

Inspiration for acceleration



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BEYOND KNOWLEDGE*



José Montes, Chairman of the Cegos Group

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We live in an era of unprecedented change. Technology has propelled business into a whole new world previously unavailable to us. Today, we can communicate instantly across continents, collaborate with people on the other side of the planet and work with breath-taking speed and efficiency.

The most successful organisations are transforming quickly, adapting to rapid developments and the opportunities presented by digital.

But this comes at a price. Like all industrial revolutions, the latest wave of innovation has caused massive disruption. People across the world fear for their jobs or feel under pressure to keep up with overwhelming changes. According to a recent ‘barometer’ report by Cegos, 51% of European employees worry their jobs and skills will soon be made obsolete by new technology.

The key to success here is speed and agility. That means transforming your business at a rate that retains your competitive advantage but doing so in an agile way, giving your people the time and tools to be creative and productive. At the same time, you should arm them with the skills they need to succeed in the future – digital, managerial, technical and behavioural skills.

Here at Cegos, we see training as the ‘weapon of massive adaptation’. When you empower your people with the skills to adapt and innovate, your business will grow faster.

The theme for this white paper is ‘acceleration’ – a vital concept in a world where speed is critical and creative opportunities are everywhere. But when things move so fast, how do you keep up with the latest innovations and trends to maintain your agility? Moreover, how do you achieve real business transformation that embraces the challenges of today and tomorrow?

Within these pages, we present key insights from our recent Business Transformation Summit. There are plenty of topics to inspire your business journey as you seek to thrive and stay relevant.

I wish you luck on your journey towards truly successful transformation.

José Montes

CEO of Cegos Group

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With its international culture and French origins, the Cegos Group has always been **both a keen observer and a dedicated player in the world of work and business.**

As a European and global leader in Learning and Development, the group continually innovates to **guide and support companies as they evolve,** and **stimulate learners' personal and professional development.**

By contributing to its clients' individual and collective performance, Cegos leads them **"Beyond knowledge".**



ACCOMPANYING
TRANSFORMATIONS



TRAINING
OUTSOURCING



TURNKEY TRAINING
& TAILORED MADE
SOLUTIONS



BLENDED &
DIGITAL LEARNING



INTERNATIONAL
PROJECTS

Over **250,000**
people trained each year

50 countries covered
worldwide

1,100 employees **20,000** client companies

€200 million
in revenue



Towards Rapid Growth: 4 Challenges and Opportunities

Rapid change presents difficult challenges to leaders and employees alike. The digital revolution has provided some answers, but only if handled with skills.

Here, we lay out four of the most serious challenges facing business leaders as we enter the 2020s. We also show how such challenges can turn into opportunities for those willing to take the leap.

In September 2017, a report by the Conseil d'Orientation pour l'Emploi (COE) examined the impact of automation and digitisation on workplace skills. The report showed that "three skills groups should all be mobilised in an economy which has been radically changed by the convergence of artificial intelligence and big data":

1 An overwhelming choice of digital tools

CHALLENGE

Too much choice means people are overwhelmed and unsure of which tech will work best for their business. Companies are reluctant to invest in technology that may soon be replaced with something better.

OPPORTUNITY

Those willing to embrace digital transformation in a systematic way, with one eye on the future, will benefit enormously. Think about how you apply that technology within your strategy and how you motivate your workforce to use it. Rodrigo Coutinho, co-founder of software business Outsystems, told our Business Transformation Summit about how his company reduces the time and budget of software delivery. They achieve speed by simplifying the code, making the software more visual and easier to navigate.

2 New ways of working

CHALLENGE

Not only are more people working remotely and independently, they are also working differently. Flexible working hours, collaboration across functions and co-working spaces are having an impact on established businesses as well as new ones. Leaders are challenged to adopt new practices to stay ahead whilst minimising disruption.

