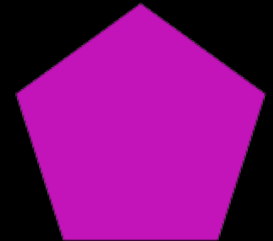
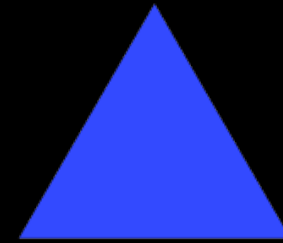


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Catalysts in Action: Applying the Cultural Levers of Transformation



June 23, 2020

Hello!



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Growth Through Transformation

We believe that unprecedented levels of change and disruption require new thinking and transformative approaches to growth.

Digital transformation—of businesses, and of people—is creating a perfect storm of disruption.

The pace of disruption is accelerating, changing the definition of what good growth looks like and stakeholders' expectations for how it is created.

Achieving growth in this era of change requires a transformative, human-centered and durable vision.

From purpose to product, brand to experience, customers to operations, we bring the insight, rigor and expertise needed to both see and realize transformative opportunities.

Helping you to realize **uncommon growth.**

What we do

Prophet is your growth and digital transformation partner

Within our Organization & Culture platform, we help our clients address four key questions:

How might we define and harness a compelling purpose to **drive performance?**

How might we develop a culture that **thrives on change?**

How might we build and sustain the capabilities we need to **win in a digital world?**

How might we transform our organization to **power growth?**

How we'll spend our time today

CULTURE AS A CATALYST: MORE RELEVANT THAN EVER

FOUR PATHWAYS OF CULTURAL CHANGE

TRANSFORMATION STORIES FROM THE FIELD

Q&A

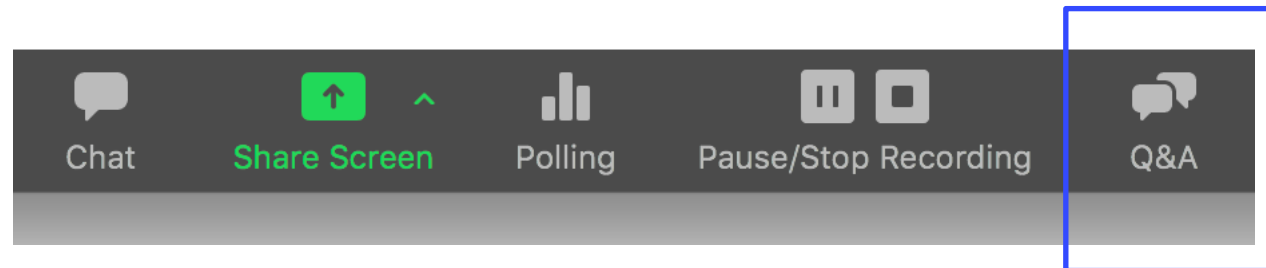
Use the “Q&A” function to submit your questions along the way, which we’ll address later during this webinar

