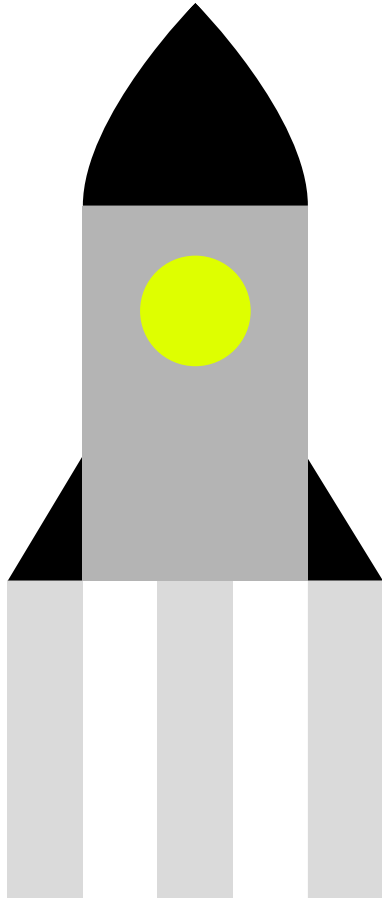# The Slingshot Effect

Accelerating Your Organization's Journey to a Resilient World

Organization & Culture Practice

Helen Rosethorn
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PROPHET

Why COVID-19 is your slingshot to a more resilient future

To speed spacecraft on their journeys, NASA uses the gravitational fields of the planets to slingshot each ship to its destination. The larger the mass of a given planet, the greater the power we can derive from it. Using this slingshot effect, the Cassini craft made it to all the way to Saturn by accelerating through the gravitational fields of the inner planets and finally, the gas giant Jupiter.
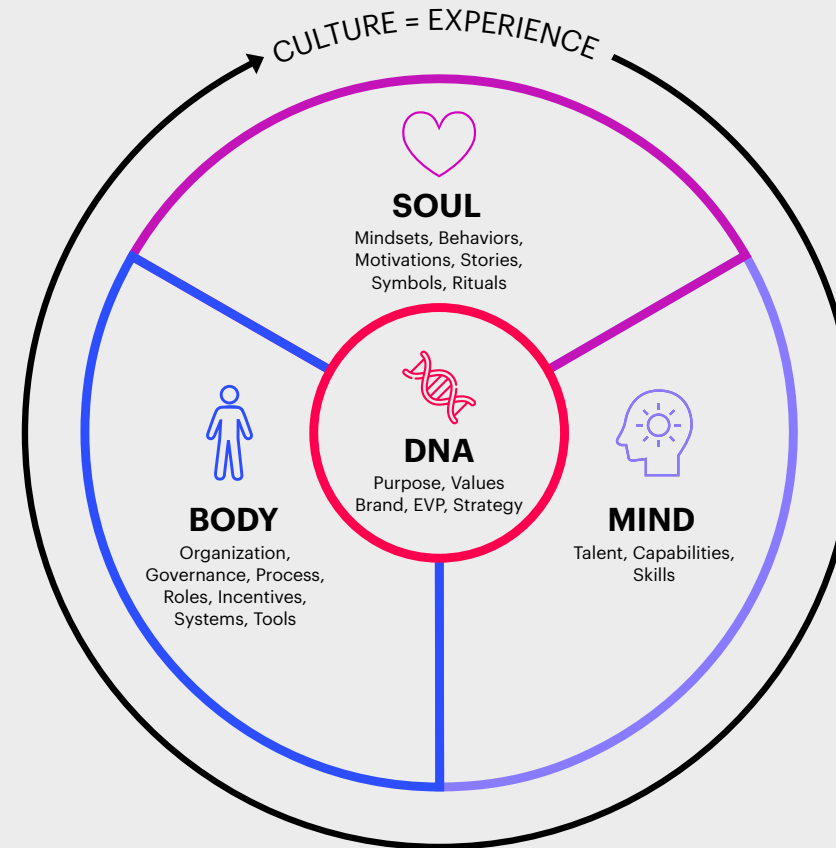
The global coronavirus pandemic has caused, and is still causing, massive disruption to everyday lives. However, in the process, it has also accelerated nascent change across myriad industries—forcing companies to evolve in ways they hadn't previously considered plausible, or possible to accomplish in such short timeframes.

Many shifts in society and business world trends, such as digital transformation, are suddenly no longer trends. They are the new normal. Thus, the gravity of this crisis is also a form of accelerator and our 2020 State of Digital Transformation report demonstrates that digitally mature organizations have already capitalized on this crisis to increase their velocity. Amidst this volatility and uncertainty, therefore, we believe that all organizations can use the gravity of the current situation to similarly speed their course to a more resilient future. A future where their organization has the flexibility to thrive on change and agility to continuously capitalize on new growth opportunities.

