let go and be vulnerable yourself as a leader and it makes it easy for your team to do the same. Here are the culture building pieces that I go for; 100% vulnerability and I don't believe in titles.

I understand that we need roles and we need decision rights.

It's not free for fall by any means but it gives people the license to be themselves. If you have the right people, they are going to learn from their mistakes, and they are always going to harder on themselves than anything we're going to do here. It's that kind of real empowerment that I believe let's people show up as their best selves.

If you hire smart people to do smart things; 98% of the time, they do that. I've seen that time and again in my career.

**HB:** Another thing that Albertans are renowned for is a plucky can-do resilience. Many leaders, particularly in these transformative times, struggle with how to build and nurture resilience in their cultures. Is resiliency something you've been able to create here at the Chamber? **SL:** Resilience is one thing and Albertans certainly have that in spades. More importantly though, is the need for optimism too.

That is something I've been particularly keen to ensure we build into the culture here at the Chamber, particularly in the way we present ourselves to the business community here in Calgary. Since the 2014 downturn, and the issues about oil I referenced earlier, the city had lost some of its fight, some of its grit. So I saw this role at the Chamber as an opportunity to bring some of that optimism back.

The one thing about having a career outside of Canada, as I have, is that you quickly realize that Canada is the number one place to live in the world. Calgary, in particular, has such a privilege and honour to be at the point where it can contribute in such an incredible way to the economy and the fabric of Canada. The link between the economy and our Canadian way of life is so co-dependent that we have to fight for that. That is why we have to have optimism because there are enough people that will tell us that we can't do it. When folks tell Calgarians we can't do something, we quietly put our heads down and we get it done. That's the type of optimism I wanted to infuse into our culture.

**HB:** In very real practical terms what was it that you embedded in your teams, in the way that you operate, even the people that you have in the Chamber, to create this optimistic and resilient culture?

**SL:** The one thing was to be very deliberate about my Leadership style when I came into the Chamber. I had done my dissertation doctorate on Leadership so I had studied it quite significantly. But this is the first time I've said to myself. "What is your leadership style really like? Is it Servant Leadership?" Some people interpreted that as "so you are going to give us exactly what we want?". Noo! (Laughs) but it was important that I shared articles on Servant Leadership with my team so they understood what had informed my perspective and what it meant in real terms to them and how I wanted us to operate together.

The other part I was very conscious of doing was I didn't talk about myself.



Returning to Canada from a role in Singapore after many years away there was an obvious pull for people wanting to know about me, they were curious about my background; but I didn't talk about myself since it wasn't about me, it was about the Chamber and the team. I consciously talked about where we, as a City and as a Chamber are at; This was expressly not about me. I even scrubbed my LinkedIn to the point where it was more of a narrative than about the nuances about what I had done.

I also made sure I walked around and talked to everyone a lot. I let my team get to know me through a myriad of small wins and frequent recognitions;

For me these are the subtle things. The quick impromptu hallway conversations. The small encouragements "you got this, let me know if I can help". All of these send those signals that you trust your team – and that its about the team, not just one single individual. Finally, I wanted to orient the Chamber around a deliberate Purpose.

I've led and been involved in purpose-driven organizations previously in my career and found that Purpose, or whatever you want to call it, can be a very galvanizing thing for employees. Particularly at times when change and resilience are absolutely needed, developing and creating a unifying Purpose can have an enormous impact.

**HB:** Can you tell me a little bit more about the Purpose exercise you went through and where you've ended up?

**SL:** For me Purpose is about articulating something beyond vision. It's one of those elements where you can say – It's operational, and its aspirational but it's often unattainable.

I like to think of Purpose like Strategy, in that it is about being deliberate about where we play and how we win. In my career I have seen a lot of trust building and collaboration naturally happens when you're crystal clear about your organization's purpose.



When you are moving so fast building something new, your purpose has to be solid. As the leader you have to explicitly know your why and your entire team needs to know the why.