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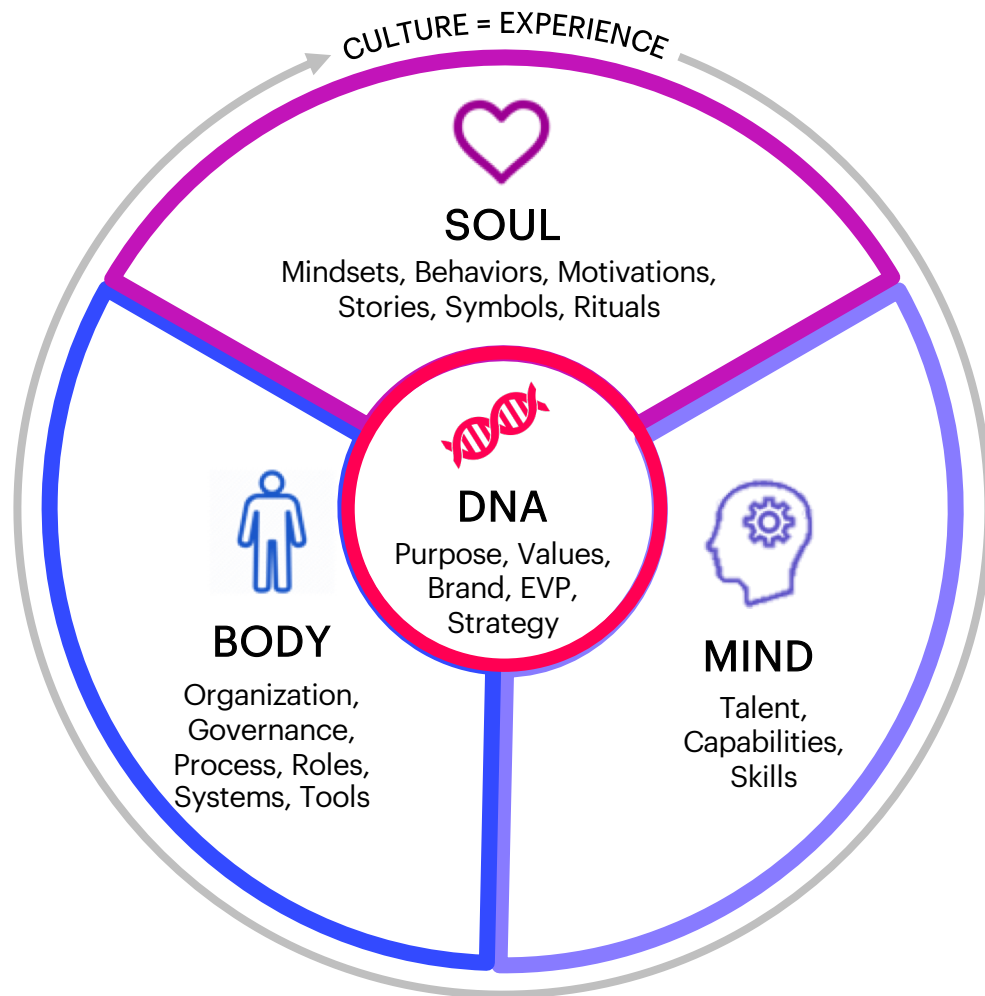


Click on the Q&A button and enter your question into the Q&A window

First, let's learn a bit more
about this group

Culture as a Catalyst: More Relevant Than Ever

Successful transformation depends on a holistic approach across four key organizational elements



PROPHET'S HUMAN-CENTERED TRANSFORMATION MODEL™



DNA – DEFINE

What is our destination and direction of travel?



SOUL – MOTIVATE

How might we ignite belief in the change needed?



MIND – ENABLE

What new skills are required to drive the change?



BODY – DIRECT

What might need to change in our operating model?

Last year, Prophet's research uncovered the key levers of cultural change

DNA

BODY

MIND

SOUL

FUNDAMENTALS

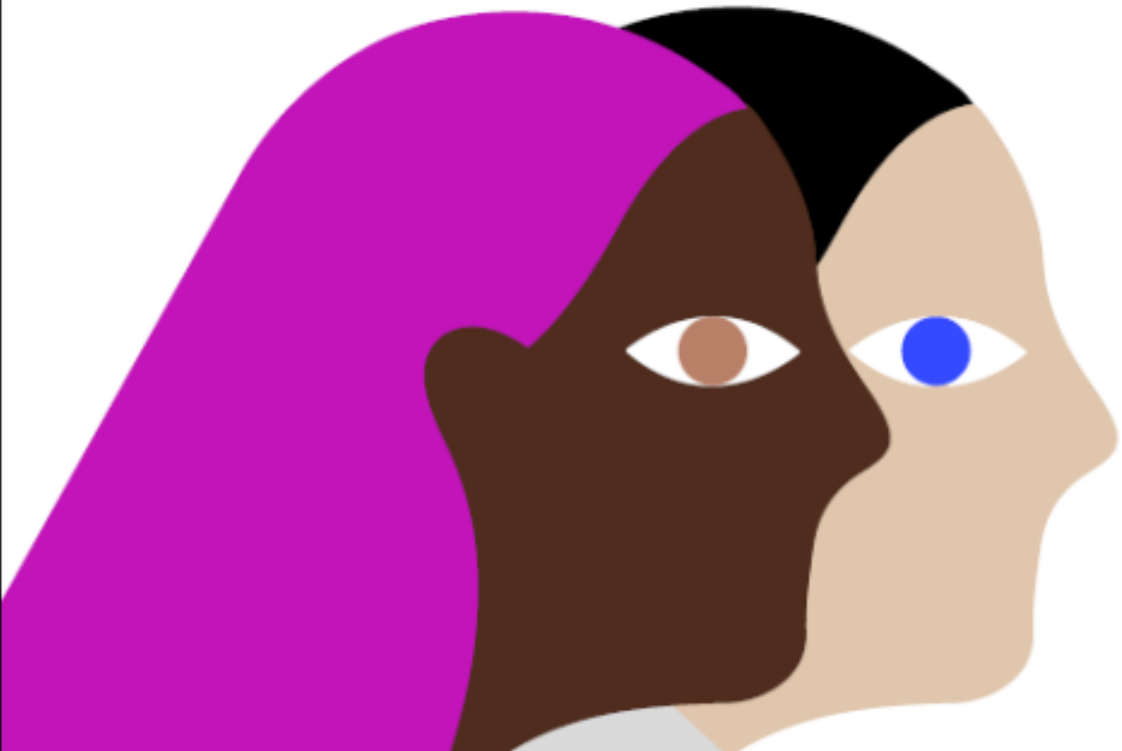
- Clarify **which leaders would lead** and / or align top **leaders to role model** changes
- Develop a clear **roadmap**
- Push **decision rights** downward
- Develop **KPIs**
- Develop **training to re-skill** existing talent and / or identify the **skills, capabilities, and roles needed**
- Develop meaningful mechanisms to **enable employees to adapt**