The Pandemic Through the Lens of Our Human-Centered Transformation Model™

We apply this Human-Centered Transformation Model™ as our lens for unpacking and refocusing the complexities of organizational and cultural dynamics. We debuted the model in our 2019 research report: Catalysts: The Cultural Levers of Transformation, where we identified fundamentals and accelerators for cultural change and then in our 2020 follow-on report, Catalysts in Action: Applying the Cultural Levers of Transformation, we identified helpful pathways to initiate large-scale change based on primary organizational roadblocks. And of course, it is through this same lens that we've been observing with great interest the lightspeed changes being made in organizations globally over the last few months.

Here's a closer look at each component part of the Human-Centered Transformation Model™ for those who are unfamiliar.

DNA: The organizational whys—the purpose, strategy, values, and employee value proposition.

MIND: The talent and competencies of its workforce.

BODY: The operating model, organizational capabilities and organizational design.

SOUL: The ephemeral elements which tie everything together—the behaviors, minsets, ceremonies, rituals, stories, and ways of working.
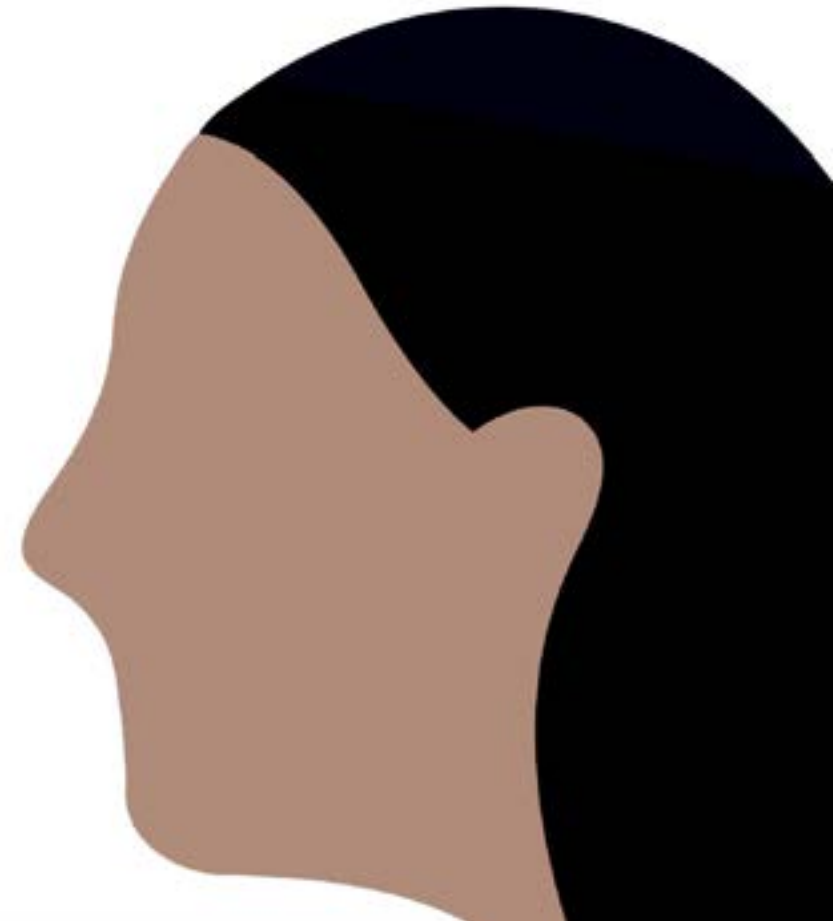
DNA

Create clarity about how the organization should navigate daily decision with your purpose and values. Enable your talent to thrive in the tumult of the Digital Age by swiftly updating your employee value proposition.

Populations around the world were already losing trust in their institutions in the last decade, and the pandemic has pushed this anxiety to an extreme. Organizational values are being deeply pressure tested and companies are being held to standards they accepted without believing they might be so publicly enforced. Global travel industry executives, for instance, are being asked how prioritizing leadership salaries over front-line workers aligns with organizational claims to being people-centric. The media has questioned Wall Street firms about how they are including and empowering BIPOC employees without granting the Chief Diversity Officer the necessary budget and authority.

As organizations continue to grapple with their role in responding to the pandemic and its aftermath, what they stand for through their purpose, values and proposition to their employees is under the strongest spotlight. This means it needs to be explicitly defined and authentically delivered. And it all starts with purpose: the intent to make a difference in the world and be on the right side of history. Looking forward, we believe companies need to realign and elevate the DNA of their organizations in order to foster belief, embrace the work ahead with passion and consistently align resources to the highest priorities.

