

# THE FUTURE CEO

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Next generation technology:  
**A 'SEISMIC SHIFT' FOR THE CFO**

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inlumi



# BLACK SWANS - INSPIRING A NEW ERA OF TRANSFORMATION

## Transformation is not a new concept.

Organisational change has long been a focus for businesses of all sizes, but the black swan events of the last year have intensified the pace of global change. They have also unlocked new opportunities and value for those businesses with the conviction to change.

Embarking on a transformation is one of the most important decisions a CEO will ever make – and that has never rung truer. They need to create a unifying vision for the organisation, endorsing and role modelling the change they want to see. Transformations delivered successfully will often put a CEO's career on a new trajectory – as will unsuccessful ones.

While the number of business transformations taking place in the last year has not significantly changed, it is evident that the strategies and processes to deliver them have – and organisational agility and speed is at the heart of this.

The pre-pandemic transformation landscape was characterised by big, cross-organisational projects, which could run for years. When the lockdown came into force, it showed what was possible when we had no other choice – achieving positive outcomes in record time.

The pandemic has ultimately forced the world to change and with this has come a shift in mindset, where people better appreciate the necessity of the interventions taking place. We are more willing to change behaviours, both in the ways we organise ourselves and conduct business.

Organisations have been able to remove barriers and streamline decisions and processes in ways they had never done before. Those that have rapidly deployed new technologies and ways of working have seen powerful results, in terms of revenues, cost efficiency and return on capital.

With nearly two thirds of transformation projects involving digitalisation, delivering quickly and at scale reduces the risk of projects and 'new' tools becoming redundant or out-of-date before their value can be realised. Companies focusing on minimal viable product functionality, continuous improvements, and adopting a micro set of working practices, with teams communicating little and often to make decisions, have been better placed to meet the shifting demands of consumer expectations.

As life ground to a halt, one would be forgiven for thinking that anything that is not core to business operations would have been jettisoned, but this has not been the case. Over two thirds of our network did not cancel any of their transformation projects at all, with over a quarter starting new initiatives. CEOs who have seized the moment, committed to what is required and got the business ready are now reaping the rewards.

While future proofing against further disruption and investing in business continuity remains at the forefront for many of us, a successful and profitable future will not be built on resilience alone. The pandemic has accelerated macro trends on digitalisation, climate related initiatives and flexible working practices. We have entered a new era of profit, people, planet – and CEOs will need to remain focused on this as we move forward.

For those leaders seeking experienced viewpoints to guide them through, with a focus on the right people and teams to deliver, the opportunities inspired by recent events are infinite. There is significant scope to unlock value for organisations both commercially and for the greater good.



**Rob Walker**  
CEO, BIE Executive

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BIE is an executive recruitment firm that has been building leadership and enabling change for over two decades. Through a combination of interim management, executive search and transformation expertise, across five broad market functions, we empower our clients to adapt, plan and deliver change.

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### CEO ROLE

# Becoming a CEO in a crisis

Compassion, passion and communication are the three critical skills newly appointed chief executives believe are key

### Chris Stokel-Walker

Leading a business is challenging enough for any chief executive (CEO), but taking the reins of an organisation during the coronavirus pandemic makes it more difficult than most business challenges.

"At that level, you've already had a significant amount of pressure on you," says Jane Walsh, CEO of specialist beauty agency SEEN Group, since November 2020. "But you usually go into a CEO role wanting to tell the business how you want to run it. Here, with furlough and other things, society was telling us how to run the business."

Stan Pavlovsky, who became CEO of media library Shutterstock in April 2020, agrees. "Immediately we had to prepare for some seismic shifts," he says. "You look at your business, and travel and advertising go away just overnight. Everything was cancelled, impacting our editorial coverage. Companies were scrambling and reducing their marketing budgets." Pavlovsky recognised they needed to adjust the business.

Shutterstock launched several new subscription products for smaller businesses, reflecting the shift in advertising and marketing needs, and that big-budget investments were unlikely. Businesses knew they needed to cut their cloth differently and the companies serving them recognised this too.

The company also took stock of what separated them from competitors and how they could help businesses do things they otherwise couldn't because of restrictions around the pandemic. They began refreshing how they presented their pre-packaged editorial content, as clients would still need stock footage for advertising campaigns, but couldn't necessarily produce it themselves.

But it wasn't just their business offer that companies changed during the pandemic. How they transacted business and how they kept their own firms running was also different. Pavlovsky worried that working from home would be a strain for employees and could negatively impact the company. He took the decision to proactively over-communicate with employees. "We tried to put people at ease," he says.

Walsh concurs. "When the pandemic hit, I felt there was only really one way to navigate it, which



was to completely over-communicate," she says. Employees, worried for their future, needed clear messaging: something all CEOs can carry forward regardless of global events.

It is a common trait for incoming CEOs to want to put their imprint on an organisation when they arrive in the C-suite. "I'm 33 and have a perspective that I want to break all the accepted wisdom down," says Sam Hawkey, who became CEO of Saatchi & Saatchi in June 2020. Perversely, the outside issues brought by the pandemic made

that job easier. "People talked a lot about how things were changing and this 'new normal'," he says. "Because of that, everyone knew stuff had to change. In chaos there's always opportunity."

Hawkey used the challenges brought about by COVID as an opportunity to justify his more radical decisions for the firm. The company saw a 12 per cent drop in revenue in 2020. Normally, that would be a brake on any big decisions to rethink the company, but this time it allowed him to accelerate changes.

**78%** of people believe that businesses have a responsibility to ensure their employees are protected from the virus in the workplace and do not spread the virus into the community

**63%** say they would like their employer to share information about the coronavirus at least daily

**29%** say CEOs are doing an outstanding job meeting the demands placed on them by the pandemic

Edelman 2020

Others found the pandemic more of a challenge to their efforts to recast firms in their image. "My vision for the company was to become much more ingrained in the workflow of our customers," says Pavlovsky. But the first three months of the pandemic, and the first few months of his time in charge, were instead spent settling employees and listening to their concerns.

The shift to digital working was eased by Pavlovsky's experience as chief operating officer at Shutterstock and the firm's global outlook. "Our employees are used to seeing me on video, even before the pandemic," he says. Video calls therefore aren't unusual. He did, however, have to cut back on plans to visit every Shutterstock office in the first year of his tenure. "I like to learn from employees face to face," he says. "That's been a lot harder, for sure."

At Saatchi & Saatchi, Hawkey would have expected to see 100 employees a day, saying hello and picking up their general attitudes to work and the business. "Without that touch, you lose any sense of how the business is feeling," he says.

In its place, firms sought much more proactive pursuit of employee feedback, actively courting their opinions to raise any concerns before they became a larger issue. "Whether it's a pandemic or not, stakeholders in the business need that anyway," says SEEN Group's Walsh. It's also important to be honest with the workforce about uncertainty.

"Communication is so critical," says Walsh. "The change which the pandemic forced is the need to be way more transparent." She instigated weekly town hall meetings, giving key business updates.

It was also important to set expectations around work, something that, as we rebound from the pandemic into a recession and people feel more uncertain in their jobs as competition increases, is more important than ever.

Through the quest for employee feedback, Hawkey realised the danger of staff burnout during lockdown: "They end up working and working." But he remains optimistic. "My mum taught me two things," he says. "You make your own luck and, if you're a positive person, you get 10 to 15 per cent more out of yourself and those around you."

Walsh concludes: "Right now it's about survival and team protection." ●



LEADERSHIP

# The co-CEO: can two heads be better than one?

Having double the experience and inspiration is making the co-chief executive an attractive model for some companies, but can it really achieve more than the typical way of doing business?

MaryLou Costa

Less than three months into their new roles as co-CEOs of Jungle Creations, Melissa Chapman and Nat Poulter are convinced that sharing the hot seat is a winning formula and more companies will catch on.

The UK media company has joined the ranks of businesses worldwide, such as Roleshare, iSupply Energy and Octopus Ventures, with the perhaps quirky common denominator of a co-CEO set-up.

“COVID has changed the way we work so much already. With businesses like ours breaking with tradition, I see more companies moving in this direction,” says Poulter.

Together with Chapman, he has been transitioning into the co-CEO role over the past year, jointly navigating a revenue and profit jump of 38 per cent and impressive 342 per cent respectively.

The concept has clear appeal: double the foresight, expertise and, of course, time and energy, offering the ability to drive a company forward at breakneck pace. There’s

also an argument for it helping address gender imbalances at the highest level.

But can it work for any company and what challenges must be dealt with for the pair to be greater than the sum of their parts?

### A level of reach and diversity beyond one person

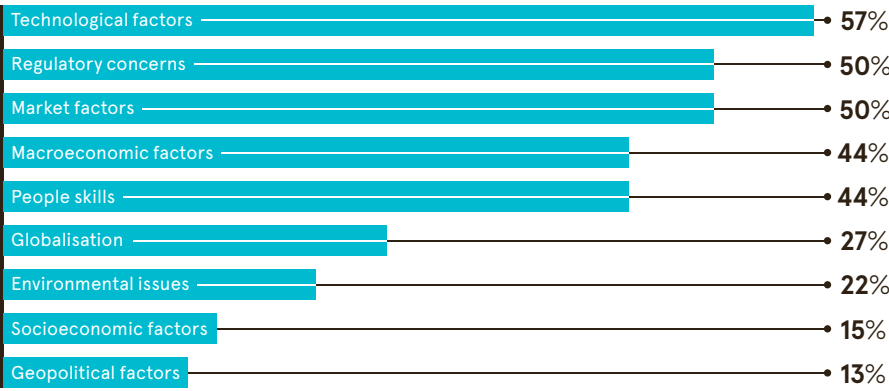
Roleshare, a job share partner matching website run by husband and wife co-CEO team Sophie and Dave Smallwood, is hoping to fill more leadership positions using this model. They’ve just partnered with the Global Network of People Living with HIV, a non-profit specifically looking to appoint two people to their most senior director position, the equivalent of a corporate CEO.