ACCELERATORS

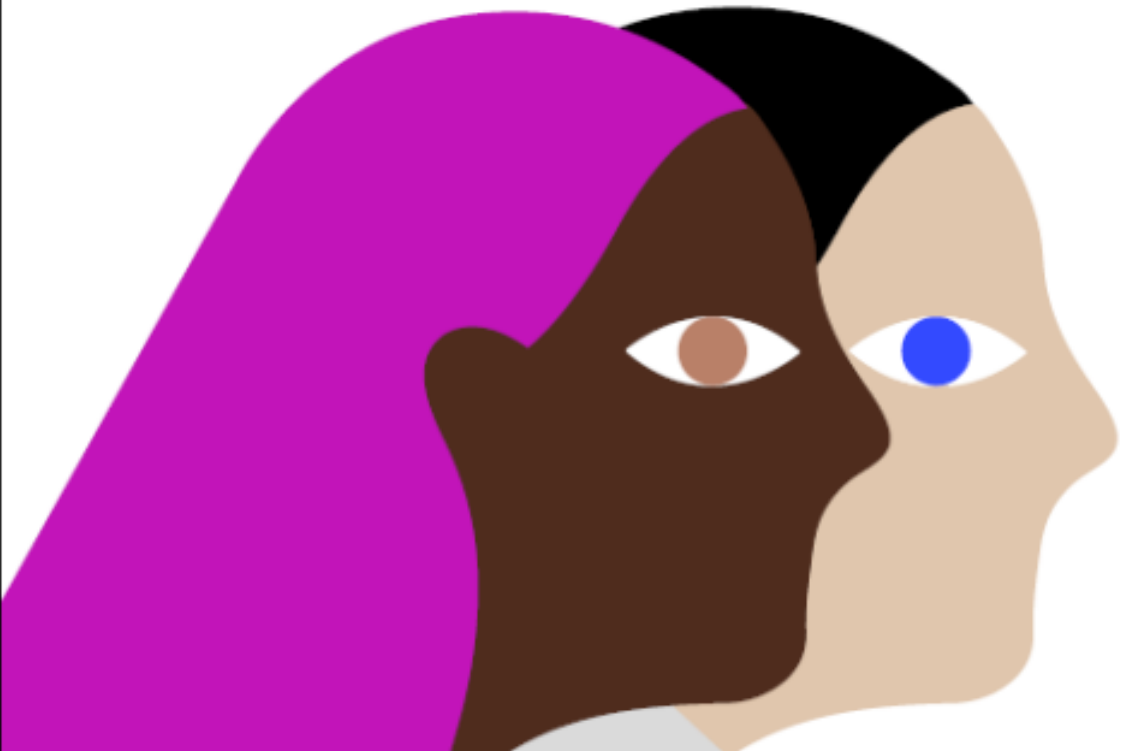
- Set a powerful, actionable **ambition**
- Align **incentives to drive cross-functional work**
- Align **talent systems** in service of the transformation
- Rapidly share **successes and lessons learned**
- Recognize and reward **progress**, not just outcomes

We saw the need to further explore a few key questions

How do I
implement these
levers?



