



Despite enormous disruption, your preexisting business transformation issues have not gone away

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Introduction by
GerRee Anderson

Creative Director,
Ogilvy U.S. Employee
Experience practice

A graphic with a light pink background. The text 'TRANSFORMATION AMID' is in a red, sans-serif font. Below it, the word 'DISRUPTION' is written in a large, bold, black, sans-serif font. The bottom portion of the 'DISRUPTION' text is overlaid with a red, semi-transparent bar, making it appear as if the letters are partially obscured or cut off.

A snapshot in time

In late February and early March, just as the global wave of the pandemic was hitting the United States, we embarked on an internal project to spark innovation within Ogilvy. To ground us in the voice of the customer, we interviewed business leaders about what they were striving for in the coming year and the struggles they sought to overcome on the way toward these goals. We interviewed CEOs and chief marketing officers, line-of-business and growth leaders — and we were struck by the consistency among them. Regardless of their position or industry, while focused on driving new thinking and new products, these leaders all spoke about the importance of — and struggle with — some of the most elemental challenges in business strategy, brand building, and organizational dynamics. Thinking back on our conversations with these leaders now, amid the full bloom of disruption, so much of what they shared still resonates — maybe more now.

Opportunities abound in the fundamentals

What follows is a series of short reflections inspired by what our interviews revealed about the fundamentals that brands struggle to get right — internally — every day. Leaders, if you hear anything in this series, hear this: Yours is not the only team trying to reimagine what's possible for your brand, employees, and customers while pulling the weight of organizational — and personal — struggles. As you move forward, the energy you give the fundamentals may just prove to be your differentiator. More than ever, people need brands that are ready to show up in new ways for them.

Aligning to a renewed sense of purpose: Sometimes, just getting people inspired to join forces internally — and work to stay aligned — is the hardest part. As one respondent said, “If I get 10 people in a room, I get 10 different opinions.”

Institutionalizing the pursuit of innovation: Who's responsible for innovation? Is there a right or wrong way to challenge status quo? One leader mused about a dynamic that creates drag on innovation: “Recognizing the need to change isn't synonymous with casting judgment on the past.”

Using data to uncover opportunities and help course-correct: There's no question that data can reveal new needs, new stories, and new markets. Leaders crave it to help them align internally, too: “I use data to get people to listen.” But establishing a robust data practice is no easy task.

Activating people for organizational change: Brand is not a department. “Brand is an organizational issue — it can't be solved by one person.” Leaders must be present and active to help their teams navigate constant change before a brand can truly rise to any occasion and live up to its promise.

Keeping it real with partners: Partners should augment and accelerate. And that takes a tight, honest, collaborative relationship — not a one-sided, transactional one. “Remember that I actually know some stuff,” one leader said.

by Amy Messenger

Managing Director,
Ogilvy U.S. PR & Influence

ALIGNING TO A RENEWED SENSE OF PURPOSE

We assumed there would be commonalities, but we didn't really know what to expect when we embarked on interviewing business leaders to understand their biggest business challenges. They were CEOs, chief marketing officers, and business development leaders for brands that ran the gamut of established and emerging markets, brick-and-mortar and digital-first models, and global and U.S.-based organizations. After anonymizing anecdotes and comparing notes, chief among the common themes was their angst about growth amid diluted or distorted brand purpose. Keep in mind, this was February 2020, before everything changed. This need for focused growth has since gained greater urgency for many who are working to preserve revenue in the downturn.

Growth and purpose go hand in hand

Exactly how does organizational growth happen when there is lack of internal alignment? That was a question we heard over and over again. Further, how do you inspire people to drive and support growth when there is either an unclear or an unconvincing sense of organizational purpose? Our interviewees almost universally shared that their organizations struggle with lack of clarity, and they felt it was affecting their growth. “Belief in brand building can't sit with one person; it needs to be embedded across the organization,” one leader asserted. But it's not always easy to get all leaders on the same page. “If I get 10 people in a room, I get 10 different opinions,” mused another interviewee.