In my opinion, as the workforce evolves --this purpose, leading with purpose is going to be the key to leadership. If you don't know how to do that, be a vulnerable leader and lead with purpose, you actually aren't going to be able to unlock the value of your company and provide shareholder return. Because, without that clarity around the Purpose, nobody will follow you. And that causes a disconnect in the marketplace. Ultimately, if other companies in your industry are able to do this, they will outperform you.

If you execute it properly, purpose can be a real lightning rod for the organization. It can genuinely help clarify – and excite – a team around "What's in It For Me" and that's a huge catalyst for new behaviours and new thinking.

**HB:** I love that idea of purpose as a catalyst and I can see how that would naturally flow through to Culture and Culture change. I always end these conversations with—what would you tell leaders in a similar place, what would be the words of wisdom you'd share from in your journey?

**SL:** I've learned so much during my career but the biggest lesson I've learned is probably the simplest. Don't hold on so tight.

The biggest piece as a Leader is being married to the spirit and not married to the how. That comes from trusting your team's ability, giving them the environment – and the clarity of purpose – to know exactly what's expected of them and what we're trying to create.

To any Leader, and particular new Leaders that are just taking on the responsibility of leading people – Don't hold on too tight.

Do that and your people will constantly amaze you with what they're able to achieve.

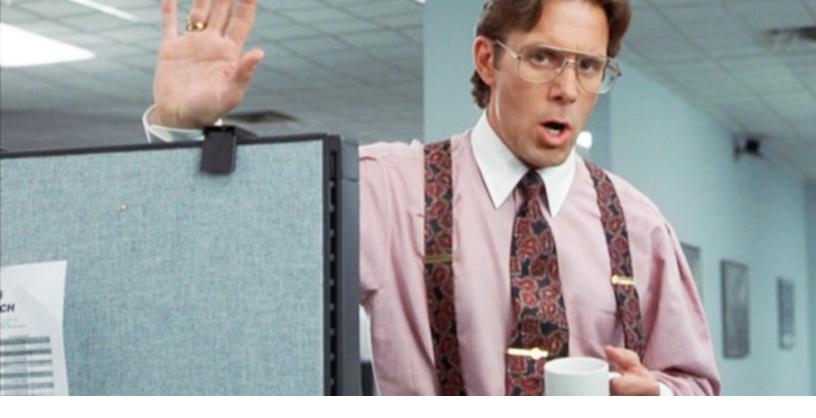
**HB:** What a fantastic perspective Sandip. While I'm a huge fan of Calgary, I tend to ensure I visit your amazing city when the famous Calgary Stampede is on. Perhaps I can come and visit when I'm next in town?

**SL:** Absolutely. I can appreciate those who are hesitant to visit us in winter but Calgary is an amazing, fun city regardless of when you visit. Make sure you come see us next time you're out West.



# **OPULAR** TON

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## No wonder our organizations are a mess.

Several years ago I wrote a blog post called "You Might Be A Redneck Marketer If..." that channeled the popular Jeff Foxworthy comedy routine of a similar name. It was intended to call out some prevailing marketing attitudes that would be amusing, if they weren't so incredibly tragic.

In recent weeks, I've been watching the latest WeWork business debacle – and the ensuing commentary, vitriol and recriminations – and wondering why there still remains so many leadership and culture faux pas.

Particularly when we all should know better by now.

So, in the immortal cadence of a Jeff Foxworthy routine, I'm going to ask you to play along with me today.

Begin by reading this sentence out aloud...