We saw the need to further explore a few key questions



How do I
implement these
levers?

Where should I
focus? Or even
start?

And as the world has transformed, the answers to these questions are ever-more important

Who led the digital transformation of your company?

A) CEO

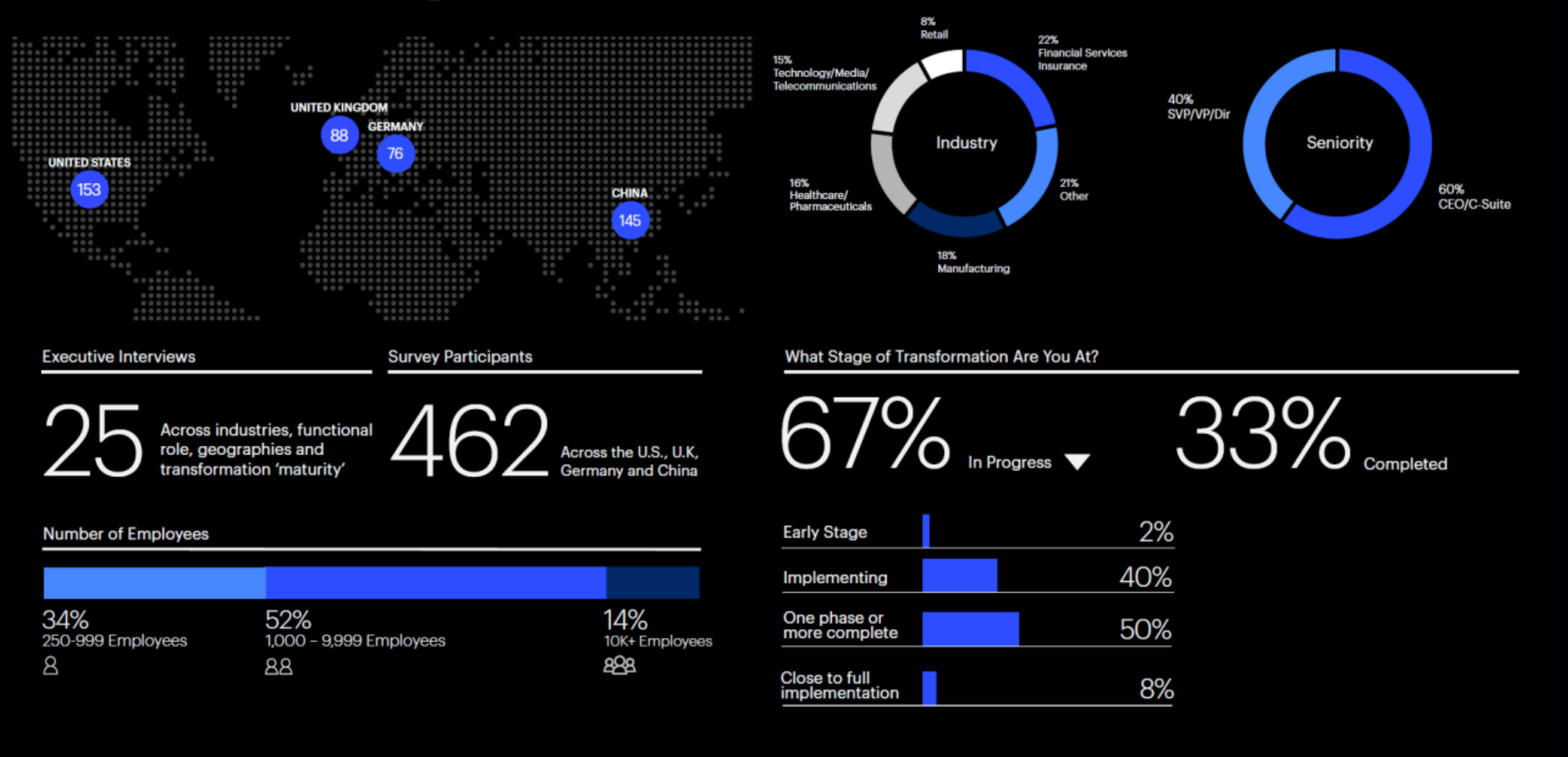
B) CTO

C) COVID-19

An actionable playbook for transformation – in times good and bad



Nearly 500 global transformation leaders shaped our findings



WHAT DON'T YOU KNOW THAT YOU WANT TO KNOW?