“Because it’s a sensitive subject requiring strategic alliances and connections globally, the organisation wants a level of reach and diversity you wouldn’t get from just one person,” explains Sophie.

From both Roleshare and Jungle Media’s perspectives, the extended

### CEOs BEING PULLED IN A GROWING NUMBER OF DIFFERENT DIRECTIONS

Percentage of global CEOs who say the following external forces are some of the most important to impact their enterprise in the next two to three years



IBM with Oxford Economics 2021



Mora Images via Getty Images

breadth and scope that can be derived from two people leading a business is clear.

“It’s such a large role that requires so much, there’s no way I’d be able to do this by myself,” adds Sophie, who leads on marketing, while Dave drives operations, with sales, fundraising and product development a joint effort. “There’s a whole aspect of the role Dave does that I just wouldn’t be able to get to. It’s so big it does require two people.”

As Jungle Creations’ Poulter points out, the company’s four differentiated revenue streams are essentially like four different businesses, so “having different skillsets to operate these makes sense.”

Echoing Sophie’s point, there often “still aren’t enough hours in the day” to be as hands-on and strategic as the role requires, notes Chapman who, alongside Poulter runs individual departments, teams and related budgets, while building strategy and making key decisions together.

“We feel it’s important for us to be involved in the day-to-day goings on across the various parts of our business, which would frankly be impossible for one person,” she says.

### Are co-CEOs paving the way for female business leaders?

The potential to boost numbers of female CEOs is something the Roleshare team believes should be another key driver for businesses looking to appoint co-CEOs.

Sophie argues it can help buck the trend of women not applying for roles because they don’t meet 100 per cent of the criteria,

compared with men who are more likely to apply even if they only meet 60 per cent.

“From a diversity perspective, that’s really important for me,” she says. “Aligning with Dave as my co-CEO has given me the courage to pursue this type of endeavour. It’s the same in previous roles I’ve had, where perhaps I didn’t apply for a more senior position that seemed really interesting, but I was too hard on myself about whether I could do it, even though I had most of the skills they were looking for.”

“If I had to apply for a senior leadership role today, and saw I met a lot of the description, but then I’d be matched with somebody else, I would feel much more confident.”

However, the argument doesn’t resonate with Chapman, who doesn’t see the connection between a co-CEO role being more accessible or suitable for a woman.

“I couldn’t predict if co-CEOs will be a route to fixing the inequality that exists at the highest level in many businesses,” she says. “It still depends on decision-makers removing their gender bias to appoint women into the roles they deserve, either solo or as part of a co-CEO model, when it best suits the business.”

### Where co-CEOs have failed

But do the pros outweigh the cons when it comes to co-CEOs? The model has been trialled and abandoned by both software firm SAP and tyre maker Pirelli who reverted to the status quo after just six months. According to SAP, the clarity of a single CEO structure would

help it best to recover and grow post-pandemic.

Consultants Steve Hyde and Charlie Crowe agree, unsold by the case for co-CEOs. “In a shared situation, you’ve diluted the authority of the CEO,” says Crowe.

For Hyde, CEO of 360xec Executive Search, customers and employees “expect to see a lot of the person that’s in the shop window, who is nearly always the CEO, so you don’t need two on that basis”.

While Jungle’s Poulter acknowledges the power of the “genius CEO”, like Steve Jobs or Elon Musk, he stands by his and Chapman’s appointment.

“Although there may have been times where a co-CEO set-up hasn’t worked, there are plenty more examples where an individual CEO hasn’t. There are businesses in our industry that have had almost as many CEOs as they’ve had years in operation,” he says.

### Tips for co-CEO success

Consensus from Roleshare and Jungle is that success for co-CEOs is down to alignment, which can bridge differing personalities and approaches, and avoid a situation of one co-CEO trying to override or outshine the other.

“The main thing is communication and making sure you have a pre-agreed model for how you’re going to work, and a joint vision and values, or you can end up in a bad place,” says Dave. “As a company, it’s about how you can enable a better way of working for everyone. We’re serious about diversity and it’s at the core of why we’re standing up together as co-CEOs.”

OPINION

## ‘This isn’t just about supporting directors now, it’s about building a sustainable future for the next generation of leaders’

A year ago, we had just declared COVID-19 a global pandemic, which we all thought would be over in months. How wrong we were. At that time, directors and their organisations were dealing with the aftermath of the down-to-the-wire Brexit deal. None of us could have predicted the enduring impact of the pandemic but, like a lot of crises, it has presented opportunities to transform the way in which we do business.

Most organisations have had to adapt and continue to evolve at pace to survive. Amid the continued uncertainty of post-COVID recovery, one thing is sure: the Institute of Directors (IoD) is committed to supporting directors to bounce back better and thrive.

Development of any organisation’s workforce is fundamental to its success. While human capital is not a tangible asset on the balance sheet, the skills and capabilities of your workforce are incredibly valuable.

In a recent survey of the director community, 96 per cent of respondents rated continuing professional development as important. Furthermore, respondents identified strategy development and implementation, cybersecurity, corporate governance, leadership and digital skills in their top five learning priorities.

As a professional institute, under our Royal Charter we have a duty to help directors to be the best they can be. This isn’t just about supporting directors in the here and now, it’s also about building a sustainable future for the next generation of enterprises and their leaders. Our professional development programmes are specifically designed and delivered by directors for directors, combining academic rigour with practitioner experience, all underpinned by our acclaimed competency framework.

In 2020, we celebrated the 21st anniversary of our internationally recognised Chartered Director programme, which has attracted tens of thousands of business leaders across all sectors and industries. Chartered directors are role models who embody good governance, leadership and a commitment to lifelong learning.

In response to the pandemic, we prioritised the redevelopment of our entire Chartered Director programme via virtual classrooms. The feedback has been phenomenal; with most

organisations operating remotely, our virtual programmes are seeing increasing demand within the UK and overseas. We know from our research that three quarters of our members will be keeping increased remote working after COVID and so access to hybrid programmes, which incorporate digital and virtual development pathways, is here to stay.

We have also been responding to the needs of directors by innovating and developing new programmes. We know cybersecurity and data governance are pressing issues for our members. We will be offering tailored support and additional development in these areas. We are passionate about improving diversity on boards and championing inclusive working practices for under-represented groups. The IoD and TheBoardroom Africa have been partnering to enable board-ready women to complete the IoD chartered director qualification since 2018 through the Open Doors Programme.

We are working to support the directors of the future through a new development programme, Tomorrow’s Director. This aims to build and support students’ entrepreneurialism, understanding of good governance, effective board performance and improve their employability. Participants also get the opportunity to experience reverse mentoring with our chartered director community. This is another area where the IoD will act as a driving force for positive change.

As we emerge from this pandemic, the IoD will retain our laser-sharp focus on director development for the benefit of individual directors, but also for the benefit of society as a whole. ●



Jonathan Geldart  
Director general  
Institute of Directors

# Why strong leadership starts from within

Senior executives can learn to take time to reflect on how to become better leaders

As public life slowly begins to reopen, the future of work still feels unclear. Even the most skilled executives will face challenges that are unlike any they’ve come across before. But Dr Dimitrios Spyridonidis, Associate Professor of leadership and innovation at Warwick Business School, says these seismic changes offer an opportunity for business leaders to transform work for the better.

Throughout the pandemic, we’ve consistently been told we can never return to normal. The reality is not quite as clear-cut. “COVID-19 has changed the traditional workplace, but different employers will prioritise different ways of working. Some organisations in the financial sector have said they want to return to the traditional office, but a number of technology companies have said they will allow employees to work remotely indefinitely,” he says.

But it’s not just the pandemic. The digitisation of everything is a conversation that’s been going on for a long time. Data is becoming the real strategic asset and shifting capital markets have enormous ramifications for jobs, business models and

how knowledge is distributed. This uncertainty stretches far beyond the physical location of our workplaces. “Even for those who are embracing the traditional office, the uncertainty will never go away. I don’t think senior executives can expect life to go back to normal, but I think there are ways to create a new world of work that will be happy and productive” says Spyridonidis.

Improving wellbeing should be a priority for any organisation. Data from Deloitte shows that at least 38 per cent of us have struggled with our mental health over lockdown. But it’s never been simple to implement.

Each of us will have had different experiences and challenges throughout the pandemic. Rather than looking for solutions externally, Spyridonidis argues that strong leadership starts by looking at ourselves.

He says: “We must learn to lead ourselves before we lead others. That means understanding your own wellbeing, your mental health, your physical health. If you can’t understand how to create a healthy work-life balance for yourself, how are you going to show others?”

We know productive, sustainable organisations need leaders who are emotionally intelligent, resilient and empathetic. Spyridonidis believes that the pandemic has cemented the importance of these values. “COVID has created one of the biggest emotional rollercoasters of our lives. It’s more important than ever for executives to understand the human aspect of leadership. Empathy and compassion are

important traits in leadership, but you must learn to provide these traits to yourself first.”

The workplace has not always been conducive to allowing executives to grow and progress. Organisations recognise the value of learning and development at every level, but budget constraints, long hours and the daily pressures of working life can often mean most workplaces will not offer the space needed for executives to evaluate and reflect.

“Leaders don’t have time to stop and think and to challenge what they already know and how they know it,” explains Spyridonidis. “What is it that they are assuming about the future, that they might be able to check out, test and pursue? This is one of the biggest problems for leaders in a fast paced, pressurised environment. They find it very difficult to stop, think, reflect, and redefine how they do things.”

It might seem overwhelming but, with help, we can make self-reflection a daily habit. “You need to find time to stop, think and take care of yourself. Self-reflection needs to become an in-built habit that is just as much a part of your routine as a daily cup of coffee.”

Self-awareness is often seen as a soft skill, but this classification doesn’t do it justice. “It involves critical thinking and that’s not something you acquire just like that; it’s something you need to develop,” he says.