They also need to align their employee value proposition with the Digital Age. Too many firms are encrusted with social contracts that are no longer valid. In high performing firms, top talent is supporting the firm one way or another seven days a week all year long. They are deeply connected, mentally and digitally, to the organization and deeply responsive to its shifting needs. And in the current situation, most of them are doing it all from their homes as well. It's time to take a look at how the company is keeping up its end of the bargain as talent markets become increasingly fluid and competitive on the other side of the pandemic.

It's time to take a look at how the company is keeping up its end of the bargain as talent markets become increasingly fluid and competitive on the other side of the pandemic.

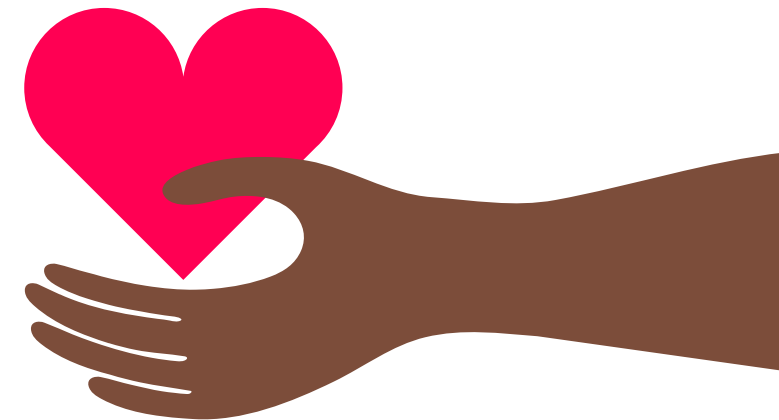# Purpose as Placard ➡ Purpose as Priority

The Challenge

In recent years, organizational purpose and values have gained in importance as the need for businesses to serve wider society, and not just shareholders, has been called into question.

62 percent of global consumers say their country will not make it through the current crises unless companies step up and we see this anxiety made plain as many airlines have been called out for packing planes during the pandemic. Conversely, Canadian grocer Loblaws and Shoppers Drug Mart were quickly lauded for recognizing themselves as essential services and creating special accommodations for their customers, particularly the vulnerable elderly population.

The pandemic has accelerated this question of authenticity—are you truly purposeful or are your purpose and values just a placard?

Where to Focus

- Ensure your purpose is inspiring, authentic, shared, and actionable for all stakeholders, not just for some.

- Confirm decision making at every level puts purpose and values front and center.

- Look across journeys to ensure your purpose, values and value propositions are consistently brought to life for both employees and customers.

Implicit Employer Brands ➡ Explicit Employee Value Propositions

The Challenge

While the phrase "employee value proposition" (EVP) has been around for a while, the truth is that historically, many companies simply let them emerge out of the assemblage of compensation scales, benefits, physical work environment and culture. It was in essence a rather passive form of employer branding: "it's how we do things around here."

The trend of spending time actively forging EVPs in the war for talent has now become something new entirely. There is a need to spell out and manage your value proposition to employees as you do with your customers. This involves setting explicit expectations around commitments to employee safety, health, wellbeing and the pace at which you will review and evolve those commitments to keep pace with society at large.

If employees of the near future in your industry can work for anyone from anywhere, why should they work for you?

The trend of spending time actively forging EVPs in the war for talent has become something new entirely.

Where to Focus

- Revise your EVP to include what you can authentically deliver against with an immediate focus on flexible working, remote work, and your duty of promoting health and wellbeing.

- Reinforce your employee experience from candidate through alumni, by working to identify specific areas where you currently come up short.

Work/Life Balance ➡ Making Life Work for You

The Challenge

Within the EVP debate a new dimension has been pushed to the forefront. For the last few decades, work and life were often described as being distinct domains which were potentially in conflict. It led to a growing emphasis on flexibility around people's non-work priorities as well as a greater emphasis on physical, mental and emotional wellbeing. Companies like Siemens and Novartis, for instance, immediately recognized the crisis as an opportunity to slingshot increased flexibility in where their employees work.

While digital tools have afforded many employees the flexibility to work safely—whether that be in-person or from home—they also present unique strains on individuals. Companies will need to not only adjust where people work, but also how people work in order to ensure the dream of working from home doesn't become a nightmare. An organization needs to prepare a far more individualized "life and work" experience for their people.

Companies will not only adjust where people work, but also how people work in order to ensure the dream of working from home doesn't become a nightmare.

Where to Focus

- Reset your working policies to support more flexible working for the long run.

- Develop robust support for improving both the practicality and ergonomics of working from home.

- Strengthen support for health and wellness practices.