Through the Q&A feature, submit the questions you'd like to be discussed during the webinar

Four Pathways of Cultural Change

We've identified pathways of cultural change to help organizations focus their efforts and make needed progress

CHANGE FOCUS

DEFINING

WHAT IT MEANS

Establishing the destination and leadership for the transformation (most aligned to DNA)

We've identified pathways of cultural change to help organizations focus their efforts and make needed progress

CHANGE FOCUS

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CHANGE FOCUS

WHAT IT MEANS

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Establishing the destination and leadership for the transformation (most aligned to DNA)

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Building an operating model that makes the transformation real (most aligned to BODY)

ENABLING

Identifying, sourcing, and developing required capabilities for transformation (most aligned to MIND)

MOTIVATING

Igniting belief among leaders and employees in the transformation needed (most aligned to SOUL)

Which is right for your organization? It depends on your primary roadblock

CHANGE FOCUS	WHAT IT MEANS	PRIMARY CULTURAL ROADBLOCK
DEFINING	Establishing the destination and leadership for the transformation (DNA)	Lack of clarity
DIRECTING	Building an operating model that makes the transformation real (BODY)	Legacy operating model
ENABLING	Identifying, sourcing, and developing required capabilities for transformation (MIND)	Legacy talent model
MOTIVATING	Igniting belief among leaders and employees in the transformation needed (SOUL)	Lack of alignment

WHAT DON'T YOU KNOW THAT YOU WANT TO KNOW?

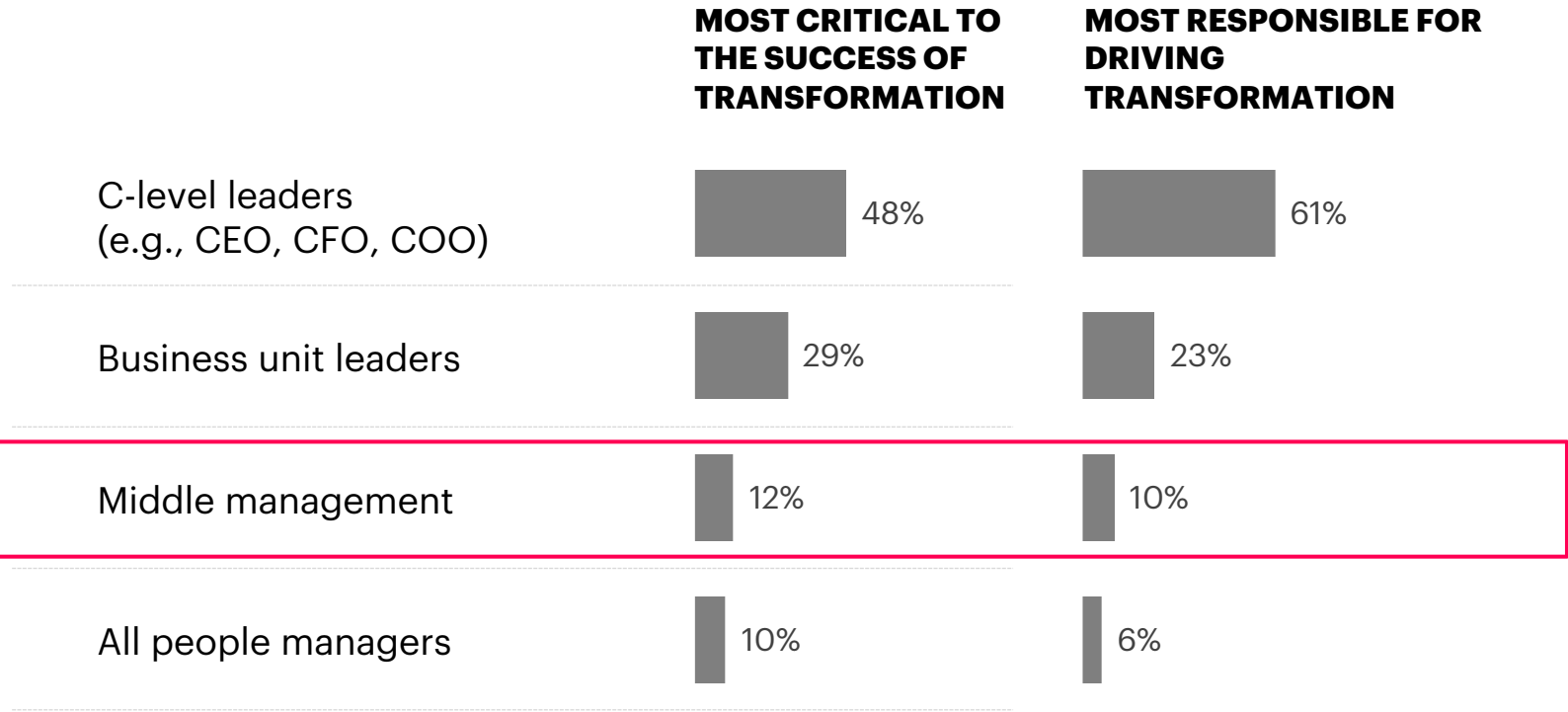
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Where should we start our discussion?