OPPORTUNITY

Leaders willing to change their approach to managing their workforce will motivate their employees, attract the best talent and make their business more agile. Prof. Dr. Heike Bruch – director of the Institute for Leadership and Personnel Management at the University of St. Gallen, Switzerland – told our Business Transformation Summit about how traditional management styles are no longer fit for purpose. When the hierarchical system of management is applied, you risk destroying passion and enthusiasm within your business. Instead, managers should work more creatively, mixing goal-oriented management with a quest for inspiration.

3 Shifting social attitudes

CHALLENGE

Millennials and Generation Z have grown up within the digital revolution and have a totally different mindset to older generations. As companies aim to be more agile, leaders must change company culture to accommodate shifting social attitudes.

OPPORTUNITY

*Navi Radjou – a leading thinker on innovation and author of the best-seller *Frugal Innovation: How to do better with less* – addressed this challenge at our Business Transformation Summit. In the past, we focused too much on appealing to our basic instincts, such as survival, desire and power. Today's younger generation prefer to emphasise compassion, ingenuity, intuition and unity. For example, Paul Polman – former CEO of Unilever – wants to reduce inequality by giving generously to communities instead of constantly taking. He wants to invest in social and environmental projects to improve quality of life.*

4 Environmental issues

CHALLENGE

Climate change has raced up the agenda in recent years and many people now consider the environmental impact of their buying habits. Leaders must consider sustainability when designing products and services, or risk losing out to more environmentally-friendly competitors.

OPPORTUNITY

Promoting your business as sustainable with a conscience will elevate your brand above others. Navi Radjou cites two examples of this: Isabelle Kocker – CEO of utility company Engie – wants to offer 'Zero Carbon as a service' by 2021, and get rid of coal in the company's energy mix. Fashion designer Eileen Fisher has a vision to make fashion more durable and move away from the negative environmental impact of 'fast fashion'.





Keeping up with the pace of digital transformation

Digital technology has had a positive impact on our ability to be productive and efficient. Nonetheless, we are constantly under pressure to adopt the latest digital tools, which many employees find complex and overwhelming.

When thinking about business acceleration, it is tempting to push people harder to work faster and be more agile. However, pushing people could well destroy motivation and morale.

How do you transform your business in a way that embraces technology and drives productivity? And how do you avoid burnout and decline?

Digital anthropologist Rahaf Harfoush shared some insights on this topic at our Business Transformation Summit. As a leading thinker in the digital space, Harfoush encourages us to change our mindset to stay competitive. The way we approach digital technology makes a huge difference to our success in adopting it.