#### "Is it any wonder our organizations are a mess when..."

- We believe that our people are solely motivated by money. Being paid fairly is important. And a legal requirement. But money alone isn't enough to keep our people motivated and energized. And money alone won't compensate for poor leadership and a toxic environment.
- We proudly display Values on our walls (and coffee mugs) but they don't reflect the way we actually behave. Nothing erodes the credibility of an organization – and its leaders – faster that saying one thing and doing exactly the opposite.
- We treat Onboarding as a box to tick, rather than crucial moment to bond a new colleague to our organization. And provide them every opportunity to shine from Day One. Any Onboarding routine that doesn't prepare a new colleague to contribute from the outset is disingenuous to them and a wasted opportunity for the organization.
- We treat Resignations, and even Terminations, as pariahs. Sometimes things don't work out despite the

very best intentions of both parties. Everybody who leaves your organization should be treated with respect, dignity and a hearty thanks for their contribution, no matter how small. Imagine what reputation you'd garner if everyone who left your employ did so with dignity and your genuine thanks? I guarantee you they'd speak glowingly about your firm rather than resentfully.

- We believe everyone desperately wants to lead other people. Sadly, we still promote people based on functional skills (You're a great project manager, bookkeeper, procurement agent etc) and elevate them into a role managing people. Some people can't (and just shouldn't) lead other human beings. They have no desire, or no interest, to do so. And their teams suffer for it. Not everyone wants to be a leader.
- We treat our leaders as omnipotent and super-human. Spoiler alert - they aren't. They are human just like the rest of us and come with all the same baggage. They may have more experience, more track-record, better connections, better education but they make mistakes too. Cut them some slack – and lose the sycophantic behaviour. It doesn't help them and it is not a good look on you either.
- We let our leaders believe they're omnipotent and super-human. Enron, WeWork, Lehmann Brothers, Sears. All great examples of leadership run amok. And organizations – and Board of Directors – who let them. Arrogance and hubris have destroyed many organizations – and many employees lives in the aftermath – so organizations need to guard religiously against the massive egos we let run our companies.
- We believe that Culture is solely the responsibility of HR. That's woefully naïve or a cop-out. Culture is a living and breathing manifestation of the attitudes and behaviours of everyone inside the organization.
  Each employee bears responsibility for it and, as you ascend within an organization, YOU have a significant responsibility to ensure you're creating the very best environment for success. In each and every action you make.

- We don't create Purpose and Clarity for our people.
  Not every organization can tackle global-warming or cure cancer but it doesn't mean that you can't explicitly define exactly what it is you are trying to solve. And, with equal precision, how each and every employee contributes to that goal. Work still (sadly) engulfs such an enormous part of our lives, we owe it to our people to give their time with us as much meaning, direction and clarity as we can. To do any less is psychologically exploitative.
- We slavishly obsess about Employee Engagement.
   Without realizing that, like Profit, Employee Engagement is an outcome not an objective. Run your organization with direction, clarity, cohesion and purpose and your employee engagement will naturally soar. Relentlessly measuring EE every quarter without rigorously tackling the foundations of our organization is treating the symptoms not the disease.
- We tolerate bad behaviour or excuse it as inconsequential. Any time we excuse culture-inconsistent behaviour because "that's just Patrick.." or "It only happened once.." it's the start of the demise of your culture. Your culture truly is defined by the worst behaviours tolerated by leadership. Because if YOU tolerate it, it becomes seen as acceptable by your employees and that's the beginning of the end.
- We minimize Diversity and Inclusion to an objective. They're more than that. They're a strategic advantage and an accelerant to success, not a percentage to hit for Recruitment or for a business magazine poll on Executive Team Composition. Organizations that create and unleash a diverse and participatory set of ideas, opinions and skills will inevitably hammer those with singular and static views. Yet, for many organizations today, D&I still seems like a checklist or a popularity contest than a bona-fide attempt to create a strategic advantage.
- We believe our Employees owe us more than we owe them. Many organizations still, erroneously, believe that an employment contract is one-way. The astute ones realize that having expectations of your people is

fine – if you're equally prepared to meet and exceed the expectations they have of you. And that means more than paying them on time. That means genuinely and deliberately caring about their growth, nurturing their potential and unleashing their skills. That's what you owe them.