Clarity of purpose is good for business. Consumers speak with their wallets when it comes to brand purpose, and employees speak with their loyalty. Brands that are perceived as having a high positive impact on people's lives have grown brand value 2.5 times more than brands with low perceived impact. And purpose can drive preference. Worldwide, more than 60 percent of consumers under

30 prefer brands that “have a point of view and stand for something.”² Purpose matters to employees who want to do more than sell stuff, and consumers want to know that they are buying more than just things. In short, people want their loyalty to have a greater, more positive impact on their world.

Business leaders usually have keen insight about what their brand’s purpose is. Our interviewees knew their stories. One talked about the critical role their brand would play in solving the global food crisis. Another spoke excitedly about how their brand addresses the need for people to feel seen and know that people care; they just want their colleagues to get equally fired up. “I wish that immediately people would get passionate about how we can help our customer!” Our world has dramatically changed, and this need to inspire alignment has never been more critical for how organizations will adapt and adjust.

Moving toward inspired alignment

Business leaders want help inspiring people and driving internal alignment, and that means clarifying purpose, rallying leaders around it, and making it real for employees and consumers alike. Landing on a clear and compelling articulation of purpose can be especially challenging for more established organizations who, when formed, didn’t have “purpose” in their corporate lexicon. For younger companies, there are plenty of sources of inspiration for guidance when you are baking purpose in at the ground floor, whether you aim to be a [B Corporation](#) or dedicate to [conscious capitalism](#).

The Harvard Business Review suggests that leaders and companies typically take one of two approaches to effectively define their purpose: retrospective or prospective. The former “builds on a firm’s existing reason for being,” while the latter requires leaders to look externally to “make sense of the future and then start gearing your organization for it.”³

However you arrive at your purpose, what counts is whether your purpose leads you. No matter your size or state of maturity, start by assessing your foundation: Who does your organization strive to be on its best day? Why should anybody, including your customers and employees, care? Answer those two questions as a leadership team honestly, and you will have a heck of a head start on driving alignment, sense of purpose, and growth.

As organization leaders look inward and outward, it’s critical to gain outside perspective, and have an approach for bringing it all together. In our experience, this kind of work goes best when played as a team sport — with a goal. When are our stakeholder voices best heard? Do they trump the voice of the customer? When is it decision-making time? Whether a consultative agency or research partner helps provide the perspective or leaders draw their inspiration from what’s happening in market and the world around them, nothing really gets done without a plan.

by James Hidden

Managing Director,
Ogilvy California

INSTITUTIONALIZING THE PURSUIT OF INNOVATION

Necessity is the mother of invention, so the proverb goes. And plenty has been said already about how the COVID-19 pandemic has accelerated the pace of innovation and digitally transformed businesses through sheer necessity. [Impossible Burger](#) fast-tracked a new direct-to-consumer (DTC) platform. The restaurant industry pivoted entire business models. In general, the pace of change has been head-spinning. Indeed, our own WPP CEO Mark Read has remarked that “we have witnessed a decade’s innovation in a few short weeks.”

When speaking to a cohort of cross-industry marketing leaders prepandemic, we heard them consistently refer to opportunities they were seeing to galvanize a culture that incentivized and rewarded innovation. Trying new things is often an uncertain and uncomfortable game, particularly when the Street demands short-term returns on proven models. One leader put the challenge beautifully and simply, saying, to emphasize the importance of exploring new opportunities: “We

need a ‘white space’ quota.” It’s clear that these leaders were looking to stay one step ahead, running companies that were not waiting for necessity to force their hand. As recent events have unfolded, we believe they are well-placed to navigate the upset. They spoke of the watch-outs, whether within their own organizations or from past experiences, and we discussed how companies spend too much time looking inward, rather than outward. Too much time delivering what customers want today, not what they’ll need tomorrow. Too much time focused on margins on their current business, not the profit-drivers of the future.

This hamster wheel can be paralyzing. If madness is doing the same thing repeatedly and expecting a different outcome, sanity might be found following the advice of one of our participants, who looked for partners — both internal and external — that could truly push people out of their comfort zones. “We value partners that deliver new types of thinking that leads us to new outcomes — not just a presentation deck.”