Evolution not transformation

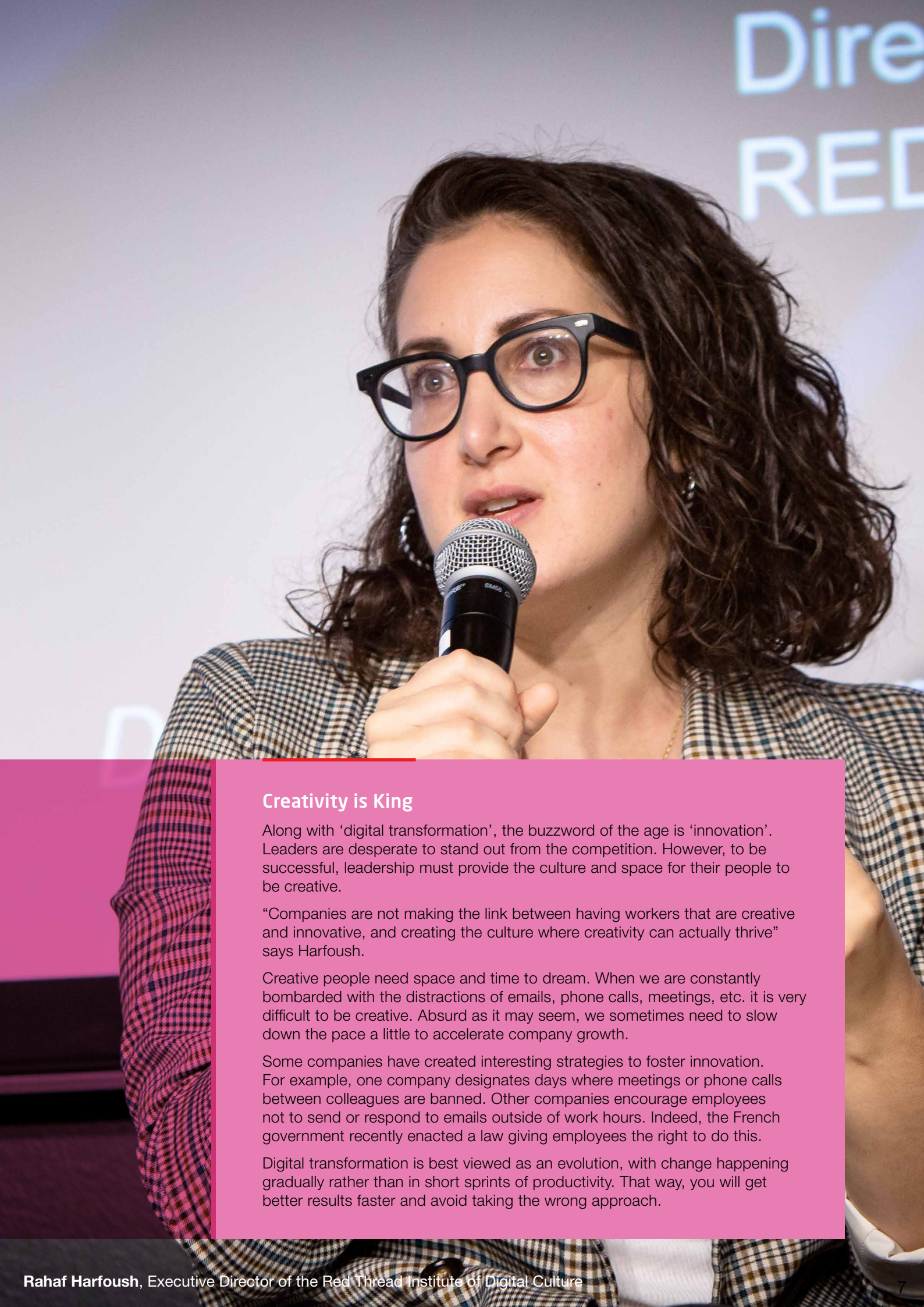
Today's popular buzzword in business is 'digital transformation'. But Harfoush prefers to use the word 'evolution'.

"Evolution implies a constant change, where you have to continuously adapt to changing market conditions," she says. "But it also suggests the work is never 'done'. You're never going to be transformed. You're always going to be evolving."

Successful digital evolution depends on how leaders inspire their teams to adopt new digital tools. The rate of technological change means companies often try to recruit those with experience of, say, the latest programming language. However, demand is usually bigger than supply.

Recruiters should instead look for people who are open to learning new skills and are able to adapt quickly. They should also invest in training up existing talent to use any new software or hardware.

"You have to explain the cultural context about why tools are important," says Harfoush. "Your organisation must make a good case for how the tools are going to make peoples' jobs easier and their lives better. If you cannot do that, you need to re-evaluate whether the technology is really essential to your business."



Creativity is King

Along with 'digital transformation', the buzzword of the age is 'innovation'. Leaders are desperate to stand out from the competition. However, to be successful, leadership must provide the culture and space for their people to be creative.

"Companies are not making the link between having workers that are creative and innovative, and creating the culture where creativity can actually thrive" says Harfoush.

Creative people need space and time to dream. When we are constantly bombarded with the distractions of emails, phone calls, meetings, etc. it is very difficult to be creative. Absurd as it may seem, we sometimes need to slow down the pace a little to accelerate company growth.

Some companies have created interesting strategies to foster innovation. For example, one company designates days where meetings or phone calls between colleagues are banned. Other companies encourage employees not to send or respond to emails outside of work hours. Indeed, the French government recently enacted a law giving employees the right to do this.

Digital transformation is best viewed as an evolution, with change happening gradually rather than in short sprints of productivity. That way, you will get better results faster and avoid taking the wrong approach.