- We believe newer Technology and a better process will save us. People, People, People remain the very core of any business. Even the most technologically-advanced organizations are reliant on people for their success. Its people who create new products and markets. People who come up with new ideas and inventions. People who collaborate and conspire to change the status quo. Technology and process are just enablers, they're seldom if ever creators. If we continue to idolize the technology and marginalize the people, we will find our organizations slow and halt as creativity and ingenuity vanish.
- We fail to recognize Culture as a strategic business advantage. A very personal point for me because I genuinely do believe that an organization's Culture, when humming like a finely tuned engine, remains the only sustainable competitive advantage any organization has. Technology can be bought (or stolen) and processes, products, markets can be copied. Your Culture is impervious to that because no other organization has your singularly unique DNA or the potential trapped inside that DNA. Organizations who pay scant attention to their culture, or ignore it completely, are choking off the very fuel that could power their sustained advantage.

### Finally, we forget that Work is Human.

Dress it up in whatever language you want but Work (and the Future of it) will remain Human.

It feeds us, clothes us and puts a roof over our heads. It frustrates us, angers us and makes us feel worthless. But, when we think deeply about how to elevate our organizations and actually win in the marketplace, we realize we need to create Work that inspires us, gives us meaning, gives us an opportunity to belong and to contribute, to be part of something larger, to feel safe but also to feel challenged.

Our Work – and our Organizations – should help us evolve and grow. Not stifle and minimize our potential.

Until that happens – as the rule, not the exception – I'm not sure we can really be surprised that our organizations are such a mess.

Dear Reader, I'm sure I've missed many other (blindingly obvious) reasons why our organizations are a mess. Please add your reasons and solutions below.

As important, please go back inside your organization and tackle just one of these reasons head-on. Your colleagues, and especially your organization, need you to.

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## Our organizations need jesters. And they need them now.

It's unlikely that the name Sherron Watkins means anything to you.



Or Cynthia Cooper.

Or Coleen Rowley.

But each woman personifies one of the most critical – and typically least celebrated – roles in corporations today.

They're whistleblowers and their actions – calling out executives at Enron, WorldCom and the FBI respectively – landed them on the coveted "Time Magazine's Person of the Year" in 2002.

Of course, Whistleblowers are often incredibly polarizing characters.

Eric Snowden. Traitor or Patriot?

Alyssa Milano's #MeToo tweet certainly shook many male leaders to their very core and ignited a (long overdue) conversation that is continuing to topple some of the most powerful business leaders on the planet. But she is seen as a hero by legions of women globally.

But, love 'em or hate 'em, they provided an incredible service to the organizations, employees and consumers for the actions they took.

## They exposed the truth.

The hard, brutal, uncomfortable, unvarnished truth of organizations and the way – far from the polished PR releases and well-packaged corporate statements – those organizations and institutions truly operate.

That's an immeasurably important service.

Sadly the truth is taking a beating today. Fake News is the common retort from POTUS for unpalatable news reports. Social media algorithms create self-perpetuating filter bubbles where your version of the "truth" is always readily reinforced and if you believe the Earth is flat, we didn't land on the moon and vaccinations cause autism, you'll find others enthusiastically drawn to your truth. (Sidebar but I shudder to think about Reverend Jim Jones and Charles Manson unleashed on Twitter and Facebook)

### The reality, as I discussed in an earlier post, is that organizations need to build an environment where the truth flourishes and is actively sought out.

Today's organizations really do need truth tellers. Or better yet, they need court jesters.

Court jesters were a popular artefact of medieval times who, through comedy and satire, were able to broach topics that would ordinarily anger those in power. And in those days you were more likely to face a brutal flogging or death, rather than a pink slip, if you got on the wrong side of leadership.

Again they served an important role. They spoke truth to power. They exposed the folly or stupidity of an idea that a mere mortal couldn't possibly expose.

Look around your organization. Are there projects doomed to fail but you still go to the daily Stand Up Status meeting that keep them alive?

Are there colleagues engaging in behaviour that reduces collaboration and innovation yet no-one calls them on it?