- Seize this opportunity to end dated HR practices once and for all.

Knock down the barriers to agility and resilience in your operating model once and for all.

Organizations are being forced to quickly make decisions and deliver results to maneuver the challenges of COVID-19 and its lasting impact. And no doubt some have likely discovered in this crisis how to be their best selves: ignoring calcified silos, assembling cross functional teams of top talent and pushing decision rights down to them, thereby enabling them to quickly assemble clever solutions, iteratively test them and deliver swift victories.

When the immediate challenges of the pandemic are resolved, however, will they revert to old ways? Let's hope not! Too many companies have deferred making radical changes to their existing operating models in recent years. Now is the time to grasp this unprecedented opportunity to fast-track deferred decision-making and create the core capabilities required for organizational resilience.

Organizations are being forced to quickly make decisions and deliver results to maneuver the challenges of COVID-19 and its lasting impact.

Responsive Agility ➡Continuous Resiliency

The Challenge

Most traditional organizations have found focused ways to streamline processes and create a certain amount of efficiency and agility. However, these traits are not equivalent to resilience and the pandemic's early Personal Protective Equipment (PPE) crisis revealed what a lack of resiliency means in real world terms.

Resiliency requires leaders to evaluate their operational systems to ensure they are able to plug and play new inputs and reach new endpoints in order to meet the demands not just of immediate crises, but also to serve rapidly emerging customer needs, new customers, and new markets.

It also means being able to swiftly spin up <u>cross-functional product management teams to craft new products, services, and experiences</u> to capitalize on those opportunities.

Resiliency requires leaders to meet the demands not just of immediate crises, but also to serve rapidly emerging customers, needs, and markets.

Where to Focus

- Design business processes for increased flexibility.

- Exit legacy technology and data platforms in favor of cloud-based solutions.

- Prefer cross-functional teams over single functional ones.

- Speed work through robust enterprise knowledge management.

Command & Control ➡ Empower the Edge

The Challenge

Command and control approaches, often adopted from dated military models, apply multiple levels of hierarchical checks and balances. Achieving organizational resiliency requires changing the way we think about governance, roles and decision rights. In fact, according to a Harvard Business Review study by Thoughtspot, at "laggard" companies <u>staff were 10 times more likely to report that senior management does not want frontline workers making decisions (42 percent) than at "leader" companies (4 percent).</u>

The modern mindset on these topics is that while direction on desired outcomes can and should be set at the top (and purpose can be the north-star when direction is lacking) everything else needs to migrate to where the

action is, usually closest to the end customer. This means decision-making needs to be pushed downwards - and likely outwards as well. The payoff, however, by empowering the edge should be faster delivery and a much greater likelihood of customer centricity in both your actions and immediate solutions.

Achieving organizational resiliency requires changing the way we think about governance, roles and decision rights.

Where to Focus

- Charter work for desired business outcomes and empower decision making in the teams that need to achieve them.

- Simplify governance models as much as possible by moving decision makers closer, if not into, the work process.

- Advance managers into true coaching models that avoid micromanagement.

- Deepen cross-functional working competencies within individual contributor cohort

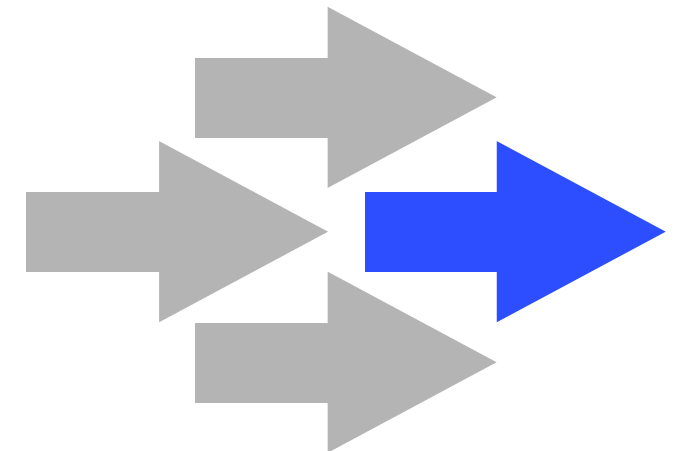# Plan Like a Turtle ➡ Fly Like an Eagle

The Challenge

Turtles move across the landscape at a measured pace. Eagles soar above and continuously course correct based on the opportunities on the ground below.

Being a turtle was fine before 2000, but organizational inertia for some has kept its antiquated practices lingering in most traditional companies. Post-pandemic, legacy turtles must finally take the eagle's approach otherwise they risk arriving at their year-end destination to find most of their goals irrelevant.

This means that most corporate processes, starting with strategy, budgeting and resourcing, need to be driven on shorter time frames as we cannot rely on historical norms to set the pace for change.