Rahaf Harfoush

The big challenge for leadership

In the past, leaders were looked up to as having all the necessary knowledge and experience. But the rate of technological change has made it impossible to have all the answers. Leaders must now become facilitators, empowering their teams to find the answers themselves and share with others.

If leaders want their people to enthusiastically engage with new technology, they must also be models of positive behaviour. For example, when a leader wants her team to adopt a new content management system, she will get more buy-in if she is seen to be using that system and can clearly demonstrate its benefits. If, on the other hand, a leader simply dictates to others that they must use the software, there is a danger it will be seen as irrelevant and adoption rates will be much lower.

Quick tips - how to increase digital adoption

Focus on the deeper values that will have a greater long-term impact, rather than on short-term results.

For example, is it absolutely necessary that people respond to emails and meeting requests very quickly? Focus more on the deeper values that will have a greater long-term impact.

1

Give your people opportunities to engage with others outside of their own departments.

The popular Random Coffee app sets up informal meetings amongst staff who would not normally work together. This encourages conversations and new ideas that can benefit the company enormously.

2

Lead by example. Your team are more likely to adopt new tools when leaders are seen as being part of the project, rather than just dictating what happens. You should also be part of the innovation conversation.

3



New business models in a fast-moving world

Technological advances are having a disruptive impact on the way we do business. Traditional hierarchies are no longer fit for purpose and must be replaced by models that allow our businesses to be agile and adaptable to change.

Julian Birkinshaw is Professor of Strategy and Entrepreneurship at London Business School and proposed a very different model at our Business Transformation Summit.

He says we should embrace 'Adhocracy'. Birkinshaw defines 'adhocracy' as increasing the value of action whilst emphasising flexibility and decisiveness. At the same time, leadership should focus on setting direction and enabling others to find the answers.

This means stepping away from traditional areas of focus – such as productivity and reliance on big data – to create an environment that fosters creativity and experimentation. Traditional elements still have their place, but must be considered in the context of how the modern world operates.

So, how do we create new business models that follow the 'adhocracy' philosophy and inspire our businesses to thrive quickly?

Emotional connection

Our collective knowledge as a species is growing exponentially and the world is more interconnected than ever. However, we should avoid adding more complexity. More simplicity is the answer.

We tend to be way too analytical when making decisions – a phenomenon Birkinshaw calls 'analysis paralysis' – which can lead to us making sterile decisions that have little impact.

Today's winning companies project an emotional conviction and focus on how the customer feels about using their product or service. Amazon does this very well because they understand the emotional process a customer goes through when they buy online. This understanding, and their reaction to it, has led to their dominance in the e-commerce market.



Problems of predictability

We are going through what is commonly referred to as the 4th Industrial Revolution. In a time of such rapid change and instability, it becomes much more difficult to predict what might happen in our industries in the near future, never mind over the long term.

The trick is to identify the inflection points in your market and have a strategy ready to exploit them. There are several famous examples of a companies that failed to do this and lost their dominant position in the market.

Nokia created a prototype for a touchscreen phone but held back on rolling it out because they didn't think people would be ready for it. The iPhone from Apple proved otherwise. Similarly, Kodak invented the first digital camera, but decided to concentrate on its acetate film business. Competitors soon developed new and exciting digital cameras that made film almost obsolete within a very short time.

In both cases, leaders were aware of the inflection point in their industry but failed to build the infrastructure that would help them retain dominance. They were content with their existing strategy, which was lucrative at the time, and too cautious with their innovations.

The lesson? When you spot an inflection point, be prepared to act.

Examples of true innovation - it's all about how you work

All companies want to innovate but tend to focus on releasing fancy new products that are not much different to their competitors'. True innovation, according to Birkinshaw, is based on how people work within your company.

Google follows the 70-20-10 model; investing 70% in projects that deliver in the short-term, 20% in the medium-term and 10% on projects likely to give returns in the future, such as the electric car. They also allow their staff to spend 20% of their work time on pet projects that do not have to be related to their contracted work. Why? Because it inspires them to be creative and energised.