Are there policies that are truly asinine, that stifle creativity (timesheets anyone?) and are a source of constant frustration but they continue because "that's just the way we do things around here"

Australian Steve Simpson and South African Stef Du Plessis coined a glorious phrase – Unwritten Ground Rules – that highlight the folly of having behaviours in your culture that people have given up questioning. From the banal – why do our meetings never start on time – to the poisonous – why do we tolerate racist jokes in our department – these are the things that define a culture…and can destroy an organization.

It would be naïve (and possibly dangerous) for me to suggest that creating organizations of absolute truth would be nirvana. Sometimes there are social norms that require a few white lies and half-truths – yes, all new born babies do look beautiful.

However, if we're not prepared to empower our people to ask "Why" and "Why Not" how are we ever going to grow in new directions?

If someone hasn't the gumption to say "that sounds silly/ dangerous/illegal" to questionable behaviour, how are we going to create workplaces where great thinking can happen efficiently and effectively?

And, perhaps if we had a lot more court jesters in our organizations, we might not ever need to have Whistleblowers.

Wouldn't that be fun?

Truth-tellers are not always palatable. There is a preference for candy bars.

— Gwendolyn Brooks —





# Building the vital emotional commitment of your Culture: The Stan Slap Interview

One of the profound delights of my ongoing interview series is the opportunity to meet some of the most passionate and outspoken advocates for the business impact of culture. Few as colourful or outspoken as Stan Slap, author of two of my all-time favourite books on organizational culture and the CEO of SLAP, the culture consultancy based in San Francisco that works in over 90 countries worldwide. Stan is able, in equal doses, to channel strict management thinking with anthropology and philosophy yet, beneath it all, he fervently believes that an organization's commitment to empathy and humanity is what separates truly great organizations from the mediocrity factories (love that term) that many companies have become. I caught up with Stan from his home where he'd just returned from visiting the new SLAP offices in South Africa.

**HB:** Welcome home, mate. Thanks for talking to me so early in San Fran. For those unaware of SLAP or the work that you've been championing, can you give us the background on your organization? **SS:** I think I'm home. I've been traveling so much, I don't even recognize the money here. To answer your question, the work my company does is focused solely on achieving maximum commitment in the three groups that decide the success of your company.

We identify these as your manager culture, your employee culture and your customer culture. We're not talking about a bunch of managers, employees and customers.When these groups formed relationships with your company, they became cultures and became far more resistant to standard methods of corporate influence.

Our renowned expertise is in understanding how these cultures really work and how to get them to really work for you. This is our 22nd year in business: we're not some consulting company's suddenly bolted-on culture practice that they didn't even have a few years ago. We don't do anything but this. We don't think there is anything but this.

We were the first company to accurately identify culture as a self-protective organism, the first to identify a manager culture as distinct from the general employee culture, and the first to identify brand status as gaining faith in a company's intention from both employee and customer cultures, in that order.

Anyone who thinks this is soft stuff is clinically insane. It's the stuff of hardcore business results. SLAP's – that's the company; I haven't taken to referring to myself in the third person – unique solutions have caused legendary metrics impact for many of the world's most successful, demanding companies. The kind of companies that don't include Patience on their list of corporate values.

**HB:** Wow, the energy and commitment of the Employees, Managers and Customers of an organization. That's a fascinating delineation. Can you tell me more about each group and why, in your work, its so important to separate them?

**SS:** Man, I didn't separate them. I just noticed that they separate themselves. You're asking the right question, though: Why does this matter? Because within each of these cultures there is one problem that has the biggest impact on any company. This is a problem that even the biggest companies have typically been unable to solve. That's what our entire solution set is about: solving these three stubborn, critical problems.

From your manager culture, the biggest issue is how to gain emotional commitment, which translates to managers taking on company success as a personal crusade and so is worth more than financial, intellectual and physical commitment combined. We can do that for you. From your employee culture, the biggest issue is how to ensure protective evangelism for any strategy, performance goal or organizational transformation so that these are implemented even better than they were planned. We can do that for you.