On Warwick’s suite of Executive Leadership Diplomas, Spyridonidis hopes to create a space that will take executives out of their comfort zone and challenge their assumptions about themselves.

“I have seen amazing people coming to our programme and emerge with the skills to redefine what they do,” he adds. “We want to challenge successful executives to think about themselves in a very different way. This can put people into an uncomfortable space, but that’s what you need to create change.”

The future of work could look very different, but with the right leadership, there’s every chance it will be more fulfilling for everyone.



Find out more about Warwick Business School’s Executive Leadership Diplomas: [wbs.ac.uk/go/raconteur](https://wbs.ac.uk/go/raconteur)







RISK MANAGEMENT

# How the events sector weathered the COVID storm

For leaders in the events sector, 2020 brought an existential threat to their business. But with business disruptions set to become increasingly common, tomorrow's CEOs will need to be adept at assessing the risks ahead and steering their companies on a safe course

Lucy Douglas

Like many in the business of live events, Will Mould's company XYZ – an experiential marketing marketing agency with clients including Nike and Levis – took a hit in 2020. After a stellar start to the year, things “just fell off a cliff. Huge amounts of work was cancelled by the major bands that we work with, we had pretty much no revenue whatsoever for the next six months”, says Mould.

The live events and hospitality industries have been among the hardest hit by the Covid-19 crisis. For such businesses, a nationwide ban on people gatherings made

the worst-case scenario a reality. Measures to counter the pandemic required the immediate shutdown of all operations, with no indication when they might be able to resume.

For the people at the tops of those companies, the last 12 months will have been a rigorous test of their ability to navigate a crisis. It's an increasingly important quality for CEOs: significant business disruptions are expected to happen more often; the climate crisis, digital transformation and geopolitics are all expected to pose challenges to business in the future.

When it came to disaster planning, Mould and his co-founder had some contingencies in case of a major technical problem or an emergency such as a fire destroying the office. “But those things are temporary and about finding a new space and getting the server up and running so you can deliver your work,” he says. “I don't know how many people would have planned for what we've gone through.”

Like others in his sector, Mould made the decision to move into virtual experiences, to try and generate some revenue for the business by the end of the year. “We took our time to work out how we could do some things that were a bit deeper and more meaningful,” he explains. The result was a new digital hybrid platform blending live elements with a virtual experience, which allowed the company to run two events for clients in the fourth quarter of 2020.

“We played the long game on it and we're definitely seeing the benefits of that now. People still need to do pan-European or global [events] but they know people can't travel to those,” he says.

Taking a long-term view – as opposed to just focussing on getting through the immediate crisis period – is crucial in order to prepare for any bumps on the road to recovery. “You have to make the assumption that you will have a business coming out of this and at some point the world will return to normal,” says Mike Wroe, former CFO of Just Eat and now non-executive director for businesses such as events company JL Live.

He predicts that the events industry will see a flurry of activity in 2022, to make up for the lost trade and with customers ready to spend money. “People forget that risk works both ways – there's risk on the positive. There'll be, potentially, a massive uplift in our industry.

We've got to be really careful about whether we can deliver that.”

With many supplier businesses to the events sector having folded, and many freelance producers and technicians forced to find work elsewhere, there is a risk that organisers could struggle to find the skilled people and necessary equipment to run their event, he says.

“I think relationships will be absolutely critical as we come out of this,” he adds “In terms of risk management, relationships are massively underrated. Make sure you keep in touch with people.”

## Taking a financial risk

According to Claire Fennel, executive director of industry group the Events and Visual Communication Association (EVCOM), many of those in her sector that have gone out of business in 2020 will have

“In terms of risk management, relationships are massively underrated; make sure you keep in touch with people

done so due to the bad luck of investing in their growth at the wrong time and being left exposed financially when the crisis hit.

“Companies go bust from lack of cash – not lack of profits or hard work,” Wroe adds. But for all that this crisis will have punished those who overstretched themselves, he doesn't think it's likely to make much difference to attitudes towards taking on finance. “People tend to have short memories. At the moment, finance is frighteningly available and it's cheap,” he says.

Fennel says that of the EVCOM members – businesses in the corporate events sector – that have done well during 2020, many had done so due to the resources at their disposal – both the range of technical expertise among staff and assets such as studio space. In the case of smaller operations, she says, it was sometimes a case of pivoting to something else completely.

One thing the success stories have in common is their quick decision-making. Wroe, who has seen three major economic downturns in his career before Covid-19, says: “Speed is absolutely of the essence in terms of making the decisions. Make good decisions, communicate them well and get on with them.”

That is perhaps the most important attribute for CEOs to cultivate in themselves – for the good times and the bad. The ground breaking CEO Genome project, which assessed 17,000 C-suite executives, including more than 2,000 CEOs over the course of a decade, found that among the most important attributes for a chief executive were decisiveness and adaptability. The ability to make a decision quickly – even if it turned out to be the wrong one – and communicate it well was a far more reliable indicator of success than, say, academic background. Likewise, the research found that CEOs who excel at adapting are 6.7 times more likely to succeed.

For Mould, the setbacks of last year have “opened our minds to what we can do as a business”. XYZ has now started offering more knowledge-based services to its clients, using expertise among the team in design and reaching specific demographics. “That is really valuable to brands but we've never thought of using that, or selling that as a separate thing,” he says. “It's certainly increased our capabilities and our offering, which is a positive that you wouldn't have thought would come out of eight months of inactivity as a business.”

126k

events jobs lost as a result of COVID-19

£2.4m

lost per venue

Meetings Industry Association 2020



# Q&A

## Next generation technology: a seismic shift for the CFO

Finance departments too often lack the tools they need to make a real, enterprise-wide impact, but that is starting to change thanks to technology such as advanced data analytics, artificial intelligence and machine learning

New cloud-based platforms enable finance departments to make better sense of data often siloed across their organisations and gain deeper insights into how the company is performing. They also enable them to be more agile, take advantage of trends quickly and release time for higher value-adding activities. Ashley Chapman, head of consulting at the intelligent performance management company inlumi, discusses the possibilities. The firm has worked with clients including Rolls Royce, ITV, Ocado, M&G Prudential, Hyperion Insurance and Volvo.

You personally have been providing technology advice to finance departments since 2006. How have things changed since then?

Data and technology have always been important to the office of the chief financial officer (CFO), but they have really risen to the top of the agenda in the last five years. That's partly because the world of finance has become more sophisticated and open to new trends and innovations; it's also because the technology available has become more advanced and affordable. Now you can find platforms that are good at a ton of different things, not just one specialisation. They can also handle a far higher volume of data, which means the problems you can solve and the value you can add back to the business is far greater. When I started, the applications available could only handle several thousand

rows of data and you could only do one thing with that data. Now you can have half a billion rows of data and you can do so much more with it.

How is this affecting the roles of finance and the CFO within organisations?

For the last decade, finance has been moving to become a trusted partner and strategic adviser to the business. And it's now far less complicated and time consuming to realise that goal. Previously you would be asked a question by a business unit or divisional leader and have to go away and cobble together the answer from lots of different sources you weren't always sure you could 100 per cent trust. Finance, equipped with the right technology, now has a much easier time addressing the problem and taking a more active and creative role in strategy. Historically, finance has found it expensive to evolve with technology. But with cloud, machine learning and artificial intelligence (AI), it has the opportunity to transform faster and take on a new role within the organisation. Finance can leave behind a tradition of operating in isolation and become a provider of strategic insights that affect processes across the whole organisation from supply chain, manufacturing and product costing to marketing, finance and human resources, which is now termed as xP&A or extended planning and analysis. According to Gartner, by 2024, 70 per cent of all new financial planning and analysis work will

become xP&A projects, extending their scope beyond the finance domain into other areas of enterprise planning and analysis.

Are there efficiency gains too?

Yes, it is very much about getting further forward for significantly less effort. You can see this through a cost lens, but it is also about how quickly you can help your organisation react to emerging trends and take advantage of them, not to mention create resilience, which is pretty relevant given the last 12 months. That not only has a strategic benefit, it also frees you up. Finance teams have been desperate to drag themselves away from low value-adding data processing tasks and towards higher value-adding activities, such as forecasting or the granular interpretation of results. It means departments don't just end up focusing on what has happened, but also on what's going to happen, what it means for the business, the testing of new ideas.

“If finance can't serve the business fast enough and at the level it needs, the business will find the answers elsewhere

Are businesses still unaware of the benefits?

I think most finance teams and CFOs are educated enough to know what digital finance means and the value of data analytics, AI and machine learning as emerging trends. The challenge has been how to implement these innovations affordably and well. Many large multinational businesses are still using legacy technology that needs updating and this creates a barrier. Some also fear they will have to bring in specialist talent when in fact the modern platforms offer all the capabilities they need. A lot of finance functions still look to other areas of the wider business to solve data issues, without realising that most of the new cloud-based platforms they might buy handle the core reporting, planning processes and also feature advanced analytics capabilities.

What are the risks in not updating your technology?

If finance can't serve the business fast enough and at the level it needs, the business will find the answers elsewhere. In addition, the gap between what the business is using internally to fuel its direction and its growth will diverge from what it is telling the market externally. That's a problem because those two datasets must add up to the same. We expect analytics platforms to become ubiquitous in finance functions, so competitively there is a risk in not adopting. It is very difficult to move forward, make changes and choices unless you address the problems with the technology you are using for reporting and planning.

What will the finance function of the future look like?

Analytics, machine learning, AI and predictive capabilities will help finance teams become more embedded in the enterprise planning, forecasting and decision-making processes than they were before. Finance will become part of the DNA of the organisation and the differences between front and back-office functions will

70%

of all new FP&A projects will become xP&A projects by 2024, extending their scope beyond the finance domain.

Gartner Magic Quadrant report 2020

77%

of CFOs believe it is within their purview to drive business-wide operational transformation.

Accenture CFO Reimagined Report

86%

of CFOs reported that analytics initiatives miss the mark.