“New thinking” can take many forms, of course. Sometimes innovation is used as a synonym for digital transformation, which is at the heart of many businesses’ growth strategies today. But our interviewees saw innovation as much broader than that, invoking its necessity in all kinds of critical endeavors, whether product development, customer acquisition and experience design, or taking the entire organization in a new direction. Whatever your business’s most pressing need, our conversations helped us identify three habits that can help infuse a culture of innovation throughout your organization.

Make the pursuit of innovation a business mandate, not a hobby

Innovation, as we said, needs to be institutionalized. Formalize and protect the moonshot-esque initiatives, ensuring that they have adequate resources and C-suite engagement. It’s this type of rigor that will drive enterprisewide change that has business impact. In contrast, organizational structures that refer to “core,” “adjacent,” and “far out” create bias that kills disruptive thinking through a kind of nominative determinism. And the lingua franca of “skunkworks” and “innovation labs” can create a dangerous perception that whatever happens there is less than business-critical. When belts tighten, as they inevitably will, one guesses as to which budgets disappear. But if we formalize innovation and invite the C-suite in, do we lose freedom and creativity? Not if leaders understand their roles in upholding innovation.

Innovate outside the box by broadening your aperture

As one of our interviewees said so poetically, “Recognizing the need to change isn’t synonymous with casting judgment on the past.” Oftentimes there can be an unwillingness for leadership to challenge sacred cows that slow the pace of change. Shake off the limitations. What category are you really competing in? Casper is not a mattress producer, it’s a sleep lifestyle brand. Halo Top doesn’t sell ice cream, it’s a purveyor of delicious healthy treats. How would this expanded worldview change how your team thinks about its purpose? What partners would you need, and where would you need to focus?

Imagine a world in which your brand doesn’t exist

What happened? Why did it die? What existential threat is likely in the future — regulatory control, an unseen change in consumer behavior, or even a whole new competitive threat? One participant captured it smartly: “My future competition doesn’t exist today.” Doomsday scenario planning may seem a bit on the nose right now, but allowing ourselves to think of our present as the past helps us abandon short-term, incremental thoughts to truly embrace what a brand can become.

Finally, your brand may, like many, be looking deeply inward at its equity, diversity, and inclusion policies. Do not forget what these measures can mean for your ability to innovate. Diverse teams more closely reflect your current customers — and your prospective customers, too. Inclusion creates a space in which more voices can share their needs and perspectives. And new perspectives inevitably generate new ideas.

by **Mike McFadden**

Executive Vice President,
Ogilvy U.S.

USING DATA TO UNCOVER OPPORTUNITIES AND HELP COURSE-CORRECT

During our interviews with business leaders in February and March, the subject of data came up multiple times as leader after leader talked about how data helps them tell stories, convince and unify leadership, and, ultimately, move organizations in new directions. Some think of data as “having outside perspective,” which they indicated is “more important than ever.” Others shared stories about the critical tool data has been when proving their business case to leadership: “I used data to get people to listen.” We also heard how data has settled tensions and unified seemingly competing directions: “I felt like people were waiting for the right moment to say it wasn’t working, but data bailed me out.”

Although the important role data plays in setting strategy and navigating organizations from moment to moment is nothing new, it is also not a practice that many organizations have nailed. Data is powerful, but on its own, it doesn’t amount to action. Carly Fiorina, former chief executive officer of HP has said, “The goal is to turn data into information and information into insight.” Valuable data for leaders is all around, in customer service, online orders, website tracking, third-party providers, operations, employee attrition, employee surveys, client surveys, Net Promotor Scores (NPS) — the list goes on. The key is to identify the data and organize it in a way that will lead to the decisions that make a difference in your course of action.

Data for new opportunities

Using data to identify opportunities is powerful. Reviewing sales data, conversion data, NPS data, and other data sources through the lens of “what could we do differently” is an eye-opening exercise. New service models might emerge, new operational efficiencies might be uncovered, gaps in product offerings can show up. The ideas can be free-flowing, but as we learned from other leaders, it takes time to analyze the data, and it requires doing so with a mindset to unlock more than new ways to do the same things. Look for new ways to fulfill your purpose altogether.

Data for action

Data is one of the greatest tools to drive action in an organization, but specificity is key. “Conversions are down 20%, while cart orders are up 50%.” This drives different actions than it would to just say revenue is up by a couple of points. Diving into the details will help uncover the kinds of information that can lead to different insights and, in turn, inspire different actions. Go deep into data so that you can act based on business-critical insights.