From your customer culture the biggest issue is how to transfer sustainability of your company to your customers so that they advertise and sell for you and protect you if you stumble or get attacked. This is the real meaning of brand status. We can get that for you.

**HB:** I'm glad you mentioned business performance and culture. How do you align those two elements when you're working with clients?

SS: Remember that old James Bond movie Goldfinger?



There's a classic scene where Bond is strapped to a table as a laser beam moves to cut him in two. He's frantically trying to negotiate his way out of the jam without much success. Just when the beam is about to reorganize critical portions of his anatomy he says, "If you kill me, another agent will be sent to take my place." Goldfinger gives him the villainous eye roll and says, "I don't think so, Mr. Bond." Bond says, "Can you afford to take that chance?" The laser is shut off.

What I would say to any CEO and their C-Suite is if the last 5 or 10 strategies in your company worked exactly like they were supposed to – cost what they were supposed to cost, happened when they were supposed to happen, and did what they were supposed to do, then you probably don't need to know how to truly harness the mighty power of your culture to protect and promote your business. But if they didn't work as planned, and you are betting your company's success and your own reputation on the next strategy to be launched into a hyper-competitive unforgiving marketplace, can you afford to take that chance? After all, who is going to decide the success of any strategy or performance goal in your company? If you're running the company, start by crossing yourself right off the list. Your cultures have the first vote. It they want something to happen, then it's going to happen. If they don't want it to happen, it's not going to happen.

I'm asked all the time to define a "great culture." I think people expect me to say that it's a happy culture. Well, yeah, you do not want your culture to be actively unhappy, but a great culture is a committed culture.

## The commitment of your culture can be measured by any metric used to manage business performance.

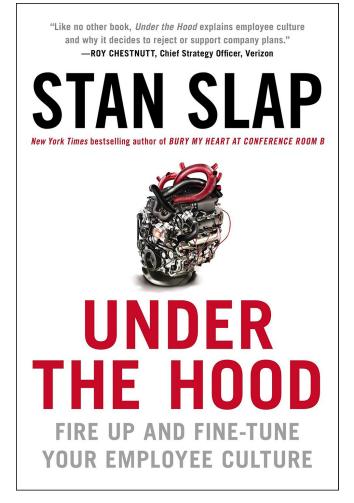
**HB:** Why do you say that companies may not understand what a culture is?

**SS:** Culture is the most overused yet often least understood concept in business. It was Merriam Webster's Word of the Year in 2014, which means that according to the most popular dictionary in the entire English language, "culture" had the most increased searches for definition.

In my company, we say that if banana had made Word of the Year, by now companies would understand what a banana is and recognize that it's not going to peel itself just to feed you.

Ask around and you'll typically hear culture defined as "beliefs about the way things are done around here." That is not a culture; that's just the currency of a culture. A culture the self-protective organism that obsessively collects data, validates it as potential beliefs, and shares it privately amongst itself.

A culture comes into existence whenever people share the same basic living conditions and so naturally band together to share beliefs about the rules of survival and emotional prosperity. It's true whether it happens in the jungles of Samoa or the Microsoft campus in Redmond. How do I survive, working in this industry, in this



company, on this team, for you. And then, knowing that I'm basically going to be okay, how do I get rewarded emotionally and avoid punishment. It shares these beliefs amongst itself because the more people looking out for the safe watering hole, the safer it is for everyone.

Your employee culture is an independent organism, living right inside the enterprise, with its own purpose and all the power to make or break any management plan – and any manager. Its purpose is to protect itself, not the company.

This is understandably frustrating to management who can reasonably claim, "If you are concerned about survival, do your job and you'll keep it. You want emotional prosperity, do a great job and we'll tell you that." But that would only work if your culture perceived a reliable through line between what happens to the company and what happens to the culture.