Where to Focus

- Eliminate laborious annual planning processes which consume half of the year with iterative PowerPoint and Excel activities.

- Eliminate dated corporate "check box" style processes with principle-based, outcomes-focused guidance.

- Shift talent management processes from one-time annual reviews to rolling shorter-term objectives, e.g., quarterly, with increased real-time feedback.

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MIND

Transform your organization's talent, capabilities and skills for the increasingly dynamic future of work.

There is a whole new world of work fast moving into view. Employees are demonstrating daily that so much work than ever imagined before can indeed be accomplished remotely. Digital payments have achieved a velocity where Japan is fast running out of credit card numbers. Social distancing is increasing both digital commerce and forcing omnichannel journeys, which end in curbside pickup. Customer data from these developments across products, services, experiences and touchpoints is filling data centers on the sea floor.

New shifts in what companies need to be successful and new ways of working are revealing a gap in talent abilities — both in technical and soft skillsets. Companies must simultaneously source the next generation of talent who are already data fluent and digitally savvy, while upskilling their existing workforce in real-time to deliver cross-functional work faster than ever.

In order to prosper moving forward, organizations must determine the organizational capabilities they require to achieve uncommon growth and the right skills and competencies to bring those capabilities to reality. Through smarter, forward-looking talent acquisition strategies, strategic workforce planning executed with an enterprise mindset and holistic learning and development approaches, they can then proceed to fill those gaps with a retooled workforce. All of these needs require a more intentional approach to building and sustaining the Mind of the organization, a hard fact that may challenge firms whose talent development and learning capabilities were decimated in prior year's cost cutting endeavors.

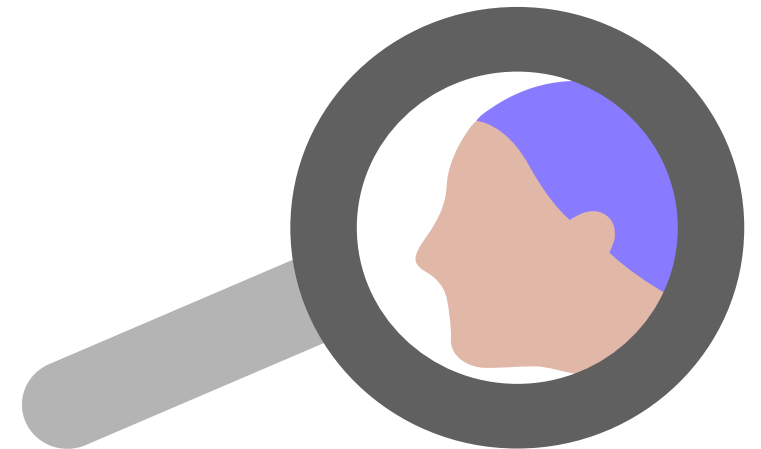# Recruit to Commute ➡ Recruit to Compete

The Challenge

The war for talent just got more competitive so it's time to ensure you've got a clear strategy for talent acquisition. The good news is that you no longer need to be constrained by the imperative to commute. The bad news is that you're now competing for talent with more companies that have made the same discovery. In fact, Glassdoor has already reported that its remote job openings are up 28.3 percent from a year ago.

On the surface, this looks most pertinent to white-collar work. But the truth is that many blue-collar roles are increasingly subject to automation and will be replaced by AI and/ or robots. And therefore, where there are still humans, white-collar, knowledge-driven roles will be tending to the robots.

Broadening your recruitment geography also means that the remote experience and Employee Value Proposition may need to evolve as well in order to retain employees who may have potentially weaker social ties to the firm.

Where to Focus

- Rethink where you might source the best talent for your needs.

- Ensure your tax specialists and policies can enable you to hire easily across national and international boundaries.

- Fine tune your EVP to be clear on the essence of why top talent prefer your firm.

Development by Default ➡ Development by Design

The Challenge

Too many companies assume they can hire for the skills they need or rely on development happening "on the job" with informal coaching. But the skills and competencies required for work in this dynamic environment require intentional development to proactively build organizational capabilities. Companies will need to be deliberate in identifying gaps to be filled and building robust learning programs to develop capabilities starting with critical functions.

We also see that a large variety of new kinds of roles and jobs are being created each year. Picturing ahead, this suggests that it's unlikely today's college graduates will have straightforward paths to an existing kind of role

or job in five years. Talent development will therefore require continuous re-evaluations of skills, competencies and career paths.

Companies will need to be deliberate in identifying gaps to be filled and building robust learning programs to develop capabilities starting with critical functions.

Where to Focus

- Build a recruitment process that hires for an individual's potential and ability to learn, not only past experience.