Data for unification

In its purest form, data should be reviewed and consumed using a beginner’s mind. Suspend bias and agendas so that the data can speak for itself. This is easier said than done, but a strong understanding of purpose and an environment that encourages innovative thinking help set the stage for data insights to propel an organization forward. Deciding what to measure and then reviewing it together regularly makes data another way to unify a team.

by **Kelly Hanratty**

Client Portfolio Lead,
Ogilvy U.S. Employee
Experience practice

ACTIVATING PEOPLE FOR ORGANIZATIONAL CHANGE

As business leaders across industry shared their goals and challenges with us during our interviews, each articulated modern context for the fundamental challenges leaders have been wrestling with for decades. Among those: driving swift and effective organizational change. “It’s like trying to turn a ship,” said one participant, reflecting on an organizational initiative that didn’t take hold.

Organizational change, although absolutely every company must manage it, turns out to be fraught with failure. A statistic cited widely in change management circles is that as many as 70%

of new initiatives fail to meet their objectives. Of the \$1.3 trillion spent on digital transformations last year, it was estimated that \$900 billion went to waste.⁴ Why is organizational change so hard? Because, as any change management pro will tell you, organizations don't change. People do. And if you're trying to help a company change without a plan to help people change, chances are good your chances are ... not good. Regardless of scope, if the change is important (and if it isn't, why change?), consider the critical groups of people necessary to turn the ship:

Leadership usually conceives of the change and is required to sponsor its deployment and engagement. This is a handful of individuals.

Managers are closest to employees and must help personalize the change for their team members. Depending on your size, this could be dozens of individuals or hundreds.

Employees must understand the change and likely will need to shift a mindset or behavior for the initiative to realize its intent.

Leadership

The breakdown of most initiatives we've witnessed happens with leadership during a critical transition from plan to action. We call it the "phew, I'm done" syndrome. Plan development requires an immense amount of work and collaboration across peers in leadership. By the time the plan is completed and unveiled to the world with much fanfare, leaders are ready to get back to their day jobs. But after completing and communicating the plan to employees, it's time to engage them. Meet them where they are, ensure that they see the vision you see, and champion the change until the desired results are being achieved consistently. As a leader, keep a few things in mind about this juncture.

- **The work is just getting started with employees.** You've been working on this for weeks or months, and it feels like you're at the finish line. But employees are now at the starting gate — and leaders must help employees cross the tape.
- Market context and business imperatives driving the plan have likely been hashed and rehashed, but leaders must externalize their belief in the decision now. **Employees need a narrative about why new initiatives matter to them, their company, and their customers.** This rarely gets explained in a way employees can relate to that helps them believe in the change, the organization, and its leaders.
- Change management of the new behaviors required by employees **must include a leader to sponsor the initiative, from employee awareness through the sharing of successes.** The right leader involvement improves success rates by almost 30%.⁵

“We need our teams to understand the vision, then believe, and ultimately own. We've done a bad job with the belief part.”

— Business leader interviewee

Managers

Prosci change management research says that 67% of employees stated that the preferred sender for messages about how the employee is personally affected is their direct supervisor.⁶ Yet this staff layer is often not given a role in change management for new initiatives. Employees look to their managers for cues on how to process change. Bringing managers in early and enlisting their help in outlining the role they will play helps avoid the “I'll wait this out to see what's real” mindset — that is, managers who don't act right away, banking on the organization losing interest and moving on to a new initiative.

- Engaging and equipping managers with the right tools can go a long way to improve an initiative's success rate.
- Be clear about how the organization would like managers to lead and what is expected of them.

- Provide talk tracks to help managers articulate the narrative of the plan.
- Outline engagement exercises or conversation starters for managers to use with their teams.
- Ensure that managers are aligned with what the changes mean to them — it will be a challenge to explain the plan to staff if they can't internalize it for themselves.

“We’ll need consistency to keep on it and not get bored. We tend to get distracted with the new, shiny thing.”