Music streaming service **Spotify** uses agile teams that are made up of people from across functions, rather than relying on siloed departments that work independently. This model has allowed them to grow to over 140 million users from just a fraction of that figure in just 5 years.

The Swedish bank **Handelsbanken** allows managers to take most decisions, rather than constantly respond to missives from head office. They 'own' their customers and there is a real emphasis on creating a localised feel. Where most banks are closing down branches, Handelsbanken are opening new ones and outgunning even their biggest competitors.



Adhocracy in practice - the revival of La Redoute

In 2014, things were going badly for retailer La Redoute. The well-established company was losing 50 million euros a year and still relying on its paper shopping catalogue as a major sales channel. Co-president Eric Courteille says they had to take drastic action to turn things around, and reinvented their business model around four pillars:

1. Streamline the product range to focus on four of the best-selling categories
2. Withdraw the 'big book' catalogue and invest heavily in the e-commerce channel
3. Build an automated warehouse to increase efficiency and rely on fewer staff
4. Invest in human capital development – change the company culture to improve morale and train people to perform better

Management made sure they communicated their vision to the whole company, in a way that was inclusive and inspirational. In fact, Eric considers the 'human capital' pillar to be the most important. He says the human factor should always come first and that you need to support your people fully if you want to reverse your company's fortunes.

By 2018, the company was doing so well that Phillipe Houzé from upmarket department store Galeries Lafayette took an interest. Today, both companies work in partnership to deliver an omnichannel service.

"They might have been dismissed 10-15 years ago, but today, physical and online retail are stronger together than on their own," says Courteille. "We share this vision of omnichannel: we come from the digital world, and Les Galeries comes from retail. They are also going through a digital transformation and we are moving towards physical retail."



How to lead **at speed**

There is so much pressure on all of us these days to deliver things fast. Social media, 24-hour news, next-day delivery and all the other needs for speed have driven expectations unbearably high.

This makes it difficult for leaders to work in an environment where so much has to happen quickly.

So how do you build the right skills to lead at speed?

Sophie Devonshire – business leader, brand specialist and bestselling author of *Superfast: Lead at Speed* – spoke about how to do this at our Business Transformation Summit.

1 Understand yourself

Try to figure out what makes you tick. What sparks your passion? What excites you? When we are naturally engaged in a project, others in our team will naturally follow. Also figure out what demotivates you and try your best to avoid it.

2 Understand technology

The latest tech can help you deliver speed, either through automation or simply by making work faster and more convenient. Understand which technology will help your business and learn how to deploy it effectively.