Transformation Stories from the Field

Defining the Transformation: The Data

Key lesson: Clarify who will lead transformation. This may be the C-suite, but don't overlook the role that middle management must play in serving as key change agents



Defining the Transformation: In Leaders' Words

Key lesson: Setting a powerful, actionable ambition is key – but it has to translate into a clear change strategy that is constantly evaluated and updated as dynamics shift.



"We have a clear enterprise goal that we have laid out: 2% profit margin, 2x industry growth, in 2 key ways: customer satisfaction and employee engagement. That's our ambitious goal. When we've put out other big, audacious goals in the past, we've been able to meet them ahead of plan."

Sam Geraci,
Vice President of Strategy



"Problem is, everything looks good on paper...as you execute, there are different things you need to take on. There is a plan and measurement against the plan, but it can change over time. It's constantly shifting as it's hard to predict what's going to come next."

Amran Khamis,
Head of Digital Experience Asia

Directing the Transformation: The Data

Key lesson: Companies that are empowering Transformation Management Offices (TMOs) with greater oversight and decision influence are seeing more positive impact and greater transformation success than companies that have assigned more limited roles to their TMOs.

REPORTED IMPACT OF TMO	TMO has Full oversight & decision making influence	TMO has Limited oversight & decision making influence	REPORTED SUCCESS OF TRANSFORMATION	TMO has Full oversight & decision making influence	TMO has Limited oversight & decision making influence
Very positive impact across the transformation	83%	41%	Extremely successful	25%	16%
Positive impact in some aspects of the transformation	17%	58%	Very successful	59%	52%
No discernible impact	0%	1%	Moderately successful, not successful or very unsuccessful	16%	32%
Some negative impact	0%	0%			

QN23. Which of these best describe the impact that your organization's Transformation Management Office has had?
 QN22. Which of these best describe the responsibility of your Transformation Management Office? Please select one response.
 DT2. Transformation success (T2 and T2b) // T2. Taking everything into account, how successful was the transformation? // T2b. Taking everything into account, how successful has the transformation been to date?

Directing the Transformation: In Leaders' Words

Key lesson: Applying agile methods is one way to help break through long-held barriers to pushing decision rights downward.



*"The need to ask for permission in triplicate can be hard to move forward with. As **our culture has moved to agile, that's allowed large, expansive decisions to be made at the 'front of the house'** where employees are most informed."*