FSNs global survey 2020

become more marginal. I think organisations that adopt new technologies will also benefit in terms of attracting and retaining talent. By deploying the right tools you open up more creative opportunities, which means people spend more time doing things that are fun and interesting. They'll develop faster, enjoy their careers more and ultimately be more likely to stay.

For more information please visit inlumi.com or contact ashley.chapman@inlumi.com +44 7958 524083

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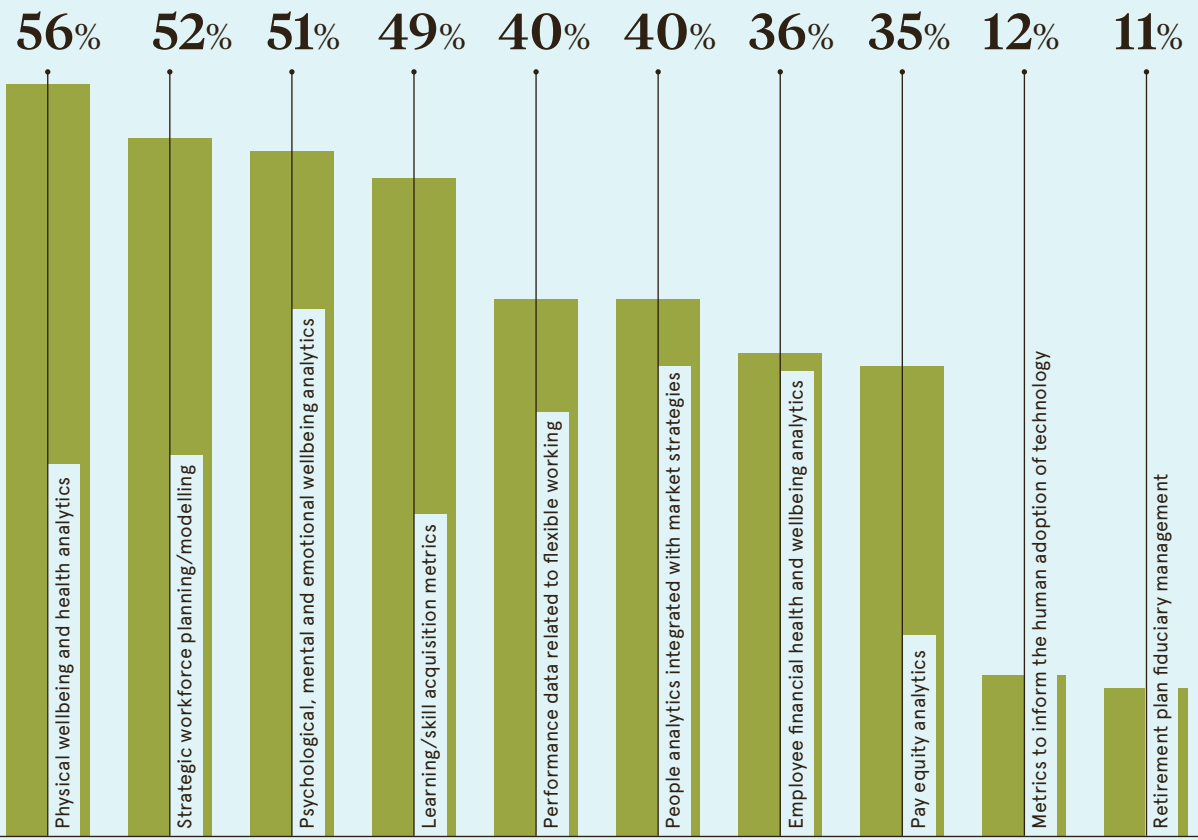


# CEOs WITH PURPOSE

In times of crisis, people look to strong figures for reassurance – be that government officials, community leaders, or business directors. Increasingly, though, employees and members of the public are demanding more from CEOs than a safe pair of hands; they want business leaders to have purpose. From employee engagement to ESG concerns, COVID-19 has shaken expectations of what it means to lead and it’s never been clearer that it pays to care

USING DATA TO SUPPORT PURPOSE

The percentage of organisations who have plans to use data analytics in the following areas



Mercer 2021

79%

of CEOs say they feel a stronger connection to their company purpose since the COVID-19 crisis began

79%

said they had to re-evaluate their purpose as a result of COVID to better address the needs of their stakeholders

77%

say their purpose has helped them understand what they need to do to meet the needs of stakeholders, employees, communities, customers, partners and investors

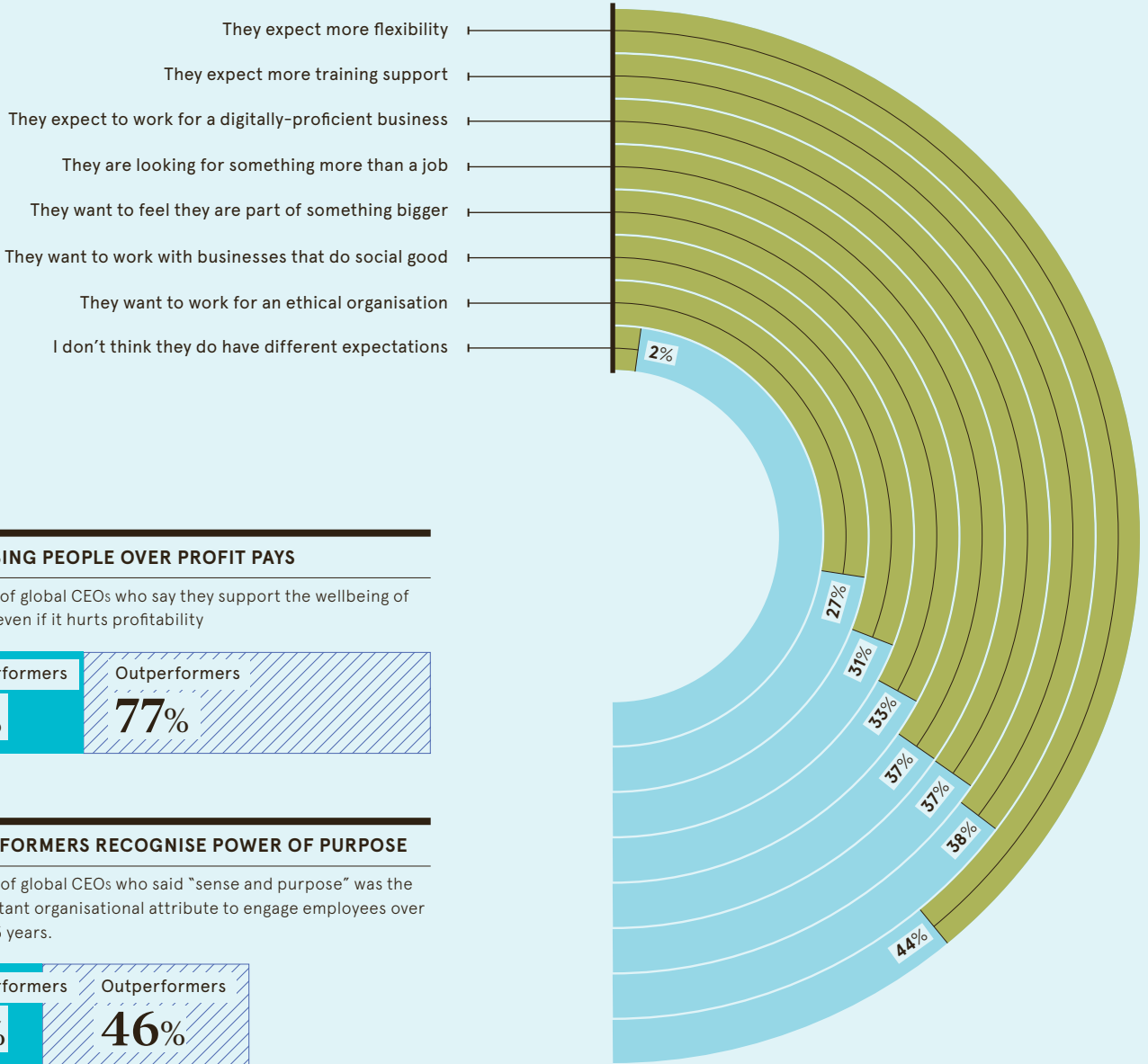
74%

say their response to the pandemic has caused their focus to shift to the social component of their ESG programme

KPMG 2020

THE PURPOSEFUL CEO UNDERSTANDS WHAT DRIVES EMPLOYEES

Percentage of global CEOs who believe the new generation of workers look for the following in a job, compared with previous generations

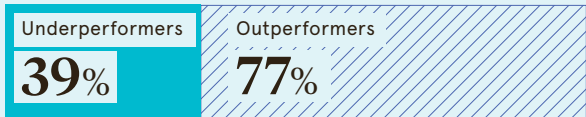


IBM 2021

Brandpie 2020

PRIORITISING PEOPLE OVER PROFIT PAYS

Percentage of global CEOs who say they support the wellbeing of employees even if it hurts profitability



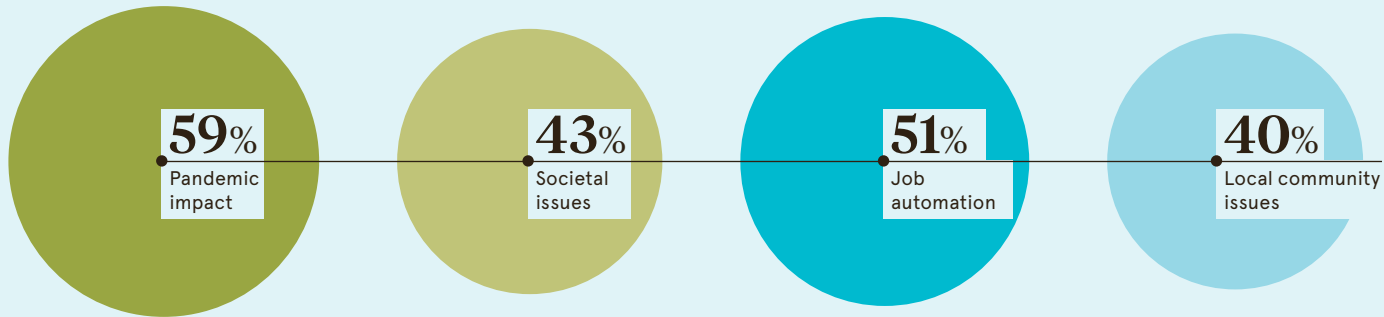
HIGH PERFORMERS RECOGNISE POWER OF PURPOSE

Percentage of global CEOs who said "sense and purpose" was the most important organisational attribute to engage employees over the next 2-3 years.