3 Be good with people

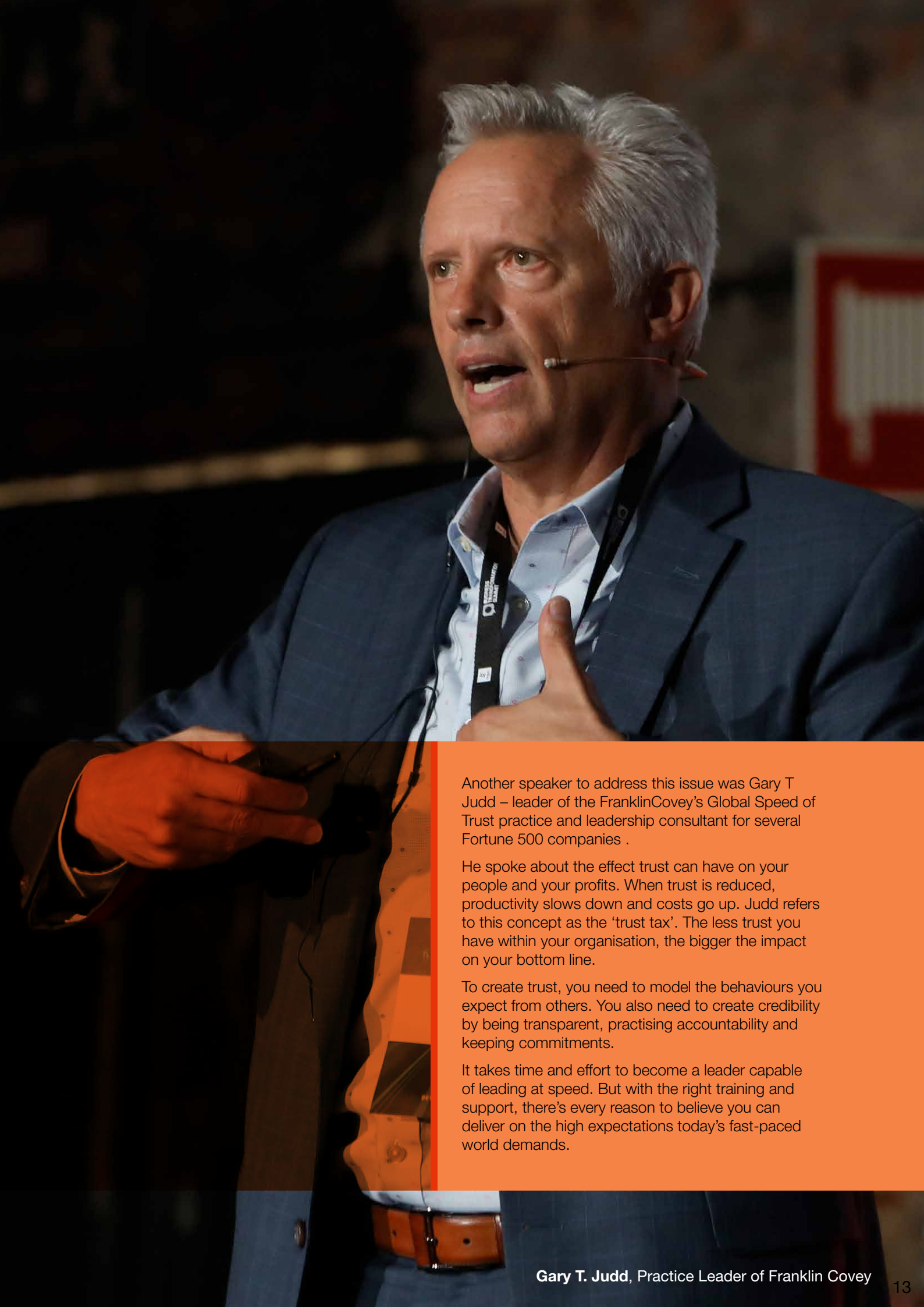
Empathy and the ability to motivate are crucial skills for any leader, no matter what the environment. This is doubly important when you are under pressure, as is your ability to build a winning team by recruiting the best people who are up to the task. Being a role model for your team will bring them along with you.

4 Aggressively prioritise

Sheryl Sandberg – COO of Facebook – says: “We talk about ruthless prioritisation. What we mean is only do the best of ideas. Lots of times, there are very good ideas, but they are not as good as the most important things.” You cannot possibly pursue every good idea, so select the ones that have the best chance of success, even if they seem a bit risky. Tackling too many ideas will leave you and your team struggling.

5 Energise yourself

Burned out leaders are no use to anyone. To lead successfully in a high-pressure environment, you need to have energy. Give yourself time to think, relax and exercise, so you can perform at your best.

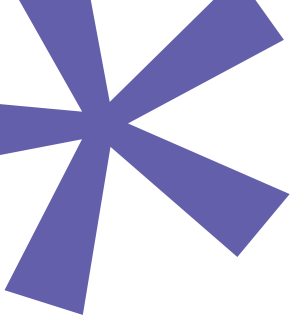


Another speaker to address this issue was Gary T Judd – leader of the FranklinCovey's Global Speed of Trust practice and leadership consultant for several Fortune 500 companies .

He spoke about the effect trust can have on your people and your profits. When trust is reduced, productivity slows down and costs go up. Judd refers to this concept as the 'trust tax'. The less trust you have within your organisation, the bigger the impact on your bottom line.