Rich Corbridge,
Director of Innovation & High Street Healthcare



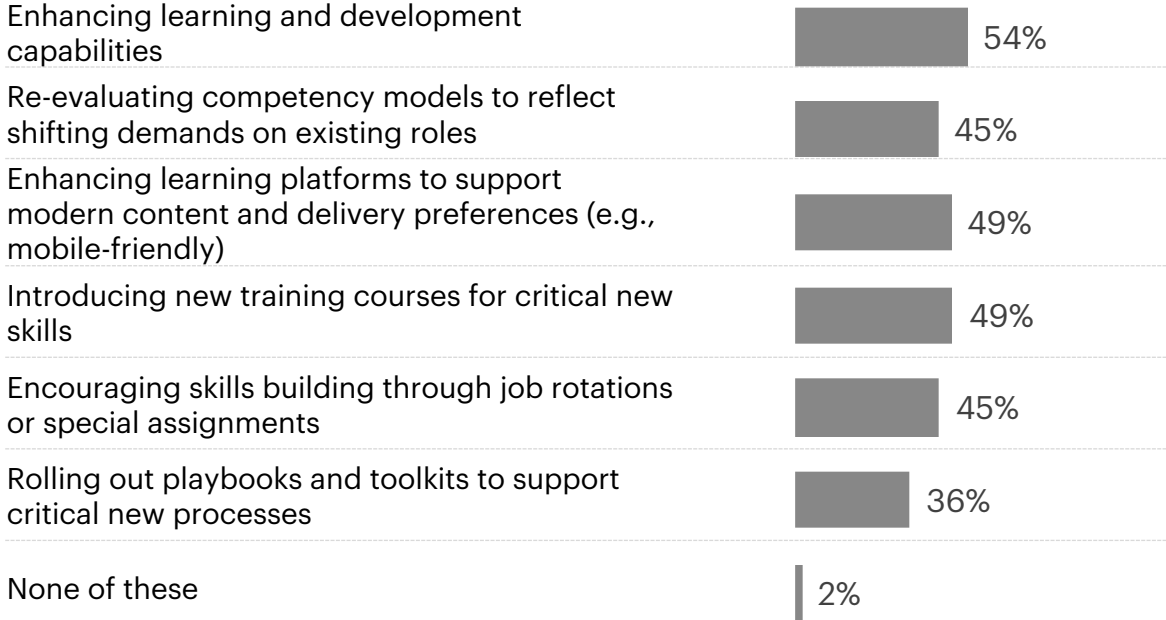
*"We've only been able to push decision rights downward through the use of Scrum. The very **nature of the way in which agile operates means that you have to push decision-making down and you have self-managed work teams** - it seems to be going quite well."*

Peter Dew,
Chief Digital Officer and Chief Marketing Officer

Enabling the Transformation: The Data

Key lesson: Companies are investing to make learning and development itself a true capability and to enable opportunities for learning to happen both on-demand and on-the-job.

PRIORITIES FOR INVESTMENT IN BUILDING CAPABILITY



Enabling the Transformation: In Leaders' Words

Key lesson: Companies are both re-skilling their workforces against critical capabilities, as well as reimagining where and how they will source the talent needed to power their ambitions.



*"We needed to teach our people how to work in agile. We made training the top priority. Every Monday, we **brought in experts to help our teams, and they learned by working side-by-side.**"*

Trung Vu Thanh,
Head of Digital Banking



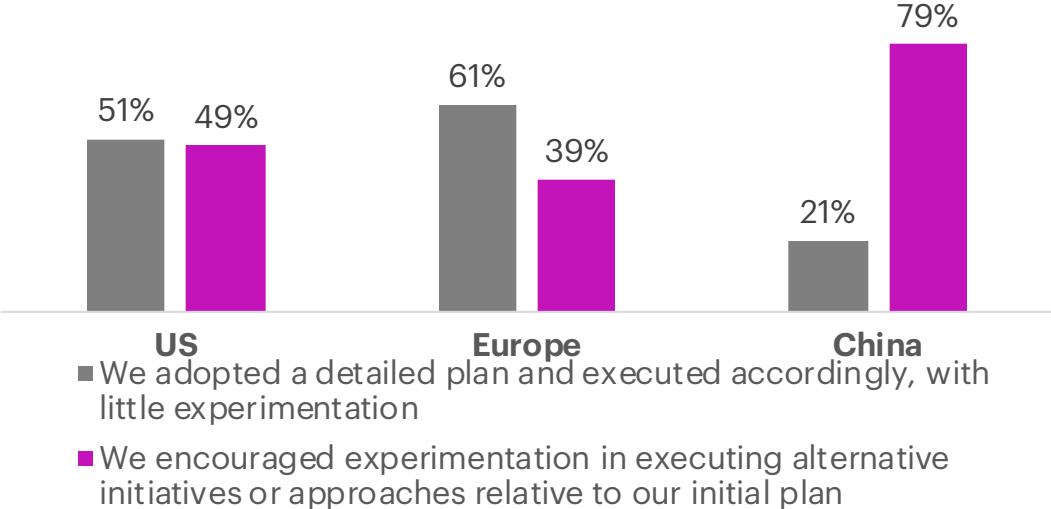
*"We've aligned our recruitment systems to develop **clear hubs for tech talent.** It used to be that we had technical talent spread all over, including in areas where we don't have clients. We put in place **new technology to understand where skills sets are** for the type of roles we want going forward, which influenced our selection of locations. Now we have a few key tech hubs around the world; bringing this talent together is helping to make our people more effective."*