- Design learning journeys that support not only absorption of new content, but also recall, application and reinforcement.

- Invest in learning and development systems that support microlearning, social learning and mobile learning.

- Foster a culture that values daily learning as a habit.

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The Slingshot Effect

Data Experts ➡ Data for Everyone

The Challenge

Not so long ago, accessing a company's storehouses of data required arcane programming skills and understanding that data required specialized analytical tools. It required a cadre of experts to get it and tell us what it meant. And that took time.
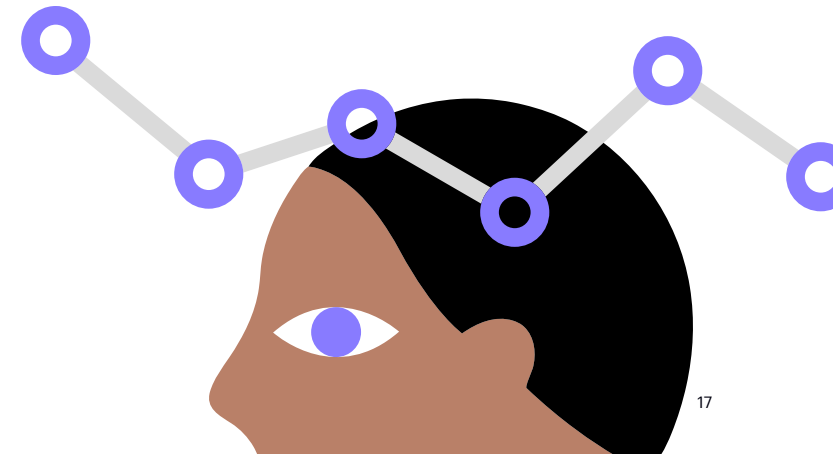
Today, the importance of being able to interpret that data has only increased. And while the tools to access and manipulate it have become increasingly user-friendly, the volume of data available has increased and the collective knowledge of how to interpret it has lagged. To keep up, companies like Bloomberg, Guardian Insurance and Adobe now have data science and digital academies that are focused on helping employees in all disciplines learn how to analyze data.

The ability to source, analyze and respond to data across the business at all levels is now a baseline requirement for businesses to survive and prosper. Without it, we cannot make data-based decisions at critical junctures—e.g., around employee safety during the current crisis. Nor can we make smart decisions in our day-to-day, for instance when designing and resourcing new experiences, products and services.

The ability to source, analyze and respond to data across the business at all levels is now a baseline requirement for businesses to survive and prosper.

Where to Focus

- Increase data literacy at all levels, starting at the top.

- Build data literacy and fluency into recruitment requirements across functions.

- Build a data ambition and roadmap, aligning the evolution of organizational capability building and decision-making.

SOUL

The next normal requires a new set of mindsets, behaviors, symbols and rituals.

The workplace is strangely caught in a place where we are mourning the loss of ways of working of the past, juggling the new models we are currently experiencing, and wondering what the future might hold. Workers are now acutely aware that this was not actually the first global pandemic, nor is it likely to be the last.

The need to tend to the organizational 'soul' is heightened. Companies need new rituals for a world of increased remote work, which is plainly going to endure in many areas of business post-crisis. They must meet a new set of requirements for equity, inclusion and belonging, catalyzed by a newfound understanding of how attempts

to date at social justice have fallen so far short. And recognizing that there are waves of change which cannot be anticipated, firms must foster a resilient culture that embraces constant change as a necessary catalyst for positive growth, true inclusion and transformation.

Companies need new rituals for a world of increased remote work, which is plainly going to endure in many areas of business post-crisis.

Physical Serendipity ➡ Virtual Serendipity

The Challenge

Traditional companies are missing their water cooler. Simply by getting up to refuel in the kitchen or go to the restroom, a chance encounter was known to produce unexpected value.

In the world of remote or even reduced on-site work, only digital natives who've never had a shared watercooler to begin with have rituals for producing serendipitous encounters. And companies are seeing the impact with 63 percent of employees spending less time socializing with their colleagues, both in-person and virtually, since COVID-19 was declared a pandemic.

Workers from more traditional firms are finding themselves bereft of a source of inspiration. They desperately need ways to

create virtual water cooler moments both large and small—ways of forging chance connections amongst individuals and across teams and business lines. Firms that fail will deprive themselves of not only a sense of community, but also innovation.

63% of employees are spending less time socializing with their colleagues, both in-person and virtually, since COVID-19 was declared a pandemic

Where to Focus

- Pilot new tools for sparking unstructured conversation and sharing of ideas.

- Fund communities and affinity groups outside of organizational boundaries.