PEOPLE DEMAND CEOs TAKE A STANCE

Percentage of respondents in this year's Trust Barometer who say they expect CEOs to speak out about the following societal challenges

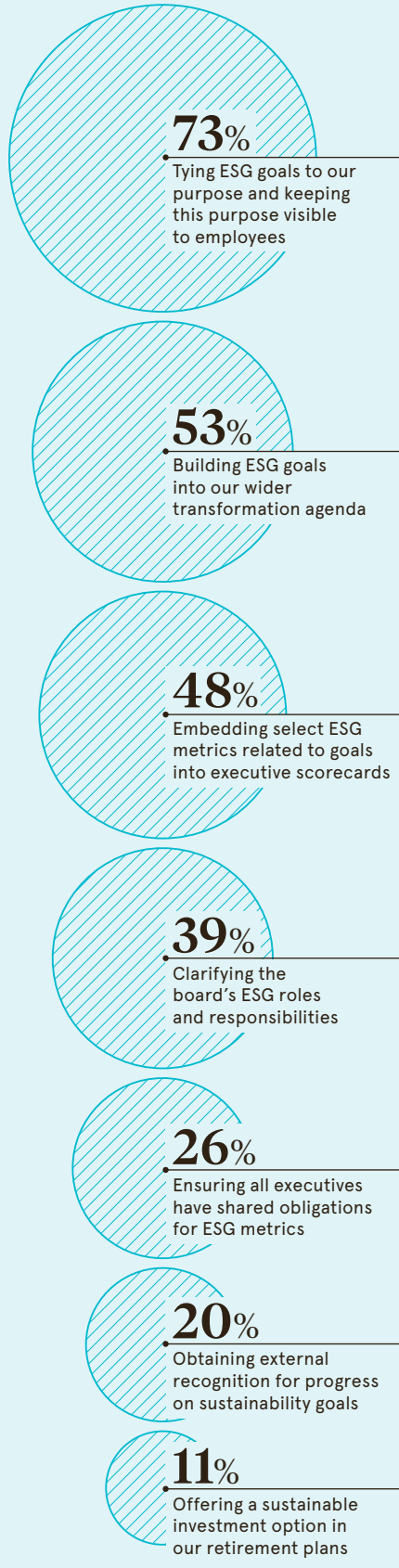


Edelmann 2021

Mercer 2021

HOW COMPANIES ARE PUTTING PURPOSE INTO PRACTICE

Percentage of organisations who are taking the following actions to make ESG concerns a priority.



PURPOSE-LED CEOs ARE...

8%

less likely to think it is a challenge to get leaders to support their strategy compared with CEOs without a clearly defined purpose

25%

more confident in their ability to create an impact through a more positive culture and higher levels of engagement

12%

more likely to provide employees with something more than just a job

17%

more likely to believe they have created value by using technology to improve product and service offerings

5%

more successful at driving value by growing geographically and expanding internationally

Brandpie 2020

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Jonathan Weinberg

## Short term

**Queensway Group**  
**Managing uncertainty**  
With the pandemic still under-way, the future remains unclear for many businesses, especially those in hospitality.  
So Naushad Jivraj, CEO of Queensway Group, the parent company of Point A Hotels, has made connecting with his team a priority, including having one-to-one meetings in parks to ensure a face-to-face relationship.  
“The pandemic has been incredibly tough for our 150 team members, who have had to adapt to furlough, the opening and closing of our properties and minimal occupancies in a usually thriving business,” he says.

“The pandemic reminded us of our fragility as human beings and the pace at which change can happen

“Factoring in time to connect both individually, and as a group, is vital in maintaining visibility and encouraging two-way dialogue. The last 12 months have been personally challenging on many fronts. The pandemic reminded us of our fragility as human beings and the pace at which change can happen.”  
Jivraj is very confident of an upturn in bookings when things open again, with central locations in London, Edinburgh, Glasgow and soon Dublin being key drivers to recovery.  
“Decision-making and stakeholder management in a constantly changing environment has been difficult,” he says. “Our long-standing, open and transparent dialogue and relationships with our investors, shareholders, banks and suppliers have been critical and remain a key priority as we work through the various financial and operational challenges that lie ahead.”

**Walking With The Wounded**  
**Harnessing digital**  
The UK charity sector was hit hard in the past 12 months and a survey by the National Council for Voluntary Organisations suggests

43 per cent of organisations questioned have reduced their range of services since March 2020.  
For Fergus Williams, CEO of Walking With The Wounded, which helps injured former British Armed Forces servicemen and women to career transition from military to civilian life, this now means embracing digital for fundraising and outreach more than ever.  
“It is clear charities must continue to adapt to the new environment carved out by COVID-19. Digital strategy is a business imperative,” he says.  
“We created a digital working group and collectively identified key areas to focus on. From here, we developed our goals and timeline and started to map out a strategy. Digital transformation can be daunting. However, breaking it down into key areas makes it much more achievable.”  
With 70 staff across three key hubs and working with more than 200 organisations, Williams says his challenge will be helping everyone understand their priorities. “I am looking at our people strategy to showcase the incredible talent within the wider team and look at our processes to ensure we are a people-first organisation,” he adds.

## Medium term

**Yubico**

**Ensuring business continuity**  
Navigating choppy waters is a key management skill and Stina Ehrensvärd, CEO of Yubico, recognises how you choose to adapt to events out of your control will be increasingly important.  
Ehrensvärd, who created the security authentication YubiKey used by top companies worldwide, says the last 12 months were some of the “hardest we’ve ever experienced as a company”.  
While Yubico saw increased demand, because cyberattacks due to advanced phishing spiked dramatically with remote work, it also faced delays in the supply chain, impacting product launches.  
“The biggest challenge was navigating a team in a world of uncertainty, a role far beyond running a company,” she says. “To keep my mind and body sane, I decided after a couple of weeks of lockdown to make meetings that did not require looking at data into walking conferences around my house, garden or in a nearby park.”  
“My advice to CEOs during these times is to be kind to yourself and others. Focus on what is in front of you. Celebrate even the smallest of wins. Look for, and highlight, things that can make yourself and others smile. Be transparent and humble to your team and customers about the challenges.”

**V.Group**

**Revamping maritime**  
In his March Budget, chancellor Rishi Sunak announced creation of a number of freeports across England, which are planned to help the country push global trade following Brexit.  
And with 92 per cent of all goods transported by sea, René Kofod-Olsen, CEO at global ship management company V.Group, says he now faces a challenge to improve the perception of maritime trade and get it fit for the future.  
“We have to renew, reinvigorate and further digitalise what’s often seen as a rather old-fashioned industry. Seafarers are the unsung heroes of global trade and they need to be valued far more, so our ultimate challenge is repositioning ‘brand maritime,’” he says.  
“The relentless shifts in the global economy and trade patterns, coupled with perpetual advances in digitalisation, mean the view from the bridge is constantly changing. It is imperative I have a willingness to adapt to these changes and fast.”  
Kofod-Olsen predicts having the right crewing strategies in place in the future will be a challenge for companies. “As business leaders emerge from a difficult period, they need to review their supply chain protocols and ensure they have contingency plans in place. Every sector of international business is likely to face logistical challenges in the next couple of years,” he warns.

## Long term

**Confused.com**

**Empowering women**

While the number of female directors at FTSE 100 companies has increased by 50 per cent in the last five years, according to the government-backed Hampton-Alexander Review, there are still only a handful of female CEOs in the FTSE 350.  
Louise O’Shea, CEO of insurance price comparison website Confused.com, is looking to the future to make practical changes. “As companies, we now have a big challenge as well as an opportunity, to make a difference for future generations of women,” she says.  
“We need to start by creating working environments that allow women to excel in their careers. Flexible and condensed working models need to become the norm, not the exception. That way we’re not stifling working mothers from progressing up the chain.”  
“As a female CEO, I want to set the precedent for other women that it’s possible to reach leadership, without having to sacrifice family life.”  
“It needs to be a collaborative effort; it can’t be just females pushing the agenda, we need male allies to help drive this forward

too. We must prioritise making pathways to leadership more accessible altogether, so we facilitate better inclusivity and diversity in general.”