Denise Sefton,
Chief People Officer

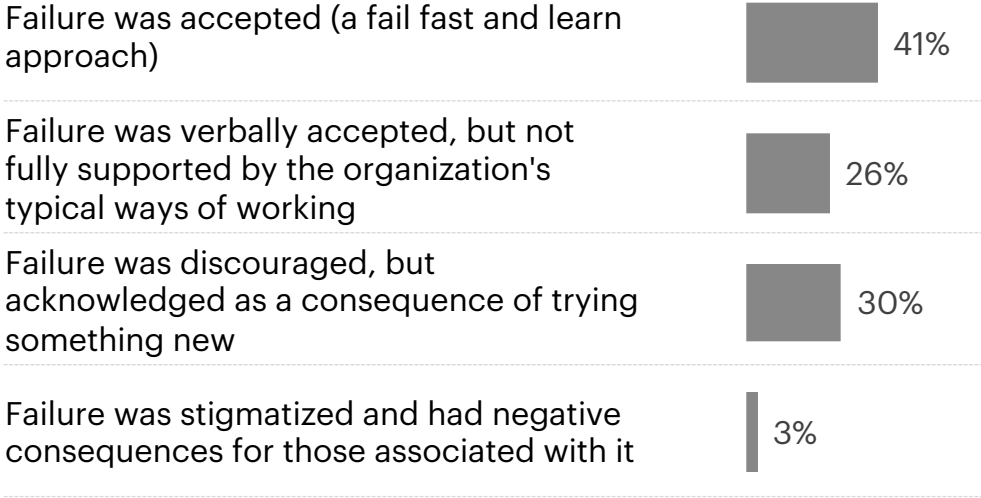
Motivating the Transformation: The Data

Key lesson: Experimentation - and the failure that sometimes results – is still not fully accepted and encouraged by organizations.

ORIENTATION TOWARD EXPERIMENTATION



TOLERANCE OF FAILURE



QN17. Which of the following best characterize the way your organization addressed the potential for initiatives to fail during your recent transformation?

QN16. Which of the following described the relationship within your organization between planning and execution during your recent transformation?

Motivating the Transformation: In Leaders' Words

Key lesson: Creating a sense of psychological safety and trust – through approaches such as structured experimentation and champions networks – help build organizational tolerance of failure.



*"We are beginning to **talk more about safety, in terms of psychological safety.** When you talk about our Core Four operating principles and what safety means to us in the context of the work we do, this helps create the room for soft failures."*

Kristen Weirick,
Global Head of Talent Acquisition and
Chief Diversity Officer



*"We worked with a behavioral scientist to understand experimentation, which we see as the best way to get to culture change. Rather than having a big program, **we wanted to do precise, small tests to make sure it works and scale it.**"*

Faye Whitmarsh,
People Strategy & Experience Lead



*"We found 30 or so (of 200 leaders) with the leadership and courage to be able to not back down from a challenge to **advocate, support and candidly hold their peers (and managers) accountable** and initiated them as part of our Digital Launch Champions Program."*

Joshua Suenic,
VP, General Manager, Digital Business
Platforms

To summarize

O1

There is still no silver bullet

Organizations need to integrate all elements of our Human-Centered Transformation Model™: DNA, Body, Mind & Soul.

O2

Focus yields progress

At a given time, successful application of a targeted set of change levers will yield greater impact than balancing partial efforts across the broad set of levers.

O3

Transformation is powered by many different voices

Modern leaders around the globe are recognizing that deep cross-functional collaboration and engagement are required to make transformation work

WHAT DON'T YOU KNOW THAT YOU WANT TO KNOW?

Through the Q&A feature, submit the questions you'd like to be discussed during the webinar

Q&A

To download the full report, see the link in the chat

We'd love to hear from you!
To discuss your observations and opportunities, please contact:

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Thank you