- Increase cross-boundary (business, function, geography) events that combine large group experiences with smaller, self-directed breakouts.

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The Slingshot Effect

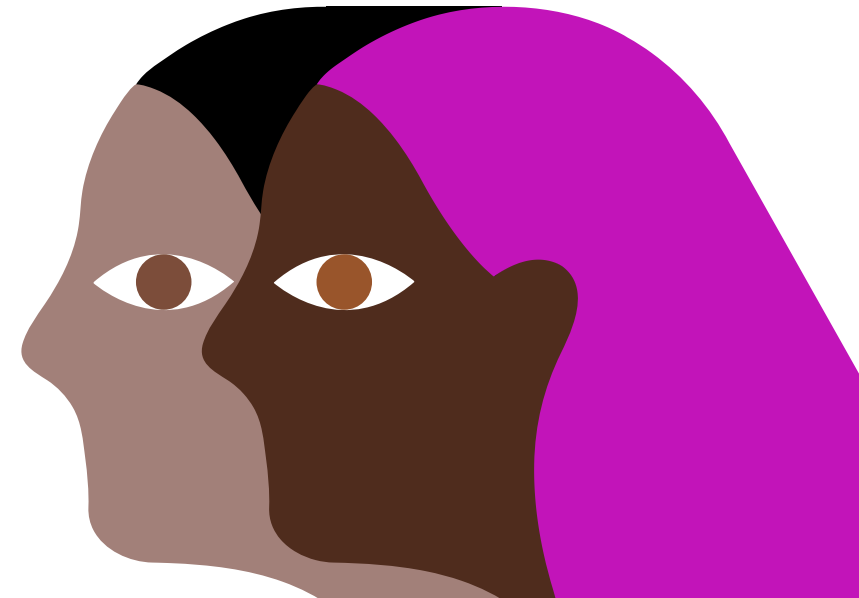# Passivists ➡ Activists

The Challenge

The coronavirus crisis has put a spotlight on social, economic and racial inequities in society. We must acknowledge that employees — especially those in marginalized communities—feel disconnected and exhausted not just by the pandemic, but by years of inequality.

Many corporations have been "passivists" saying and doing the minimal requirements to check a box and get back to business. Hiring a Chief Diversity Officer, for instance, but not properly funding them. Creating employee resource groups (ERGs), but not empowering them.

Recent events at Wall Street stalwart Morgan Stanley, feminist co-working firm The Wing, and beauty behemoth Glossier, illustrate that those companies that do not heed the calls for meaningful equity, inclusion and belonging can expect to be called out. First by current and former employees on social media, then by journalists and ultimately by business partners and shareholders.

Where to Focus

- Build inclusion routines and actions into the operational heart of your organization—meetings, ideas, decisions and processes need to be subjected to an inclusion checklist until they make the shift.

Change as a Journey ➡ Change as a Flow

The Challenge

There is a maturity model for how organizations view change. In relatively static contexts, change is an obstacle to be overcome. Then, a milestone for group achievement. When enterprises take a longer view, change becomes a journey to support transformation to a desired future state.
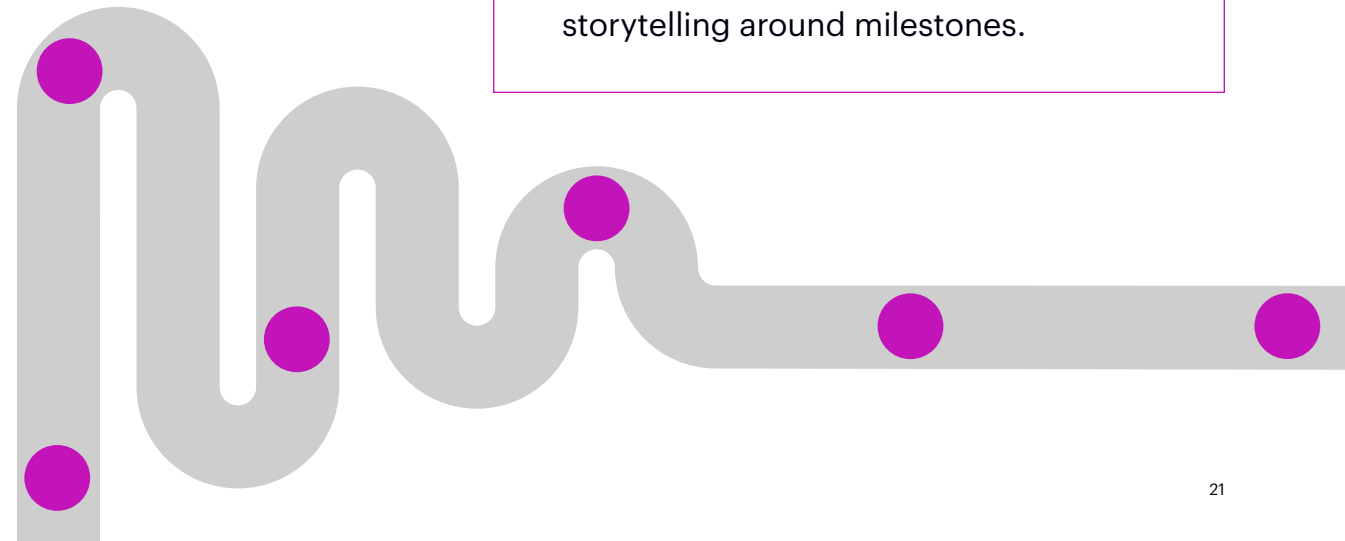
Right now, organizations unable to adopt a journey mindset are bound to get bogged down as the volume of required simultaneous shifts requires orchestrating serial waves of change across functions over multiple time horizons. This is the minimum maturity required for success.