Achieving cultural commitment is a matter of aligning your culture's own perceived path to survival with your company's perceived path to success. A culture is not anti-business or anti-management. It is anti-unsafe.

**HB:** That's heady stuff Stan. Certainly see how it goes a layer deeper than the notion of shared beliefs. The survival instinct is a fantastic way to explain the reticence and even resistance to change we see all around us.

**SS:** Once you understand a culture it's the simplest operating system in the world. A culture is an information gathering organism designed to assure its own survival. The implications of this for you are that its antennae is working constantly, tracking you and seeking information. Its credibility detector is nearly infallible. Its perceptions are alarmingly accurate. Its memory is elephantine. You can't bluff, bribe or bully a culture into sustainably believing or doing anything. You can't tell it what to believe and you can't stop it from existing.

But you can take great comfort from recognizing that a culture is the most rational organism in the world, solely concerned with defining the known rules of survival and emotional prosperity. It deals in the real, it is objective, it is agnostic – doesn't even mind bad news but minds whether it can trust who's giving it the news – and it remains an open system, always seeking to update the known rules of its survival and emotional prosperity.

Your culture will give you whatever you want. You just have to give it what it wants first. Respecting what it wants is the difference between its defiance and its compliance.

**HB:** In your book, Under the Hood, you talk about the Seven Deadly Sins of Cultural Commitment, how to avoid the mistakes that companies make when trying

to gain maximum support from their cultures for business performance How are these concepts playing out when Executives are obsessed by initiatives like Digital Transformation and Lean Workforces?

**SS:** Hey, thanks for the book call out, Hilton. Yup, plenty more info about what to do in those pages. It's a hell of a pithy read, if I do say so myself.

Companies spend all their time talking to their culture about what, how and why. When the culture doesn't seem to get it, the company talks louder as if that was solving the problem. If the culture still resists, the company assumes its culture is of diminished intellectual capacity and can't grasp the business imperative.

But what, how and why are never as important with a culture as "why not?" Despite the corporate logic and urgency of your requirements, and any financial reinforcement for the culture that accompanies success, would your culture not offer its commitment?

That's where my company plays. We're not as concerned about what, how and why you want it done, but why the culture would hesitate to give it to you.

All those behaviors you want from your culture that are critical to corporate transformation, like innovation, accountability, compliance, flexibility? Those are latent in your culture. The issue isn't teaching your culture these behaviors; it's convincing your culture to give them to you.

The most important epiphany is that it is not the responsibility of your culture to understand the business logic. It is the responsibility of your business to understand the culture's logic. Get this one thing and you're unbeatable in any market you choose to own. After all, you can't sell it outside if you can't sell it inside.

Listen, the most critical imperative of the 4th industrial revolution is to finally learn the lesson of the 1st one.

The original industrial revolution viewed an employee culture as an easily replaceable, casually abused resource with limited potential to impact business success.

### And thereby ensured that the tremendous influence a culture can have on company fortunes went untapped.

Is the ultimate story of the 4th industrial revolution going to be a dystopian one -- the rise of the machines that displace human commitment with technology? Or is it one where humanity in business will finally be seen as the driver that it is, not simply an unavoidable business expense that should be diminished however possible to assure speed and success, but a far greater assurance of both?

It's an asset certainly because the willingness of a company's employee culture to protect, course correct and evangelize offerings and intentions is stunning. Not just inside the enterprise but outside of it. Remember, customers are employees too and will decide to protect or reject a company in part on how they perceive it treats people just like them. As long as you need a loyal customer culture to be successful, you need a loyal employee culture to be successful and no machine will change that business fundamental.

What companies must do is to remember that the definition of humanity is compassion. The opposite of compassion is indifference. Be anything but indifferent to the human beings that are the caretakers of your company. To be trusted to care about what matters most: this is the defining grace of your business. **HB:** Culture is on the lips of every Executive I talk to. Do you think these moves show the tide is changing? Is Culture finally getting its due?