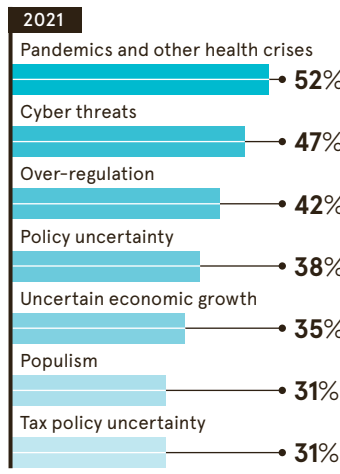
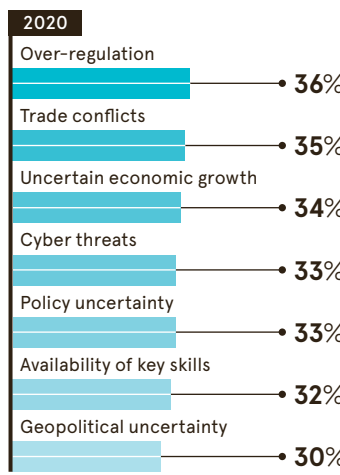
**Advanced**

**Tackling climate change**

When it comes to environmental, social and corporate governance (ESG), the potential for radical positive change is immense.  
Gordon Wilson, CEO of Advanced, the UK’s third largest provider of business software and services, with a £254-million turnover, more than 19,000 customers and 2,400-plus employees, says, as an “ethical employer and supplier”, he wants to “leave an environmental mark as a CEO”.  
“The scale of ESG is daunting and it’s crucial to distil the key priorities to align with our stakeholders, business strategy and values. ESG plans have to take action for things people care about,” he says.  
“Our starting point has been the completion of an ESG maturity survey to baseline our starting position, focused on three key areas: protecting our planet, inclusivity, and social and community empowerment. From that point,

### CEO CHALLENGES ARE EVER-CHANGING

Percentages of global CEOs who express increasing concern about the following threats, in 2020 and 2021



PwC 2021

“My advice to CEOs during these times is to be kind to yourself and others. Focus on what is in front of you. Celebrate even the smallest of wins

we prioritised our initiatives and set targets.”  
This includes elements such as carbon footprints, the purpose of physical office spaces, business commuting and travel, and diversity and inclusion initiatives, notably female equality and disability.  
“As a medium-sized business, we have the same challenges as large global corporates around ESG, but fewer resources to define our strategy and tackle it. So to achieve our goals, we must be agile and creative,” says Wilson.

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NEGOTIATION IN PRACTICE



INTERVIEW

# Values-based leadership: raising the (chocolate) bar

In a world where chief executives talk the language of purpose, **Henk Jan Beltman** of Dutch chocolate brand Tony’s Chocolonely shows how to run a successful business based on high principles

Oliver Balch

**H**enk Jan Beltman is not your average CEO. In fact, the very term unsettles him. The head of the fastest-growing chocolate brand in the UK, America and Germany prefers to go by the title of chief chocolate officer. It is just one of the 47-year-old Dutchman’s many apparent eccentricities. He doesn’t have his own desk, for example, let alone his own corner office. His take-home pay is a mere six times that of an entry-level graduate. And he happily admits he is “not the best manager”. Strangest of all, perhaps, Beltman spends much of his time thinking about life after Tony’s Chocolonely, an upstart Dutch chocolate manufacturer set up in 2005 with the stated goal of eradicating slavery from cocoa farms. “I don’t want to walk away with an awful lot of money. I want to walk away with the feeling that I can have a smile in my rocking chair when I’m sitting in the elderly people’s home,” he says. So, what does put a smile on his face? It’s a good question for any CEO to ask themselves. If not a big house and fat pension, then what? Is it beating off the competition? Growing the business? Winning public recognition? For Beltman, who took the helm at Tony’s Chocolonely in 2010, it’s

all the above and more. Despite his company’s ethical mission, he insists he’s “not running an NGO”. When it comes to building market share and boosting revenues – up 27 per cent last year to €88.4 million – he’s as laser-focused as the next CEO. What gets him smiling, however, is the sense of making the world a “little bit nicer”. For “nice”, read less poverty, fewer emission but, above all, slave-free. It’s an uphill task. A 2018 report suggests as many as 30,000 people could be experiencing forced labour in the cocoa farms of Ivory Coast and Ghana, the world’s main cocoa-producing countries. Widen the lens to child labour and the figure jumps to a staggering 1.56 million, according to a recent landmark study. The size of the task doesn’t seem to faze Beltman. People don’t choose to run a mission-minded business because it’s easy, he argues. In truth, trying to solve a knotty social or environmental problem and make money presents a CEO with twice the usual challenges. He says: “You have to really dig deep into your heart and ask yourself, am I doing the work that makes me proud?” That question is easier for him to ask than other CEOs, Beltman



concedes. His mandate, after all, is to use profit as the means to an end, namely social impact, rather than an end in itself. For a mega-corporation, the equation is typically reversed; profit is the end itself, while making a positive difference is, at best, a nice-to-have. Not that juggling profit and purpose is easy, even for an explicitly impact-oriented company. Beltman has been asked several times over the years to tone down his brand’s slave-free marketing, for instance. “It hurts me if the customer says ‘no’. But then the principle of keeping the phrase [slave-free] wins over my commercial heart, which says we have to get the customer in,” he reflects. If Beltman has one word for CEOs looking to grow a values-based business, it’s “belief”. Belief in the cause they expound, most obviously. Passion can’t be faked. It’s what drives Beltman to work crazy hours, to accept a comparatively low wage and to “live out of a rucksack” (he visits Africa at least half a dozen times a year). As important, however, is that it is belief in business as a legitimate vehicle for change. This takes some faith, he accepts. With inequality on the rise and the environment in free-fall, the world is not in good shape, a reality for which profit-hungry corporations are not without blame. Yet, Beltman is a born-again believer that the opposite can be

true. In terms of resources, innovation and knowhow, businesses are uniquely placed to make a difference, he maintains. Plus, they have an incentive to do so. Smart people want to work for impactful companies, he argues, and customers want to buy from them. Six-year-olds get that, he says; it’s the over-sixties who seem to struggle. His wish for tomorrow’s cohort of CEOs? “To have the feeling that the company is an enabler of the world we would like to see.” Tony’s Chocolonely’s steady growth under Beltman’s leadership has taught him two other profound lessons about leadership. The first is a willingness to go against the flow. Take the boldness of the brand’s communications. Like many challenger firms, this ethical Dutch chocolate brand wears its values on its sleeve, from calling out racism to denouncing deforestation. But it’s about injustices in its own industry where it shouts the loudest. Ghana and the Ivory Coast recently

## CHILD LABOUR REMAINS A HUGE PROBLEM IN COCOA PRODUCTION

2.3m

working children in agricultural households from cocoa-producing areas of Ghana and Cote d’Ivoire who have worked in the past 7 days

1.6m

have done age-inappropriate work

1.5m

have done hazardous work

NORC at the University of Chicago 2020

cocoa processor Barry Callebaut. The rationale was to show that its own strict sourcing principles, including long-term contracts and fair prices, could apply just as easily to a huge multinational. The relationship hasn’t been without its challenges. Allegations of abuses in Barry Callebaut’s supply chain recently saw Tony’s Chocolonely removed from a widely referenced list of ethical chocolate factories. The experience bears out Beltman’s second lesson in leadership: openness and honesty. The whys and wherefores of the firm’s tie-in with Barry Callebaut have never been hidden; they’re on the brand’s website for all to see. So too are conditions in the seven West African co-operatives from which Tony’s Chocolonely sources its cocoa beans. For example, want to know how many children have been found working illegally in its supply chain? Just go to its annual audited report and you can find out. The answer, incidentally, is 387, of which 221 have been “remediated”. Transparency is easy when you have a good story to tell. The tough part is admitting your mistakes, Beltman concedes. But no one is perfect. If a CEO makes bad decisions, but with the right intentions, then people “get that”, he says. “That is what normal people do at home, it’s what they do in the pub, but no one does it at work.” The idea that a CEO needs to leave their private values at the office door is anathema to Beltman. His merging of the personal and the professional, the ethical and the economic, is proof that a more authentic, more humane and altogether more delectable model of leadership is possible. ●

# Negotiating a path to commercial success

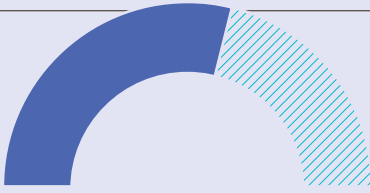
Resolving the systemic issues that occur in every business helps create and implement a high-performing negotiation culture

**N**egotiation is a fundamental part of doing business, yet paradoxically it’s seen by many organisations as a peripheral activity that takes place at the end of a business process within a specific function, such as sales, procurement or supply chain. Graham Botwright, chief executive at The Gap Partnership, is keen to counter this “niche” view and explains that in fact negotiation is central to the ability of an organisation to deliver the whole of its business strategy. This is why having a strong negotiation culture is important. He rebuts the common misconception that such a culture would be combative or argumentative. “Negotiation is actually about two or more parties coming together to find a mutually acceptable solution,” he says. The Gap Partnership is a management consultancy that works with individuals and teams in all parts of an organisation to help them to achieve better negotiation outcomes, empowering them to deliver results and meet their objectives. Botwright expands on how negotiation is critical to delivering a business’s strategy. He says: “Organisations invest huge amounts of time and money in creating worthy strategies, only to have them fail at the execution stage. It’s therefore vital they develop robust end-to-end execution strategies to deliver their corporate objectives. We help organisations implement their strategy through effective negotiation, both internal and external.” When business strategy execution goes wrong, the negotiations it relies on are likely to have been suboptimal. Botwright says: “When a company gets into negotiation trouble, the issue is generally not the counterparty, but something within the organisation itself.” This could be for many reasons, including inadequate planning, internal misalignment, poor communication and objective setting or failure to understand the balance of power. He

## HOW NEGOTIATION IS APPROACHED IN GLOBAL ORGANISATIONS:

58%

do not often plan beyond objectives for negotiations



15%

say objectives are often changed during a negotiation causing problems in the negotiation

83%

do not get the chance to role play negotiations internally before they happen

20%

do not seek to understand the balance of power before starting a negotiation

21%

tell us leadership will go beyond agreed breakpoints at the end of a negotiation

Negotiation Culture Index Feb 2021

adds: “Unless you can establish and understand all these elements and fully support them within the organisation, you are almost planning to fail. You could even be causing that failure internally through a lack of alignment with stakeholders who don’t engage with the process due to poor communication and a lack of understanding.” Botwright emphasises the importance of anticipatory planning to be appropriately prepared going into the negotiation. He explains: “When your counterparty does what you were expecting them to do, it really boosts your confidence in knowing what to do next and confidence is bolstered even further by the overarching empowerment that comes from having the whole of your organisation behind you. “Understanding the multiple, sometimes competing, priorities of different stakeholders, what their overall prioritisation should be and the total structure of the deal up front is also absolutely key. For example, cost, ecological sustainability and supply resilience are not directly comparable, but it’s crucial they are aligned and prioritised. The more stakeholders understand the concept of negotiation, the better they will be at supporting the teams working at the sharp end of the negotiation process.” He highlights the commercial disconnect between the micro decisions that have to be taken operationally and the broader organisational or “go to market” strategy. “Decisions made for the sake of operational pragmatism may not actually take your strategy forward to a successful conclusion,” says Botwright. “And if you don’t address those disconnects you are, again, effectively inviting your strategy to fail.” He also stresses the importance of removing emotion from risk evaluation and decision-making. “Negotiations can bring out the worst in people, driving emotions that are not conducive to a successful conclusion. A skilled negotiator is able to override that emotion and make objective decisions based on facts,” he adds. Botwright concludes: “Our role is to resolve the systemic issues that occur in every business and help our clients create and implement a high-performing negotiation culture. The things we encourage our clients to do to be successful are the behaviours of a successful commercial manager. Therefore, if you can support everyone to become more commercially astute, you are effectively creating a negotiation culture within your organisation that empowers people to execute their commercial strategies more effectively.”