Firms functioning at the highest level will embrace continuous change as a necessity to induce a state of shared flow and, ultimately, to achieve their collective purpose.

Embracing change as a flow starts at the top—resetting the purpose to be that of an enduring journey and embracing change as a core competency of your organization and leadership.

Where to Focus

- Abandon traditional change management efforts highlighting start and end dates.

- Learn to measure and create change readiness within teams and functions.

- Celebrate and emphasize continuous progress in favor of centering storytelling around milestones.

Identifying Your Path Forward

The "Slingshots Shifts" required to create organizational resilience are significant and companies will necessarily want to prioritize the ones most relevant to improving their organization and culture.

We identified four pathways that successful transformation leaders around the world have applied, published first in our 2020 research report titled, Catalysts in Action: Applying the Cultural Levers of Transformation. These pathways align to our Human-Centered Transformation Model™ and can be viewed as entry points to make tangible progress. They are meant to be a helpful aid for organizations who would benefit from guidance on how to better target their change efforts.

Read through the resilience needs in the left-hand column below to see what resonates. An adjacent pathway—DNA, Body, Mind or Soul—is suggested, followed by the relevant Slingshot Shifts to consider, and some representative cultural signals to help confirm your instincts about where to prioritize action.

Resilience Need	Pathways	Slingshot Effects	Cultural Signals
Clear and Purposeful Decisions	**Defining** the Transformation	• Purpose as a Placard ➡ Purpose as Priority • Implicit Employer Brands ➡ Explicit Employee Value Propositions • Work/Life Balance ➡ Making Life Work for You	"Does this work really matter?" "Why should we work here?" "Our jobs are not manageable anymore."
Flexible and Resilient Operations	**Directing** the Transformation	• Responsive Agility ➡ Continuous Resiliency • Command & Control ➡ Empower the Edge • Plan Like a Turtle ➡ Fly Like an Eagle	"Why can we only do things fast in a crisis?" "We'll need to add another month to get alignment." "We spend half the year in operating plan."
Future-facing and Thriving Talent	**Enabling** the Transformation	• Recruit to Commute ➡ Recruit to Compete • Development by Default ➡ Development by Design • Data for Experts ➡ Data for Everyone	"The talent we need won't relocate" "We don't invest in our people" "We are not making data-driven decisions."
Engaged and Connected Workforce	**Motivating** the Transformation	• Physical Serendipity ➡ Virtual Serendipity • Passivists ➡ Activists • Change as a Journey ➡ Change as a Flow	"I'm feeling disconnected." "Management doesn't really support diversity" "People are burnt out from all the change around here."

Organization & Culture Practice at Prophet

If you're thinking about how to best foster resilience in your company and would like to discuss these ideas and specific approaches further, please contact us. We'd be delighted to help you to slingshot your organization towards a more resilient future.

Our Services:
Purpose & Values
Culture & Engagement
Talent & Capabilities
Organization Design & Operating Model

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PROPHET

Our Core Work

Brand & Activation
Marketing & Sales
Experience & Innovation
Organization & Culture

Prophet is a digitally-powered, creatively-inspired consultancy that helps our clients unlock uncommon growth in the face of disruption. Unprecedented levels of change and disruption require new thinking and transformative approaches to growth. From purpose to product, brand to experience, customers to operations, we bring the insight, rigor and expertise needed to help our clients realize transformative opportunities.

Our global team combines insight, creativity, data and technology to help our clients unlock growth that is human-centered, transformative and durable. We are guided by a mission and set of values that are focused on a higher-order approach to growth. Our global footprint operates within a single P&L, enabling us to bring the right people with the right experience together to solve our clients' current business challenges from across our 12 global offices.

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