**SS:** Some companies certainly get it, and some certainly want to get it and some want to pretend it doesn't exist. I'm particularly surprised that more P/E firms don't jump on the importance of cultural commitment, since the will of the culture is one of the primary assets they're purchasing and any CEO they install needs to be appropriate to the maintaining or moving the state of the culture when they assume the position.

**HB:** Stan, for the leaders reading this, what advice – besides calling SLAP and you immediately – what advice would you give?

**SS:** First, collapse the lines. A number of companies understand that culture is important even if they don't always understand what it is. So, they devote resources to improving the commitment of their culture – it's one path they pursue in the business. These same companies definitely understand that business performance is important, and they devote plenty of attention to that path. And yet, these are separate paths in the business.

You need to collapse one into the other and make the business case for cultural commitment. It is the ultimate driver to business performance, not some fluffy thing. When you are working on it, you are working on financial impact for the enterprise.

Next, recognize that a culture exists to protect itself and so is a closed society to management. It won't naturally reveal its true motivations and beliefs.

You need to get your culture to talk to you like it really talks to itself, to reveal any current hesitation it has to support company goals, and where that hesitation comes from, and then you need to know exactly how to recalibrate the level of commitment. There isn't an engagement survey in the world that can tell you this. SLAP can tell you this, though. It's a lot of what we do for companies, with bulletproof accuracy.

Another thing: If you ask any manager what they manage, they'll tell you a P&L or some revenue responsibility. Or maybe a business process or function. In a large company, maybe a geography. Keep staring at them until they realize that's not the answer you're looking for and they'll eventually blurt out, "People!" I manage a team!" You'll be waiting a lot longer for them to tell you that they manage a culture. How a culture works and how to assure its maximum commitment is the greatest missing competency amongst even the smartest management organizations. It doesn't matter how smart or urgent the strategy is from the top. If each of your managers can't drive it through the belief system that is their own subculture, it's DOA. This critical competency must be in place. And yes, SLAP does this for our clients.

For a CEO, the most important thing to remember is that the ultimate commitment a culture can give won't be seen unless it needs to give it: If your company ever gets into trouble, only a truly committed culture will step up to save it. You can't bank that commitment when you need it, you have to put it away ahead of time. This whole culture thing isn't just about achieving performance for your company; it's about achieving performance insurance. This is the ultimate legacy for any chief executive. Be the Chief Culture Officer in your company.

And last, but actually more important than any of the above and for every manager: No matter where you are in the arc of your career as a manager, take some time to think about it as if it had already concluded. What do you want to have accomplished when it's all over? Do you want to have grown a company, made a lot of money? These are very good things. Do you want to have had a lasting positive impact on the lives of the human beings that helped you do that? Now, that's a great thing. You don't have to give up the good things to get the great thing, but you have to want the great thing.

Understanding how to maximize the commitment of your culture can be the difference between your career success and failure, or your company's success and extreme success. But this isn't just about your career and your company. As a manager, you have a deep, lingering impact on the lives of the members of your employee culture. If they are made to feel small on the job, that won't stay on the job. It will jump the fence and follow them home. These same people are partners, parents, neighbors and voters. The toxic impact of an anxious, uncertain population is incalculable.

A culture's profound search for safety and meaning in an uncertain world is a reminder that we are all searching for this same thing, we all live in this same world. Treating your employee culture with empathy and grace is not simply a job performance tactic. It is a mirror that reflects your own true humanity.

The real bottom line action for any manager? Be human first. A manager second.

**HB:** Sublime. Thank you for that poignant reminder of what leadership means. And the amazing passion you've brought to our chat.

**SS:** Thanks for what you do, too. Hilton. It was an honor to spend time with you.



Dear Reader,

If you'd like to share your thoughts on this important topic, please reach out.

You can find me on *LinkedIn* or on *Twitter* @ZimHilton

Of course, if you're interested in being interviewed for this series, then send me an email.

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