To create trust, you need to model the behaviours you expect from others. You also need to create credibility by being transparent, practising accountability and keeping commitments.

It takes time and effort to become a leader capable of leading at speed. But with the right training and support, there's every reason to believe you can deliver on the high expectations today's fast-paced world demands.



From robots to superhumans - how tomorrow's tech will change your business

In the hugely competitive environment of global business, it pays to be one step ahead. At our Business Transformation Summit, a couple of speakers took us on a trip to the future, to help us anticipate where the next stage of Industrial Revolution 4.0 will take us.

Sven Gábor Jánosky is Germany's most innovative trend researcher and founder of 2b AHEAD ThinkTank, the biggest independent European trend research institute. According to Jánosky, technology will solve all the great problems of humanity – including climate change, lack of drinking water and hunger – within the lifetimes of our children. We will also be able to connect our brains to computers to upload and download information. What's more, we will soon be able to measure most things and predict events with much greater accuracy.

Zoltan Istvan is a leading voice in the Transhumanist movement with a background in scientific journalism and a stint on the National Geographic Channel. He spoke about how fusing humans with technology will soon make us more intelligent, powerful and productive.

Transhumanism is the concept of using science and technology to upgrade the human body and human experience. It is already helping those with disabilities to walk, hear and see, thanks to implants or robotics.

Such technology impacts the way we work, too. It is conceivable that technology will make us live much longer and allow us to lead healthy lives well into old age. As a result, the working population will get bigger and older, as will our consumer base.

The evolution of robotics and AI also present major challenges. Many are worried that robots will take our jobs. In fact, it is already happening. Robotic bartenders are serving drinks in Las Vegas, android security guards are protecting offices in Silicon Valley and drones are delivering parcels for Amazon. Virtual and Augmented Reality makes remote work easier and will become the norm.

It may sound like science fiction, but this superhuman world will affect all our lives sooner than you think.

The big challenge for leadership

How will you deal with such enormous change? Do you invest in using robots to replace most of your workforce? Will those who have a digital implant in their brain be more productive and valuable than those without? Today's leaders should read up on the latest technological trends and prepare (as much as they can) for the challenges our rapid technological evolution will present.





How Cegos helps **your** organisation **accelerate**

Accelerating your business transformation is a tough task for any leader. That is why you and your teams will benefit from a partner that supports your growth; one that helps you build the complex skills necessary to tackle the challenges of today and in the future.

Operating in more than 50 countries through its network of partners and distributors, Cegos Group help companies solve their exponential L&D challenges and transform faster.

As an established global training organisation, we offer a range of training and support programmes.



#UP: The skills acquisition collection

The future belongs to those with soft skills. Leadership skills, project management skills, communication skills – the kind of skills technology cannot replace.

The #UP skills acquisition collection helps your people upskill quickly and conveniently. They do most of their learning on the job, guided by a coach, their "learning buddy" and the shared experience of their peers.

Whether your people need to increase productivity, use time more efficiently or understand how to manage a remote team, the #UP experience makes it happen.



LearningHub @ Cegos: The New L&D Learning Experience

This versatile learning platform is available on a full range of devices. LearningHub provides access to all our learning programmes to give you the complete Cegos Learning Experience.

The learner can access their training programme, user history, dynamic conversation spaces and self-directed activities that are carried out over time.

The trainer leads the training course – either face-to-face or in the virtual world – and monitors each learner's progress.

The company has access to several performance indicators to monitor the progress of their participants in real time.



4REAL®: Cegos' blended approach, learning on the job

4REAL® courses fulfil the four criteria organisations demand:

- A mix of classroom-based and distance learning that provides training over the long-term to embed professional practices and allow individuals to learn at their own pace;
- Programmes focused on transferring learnings into the workplace to guarantee that participants deliver results and contribute to performance;
- ATAWAD (anytime, anywhere, any device) courses are easily accessible whenever you get a suitable opportunity for learning;
- Customised and personalised to meet the performance challenges and to allow participants to learn at their own pace.

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