For more information please visit [thegappartnership.com](http://thegappartnership.com)



“Negotiation is central to the ability of an organisation to deliver its business strategy



# Meet the ‘conscious CEO’, a new breed of leader

The economic and social turbulence wrought by the coronavirus pandemic has presented a fresh, complex set of challenges for businesses and a brave new world that calls for a new class of leader: enter the ‘conscious CEO’

Coronavirus has served as a dramatic inflection point for businesses worldwide, resulting in irreversible economic and societal shifts. From restrictions on movement and the decrease in consumer spending that followed, to an almost overnight shift towards remote working and a massive spike in online shopping.

Amid the uncertainty of the past 12 months, it is chief executives (CEOs) who have been at the receiving end of these updrafts, steering businesses through the uncertainty of the pandemic. Agility has been the order of the day for business leaders across the board, the onus being on making quick decisions in the face of changing situations and using data to forge deeper connections with customers.

Indeed, recent data from IBM’s Institute for Business Value shows dexterity is a top priority, with 56 per cent of CEOs emphasising the need to “aggressively pursue” operational agility and flexibility over the next two to three years. CEOs also cite emerging technology as the factor that will most significantly impact their business in the next few years. Outperforming firms are, unsurprisingly, most focused on these technologies and the risks and opportunities they bring.

Highly creative and adaptive CEOs have embraced this as a time of new possibilities and fertile prospects, says Hugh Evans, CEO of business design firm FromHereOn, which works with global clients such as BT, ING Bank, Belron, Vodafone and Toyota.

“Markets have been flooded with stimulus that, combined with the turbulence of the pandemic, has been overwhelming. However, many creative business leaders have embraced this period as a huge opportunity,” says Evans.

Yet, amid the turmoil caused by COVID, he observes that some CEOs have made a “massive lurch” towards short-term business planning. Leaders are aware of the aftershocks to come –only 27 per cent of Fortune 500 bosses expect their employees to return to the office full-time and most understand it will be 2022 before economic activity returns to pre-pandemic levels – but they’re more concerned with the here and now.

This attitude extends to internal and external relationships, asserts Evans. Many bosses are underprepared for just how much the values of their staff and customers will change in the coming years. Such short-sightedness will leave leaders unable to see the bigger picture and create long-term value from the data at their fingertips.

The ‘new normal’ we now operate under calls for a new type of leader: the ‘conscious CEO’. This person is a systems thinker, but they don’t see the world in black and white. The conscious CEO has an overview of how wider changes occurring in society, technology and the economy will impact their business.

With the world increasingly moving towards an everything-as-a-service (XaaS) business model, this new breed of leader sees the world as a set of technicolour, interconnected networks and surrounds themselves with the right people, partners and suppliers to unlock new opportunities for their own business.

**What does a conscious CEO look like?** The word ‘conscious’ has been co-opted by brands in recent years, earning a reputation as a loaded term typically tied to corporate social responsibility (CSR) initiatives.

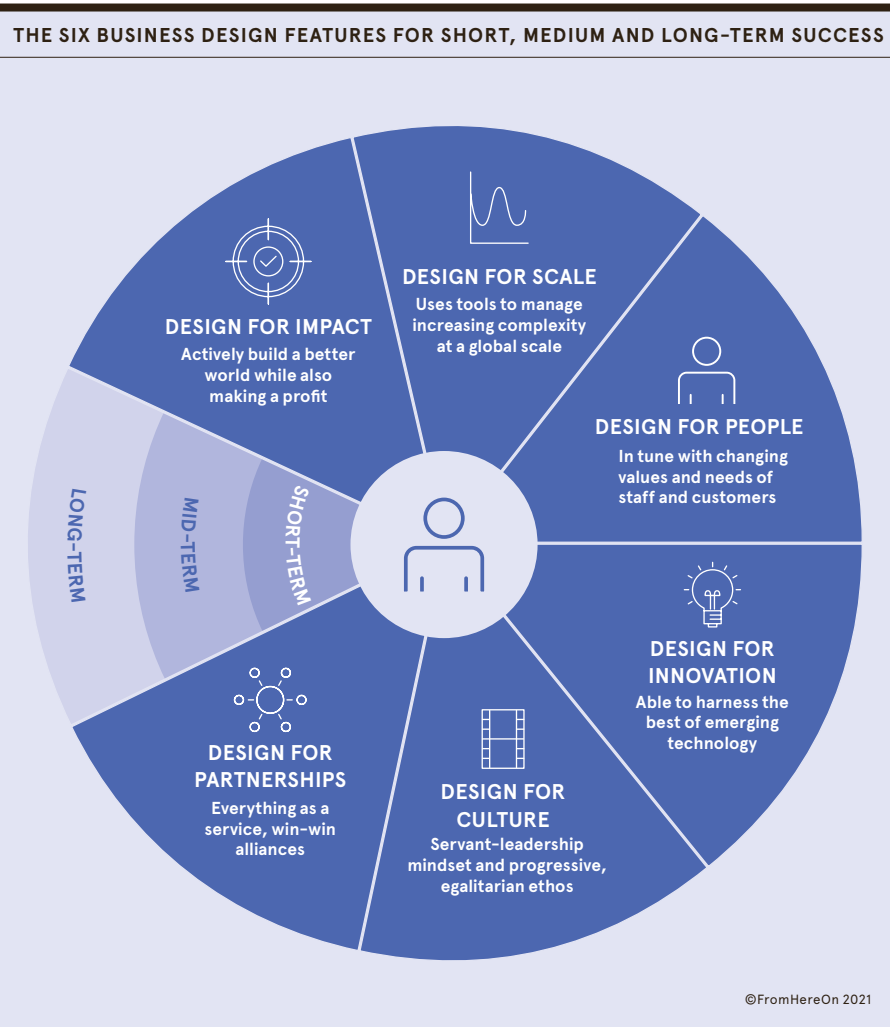
However, it’s time for CEOs to reclaim it. The conscious CEO is not driven solely by social impact, but is instead a figure that embodies it.

“Historically, CEOs had to have travelled a long path and been battle-scarred and hardened to be effective in their roles. Yet, this old guard came from an environment that was a lot more predictable than today’s,” says Evans. “They’re not distracted by technology, instead, they understand its significance and how it will change over time.”

By contrast, the modern CEO is egalitarian and meritocratic by nature. “Their focus is servant leadership so that they can realise the creative capability of their individual employees and, by extension, their organisation,” he adds.

The conscious CEO will set in-train a new way to operate; one that delivers change, service by service, throughout the organisation, and orchestrates customer, business and technology services as a live, holistic system that is always on and always relevant.

“The conscious CEO has an overview of how wider changes occurring in society, technology and the economy will impact their business



#### Reaching a state of awareness

So, how can CEOs unlock their awareness to improve business outcomes? For Evans, the key to reaching conscious-CEO status is rooted in six key design concerns: impact, culture, innovation, people, scale and partnerships.

As a starting point, this new class of leader calls for a mindset which aspires for their business to have a positive impact. For the conscious CEO, though, impact is not relegated to a mission statement.

Evans elaborates, “CEOs need to be able to understand the consequences of the decisions they make. This means having a clear social agenda, but also comes down to being able to have mature discussions with staff around issues like diversity and being aware of the issues staff or consumers might face.”

This is key for the conscious CEO. This leader is one who not only understands the changing nature of their current and emerging workforce, but also has a solid grip on the individual and collective needs of their customer. On top of this, they’re well versed in the future of

work in an increasingly remote, asynchronous world.

Evans points to a banking client that FromHereOn is currently helping to transform from a financial institution into “a human-centred, service-driven organisation”, a large part of which has included examining the business’s internal culture. Another telecoms client has just undergone a similar remodelling.

“Both of these were, at their core, cultural transformations. We observed a shift in these clients from authoritative control to a networked approach that seeks to meet all stakeholder needs,” he says.

Another consideration for agile, aware CEOs should be technological innovation. The conscious CEO appreciates the acceleration of digital and the doors it can open for their market and their workforce. There is a need to understand how different types of technology, from artificial intelligence to the internet of things, underpins the value they bring to the table.

In an increasingly borderless, digital world where companies are

managing transformation across countries and continents, they need to be able to “design for complexity and scale too”, says Evans. “This requires a very particular type of toolkit and a human-centred approach.”

#### Unlocking consciousness through connected partnerships

For businesses to thrive, CEOs must also show that outperforming companies are reporting a heightened emphasis on partnerships. Some 63 per cent of top performers identify collaborations as having increased in importance over the past year, compared with just 31 per cent of underperformers.

Driving this shift has been the increased adoption of cloud computing services, which has given rise to the XaaS business model. It is a sea-change that calls for CEOs to lean on frictionless partners that can plug and play instantaneously, as a seamless extension of their enterprise.

But these partnerships only work if they’re built on a mindset of alliance. “CEOs should work with suppliers, partners and consultants that embed themselves into their team and function as a single, fluid group,” says Evans. “This will lead to greater trust through more frank discussions and a willingness to be open and vulnerable, stripping back the traditional order.

“Truly conscious leaders will be open to abandoning the master-serf dynamic that has permeated external relationships for years.”

This plays into the culture piece of the puzzle, too: if the person in the top seat is open to building partnerships and broadening their awareness, then the whole organisation will function better.

Evans says CEOs don’t need to appear to have all the answers as they once did, but they need to know how to ask the right questions.

“They need to be able to rely on a network of trusted partners, such as a business design firm, to shape their future organisation. By seeing the world as a collection of potential partnerships inside and outside the organisation, conscious CEOs and their businesses will remain relevant and prosper. This is the end of business transformation as we have known it, and will usher-in the modern, real-time enterprise.”

For more information, please visit [www.fromhereon.com](http://www.fromhereon.com)

FROMHEREON

#### TALENT MANAGEMENT

## Why CEOs must diversify their succession plans

Diversity and inclusion may be buzzwords for many businesses, but enlightened leaders are going above and beyond pledges, and putting their words into action

#### Shahed Ezaydi

It’s been nearly a year since the death of George Floyd, which both reignited a global movement in the Black Lives Matter protests and shone a light on diversity and inclusion (D&I) in the world of business.

Many companies at the time made very public statements and pledges regarding the level of D&I within their ranks, including L’Oréal, Barclays and the BBC. And yet, a lack of diversity in companies, especially among the FTSE 100, endures.

For the first time in six years, there are now no Black executives in any of the top three roles at Britain’s 100 biggest companies. And only ten out of the 297 leaders in the top three positions are from ethnic minority backgrounds, a number that hasn’t changed since this type of analysis began in 2014.

Companies may have implemented some changes when it comes to D&I, but it seems these don’t go all the way to the top. And for change to be properly effective, it has to start at the top, with the leadership. So, who are the companies and leaders going beyond pledges and driving real, tangible change in business?

**Money talks, so investment is key** HomeHero, a property technology

startup focusing on digital home management, is one company that has put in place D&I initiatives that encompass the whole organisation, including leadership. Even though they’re a relatively small company, they’ve prioritised and invested in a diverse and inclusive workplace.

As well as a monthly stipend for initiatives that employees then choose how to spend, which range from boosting job adverts in platforms for under-represented groups to hiring specialist recruiters, they’ve also launched the Future Female Leaders network. This is a network for female employees that hosts an external workshop each month, with the aim of acknowledging the female experience, in tech especially, and preparing female employees for leadership positions.

They’re already seeing some impact from their initiatives, with women now present across all departments at HomeHero. But the work continues. “Our organisation was diverse from day one, but that doesn’t mean you can rest on your laurels,” says Nana Wereko-Brobby, head of communications at HomeHero.

She explains that the difficult part of D&I can be hiring for leadership roles, as “you want to make sure you’re not hiring people into stereotypical roles, men in tech and women in HR.”

As well as having your CEO get behind and champion D&I in the workplace, says Wereko-Brobby, companies need to invest, so they’re able to put money into hiring recruiters, who specialise in finding diverse applicants, or putting in place training programmes to upskill existing employees, for example.

#### It’s all about the data

Another company that is putting promises into action is AnalogFolk, a global digital creative agency. In 2018, they were recognised on the FT Future 100 UK list as an “all-rounder” for their impact across categories such as diversity, governance and the environment.

They invest in accelerating female talent by enrolling women in the Future Leaders’ Creative

“You want to make sure you’re not hiring people into stereotypical roles, men in tech and women in HR

Equals programme each year. Many of those who’ve attended the programme have gone on to be promoted to senior leadership roles, such as creative directors and heads of departments. As well as getting women into these roles, they’re also involved in a similar leadership programme for Black, Asian and ethnic minority employees, with a focus on mentoring for junior talent and training for more senior talent.

These are just some of the initiatives that have had a real effect on both AnalogFolk as a company and its employees. Not only has it meant they’ve experienced an increased retention of their staff, but it’s also had a positive impact on the wellbeing of employees.

Bill Brock, founder and chief client officer at AnalogFolk, says: “It’s all about the data. Workplaces must start their D&I journey by looking at their data. What data do you collect and what data are you missing? Once you start to look at the make-up and different life-cycle stages of your employees, you will start to build a picture of where the challenges lie.”

#### People are at the heart of business, listen to them

Siemens Mobility, a transport solutions company, is also making real strides in their efforts to be a diverse and inclusive organisation. They’ve put time and effort into

0 Black chairs, CEOs or CFOs in the FTSE100, for the first time in 6 years of Green Park’s analysis

10 out of 297 in the top 3 roles have ethnic minority backgrounds

1.1% of executive and non-executive directors are Black, down from 1.3% in 2014

0.9% of people in the leadership pipeline are Black, down from 1.4% in the last year

9% of people in the leadership pipeline come from any ethnic minority groups, down from 10.7% in the last year

Green Park 2021

their recruitment strategies, using inclusive recruitment platforms across all role types, to ensure job adverts are both attractive and reach a diverse range of people.

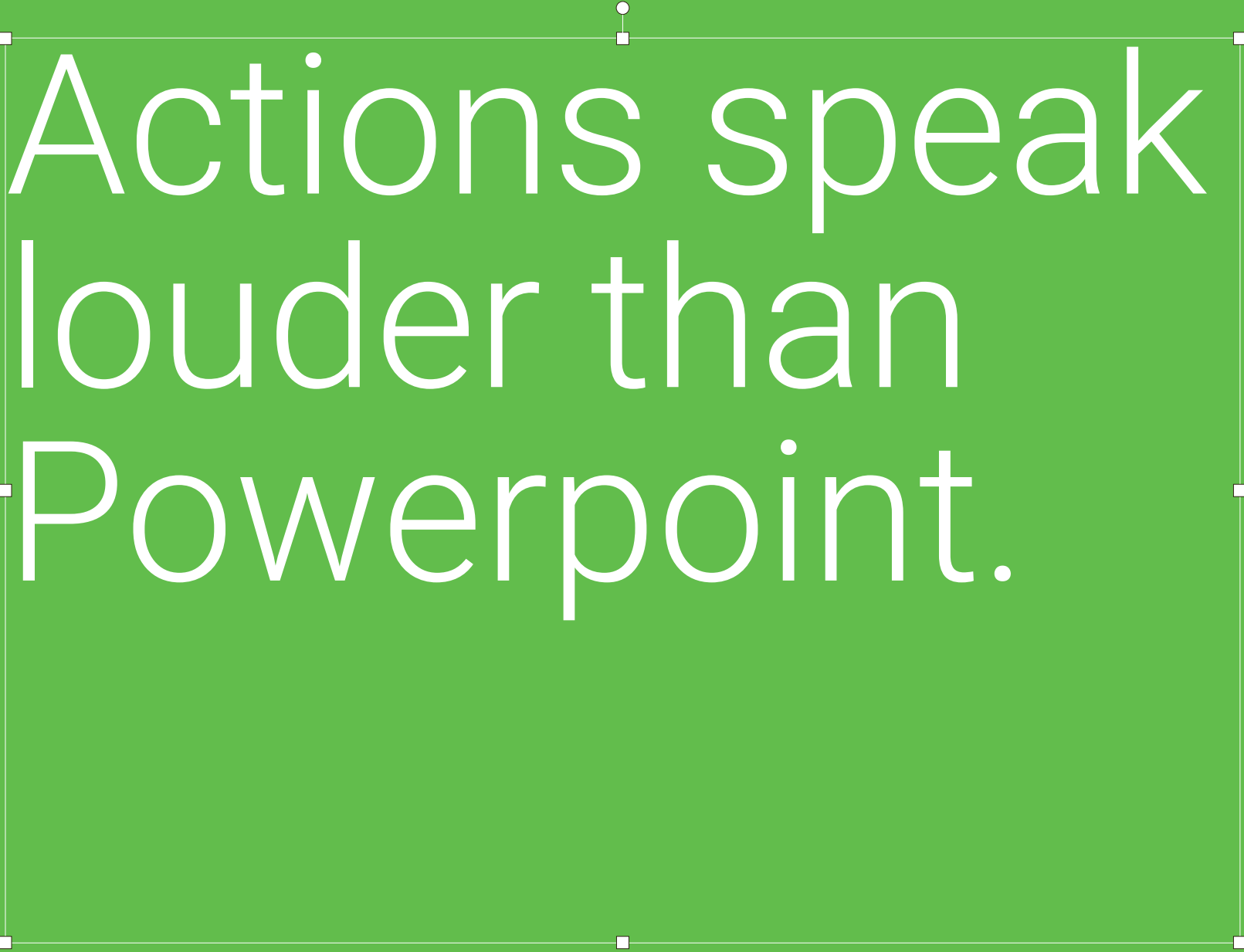
The company has also been running leadership programmes for employees, which they’re looking at scaling up this year. One of these programmes is a “returners” programme, which aims to train and upskill employees who’ve been out of the workforce for several years. And they’ve already seen a large improvement in their employee engagement, especially around how employees feel about D&I and the culture of the workplace.

Siemens Mobility’s succession planning is also currently being reviewed by a steering group that will oversee the employee journey, from induction all the way through to skills and training throughout the career path. The aim of the review is to align all work streams and ensure D&I is present in every step.

Asked what is the key to driving change in D&I, Siemens Mobility CEO Will Wilson says: “People are at the heart of business, so make sure to listen to your people,” adding that not only do companies need to listen, they also need to be open to new ideas.

“A diversity of different ideas and voices will only make the organisation richer and more successful and, after all, it is our colleagues’ talent which will make the business thrive and uncover new opportunities for the future,” he concludes. ●





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