— Business leader interviewee

Employees

As overwhelming as it sounds, change happens one individual at a time. It's imperative to acknowledge what employees have to process before they can lead the way on results. As certified practitioners in Prosci change management, we leverage its ADKAR model when designing change programs for our clients:

Awareness: Change begins with understanding. What's the nature of the change, why is it needed, and what's the risk of not changing?

Desire: Change depends on people's personal decisions to engage and participate because they agree that there's something in it for them and there are people who matter to them.

Knowledge: Change requires knowing how to do things differently, which can require training on new processes and tools or learning new skills.

Ability: Change requires action that takes everyone in the right direction through a demonstrated capability to implement and perform.

Reinforcement: Change must be reinforced to be sustained. That means sharing successes and providing recognition and rewards.

Be as focused and explicit as you can with employees. Employees will continue to do their jobs in the way they know best and are most comfortable (read: the way they've always done it) unless they clearly understand what the new way could mean, how it's different from what they're doing now, and what tools they have that give them the ability to do things differently.

Change can be a challenge even in the best of times. During this tumultuous time of health and financial crisis coupled with social revolution, it's all the more difficult — but likely needed now more than ever before. As you plan your approach, proceed methodically and mindfully with all layers of your organization, and please don't underestimate the amount of change your leaders, managers, and employees are already navigating.

by **Dan La Russo**

Group Managing Director,
Ogilvy California

KEEPING IT REAL WITH PARTNERS

If you are in-house, how often have you said, “I don't want a vendor; I want a partner?” If you're at an agency, how often have you said, “We're not a vendor; we're a partner.” Most experienced marketing leaders have heard or said both over their careers.

So it wasn't a huge surprise when the nature and quality of partnership emerged as a common theme with marketing and business leaders in our discussions. Some of what these leaders shared seems more pertinent today than it did pre-COVID-19. Particularly because the disruptions we're navigating now are triggering many organizations to assess their most foundational practices. Who they partner with is definitely one of them.

We heard a lot from our participants on the fundamentals of great partnerships. All the things you'd expect from a best practices book on the topic: building trust, creating a shared vision, keeping each other honest, pushing one another, and so forth.

But before exploring partnerships, it's important to think about why they can make or break marketing engagements. Partnership is about building and exchanging value better and faster by augmenting what we can accomplish on our own. The agency can't do it without the client, and the client can't deliver in the same way without the resources of the agency.

Ultimately, a strong partnership complements both sides by combining unique resources: skill sets, perspectives, geographic reach, time, talent, support, and more. Finding the right mix is often something that isn't spoken about upfront directly or as clearly as it oftentimes should be. Here's what our participants shared with us about the way a strong partnership shows up best for them.

Keep me focused on the outcomes

The leaders we spoke with wanted partners to have expectations of them. One leader stated, "I need a partner to call out when we've lost sight of the 'so what?'" And one that will be confident enough to tell us what to do about it." With the increased workloads and daily demands of the job, it is important that an agency partner pause, reflect, and engage in a dialogue when they see the work straying from the larger business outcome and brand objective.

Change management is everyone's job

Even before COVID-19, when we had these discussions, multiple leaders indicated they were looking to their partners to help guide them through internal change as well as the rapidly changing external market. One leader mentioned they wanted their partners to "Help me navigate the world that is always changing — and help me bring that change to life." We can't think of one client today that isn't undergoing immense change internally, externally, or both. Being there to help them understand, navigate, and manage that change is of critical importance to all of us.

You can't fake enthusiasm and commitment

Leaders are busier than ever, weighed down by the added workload and stress that has come with this new normal. They can tell when their partners aren't passionate about their business. Passion and enthusiasm manifest themselves as dedication, going beyond what's expected, thinking ahead, and bringing personal investment to the job. Don't we all want to work with partners like that? If you're not seeing it from your partners, you're not wrong to believe it should feel much different. Tell them what you expect, and ask what's holding them back. Honest feedback and open dialogue about how to solve it goes a long way.

Acknowledge — and use — my expertise

One leader summed this up nicely, "Remember that I actually know some stuff. It's not that I lack the skill to do it — I don't have the time." So while partners challenge each other and help each other get out of their comfort zones and think fresh — they should do it in a way that respects what both parties bring to the table. Several leaders mentioned wanting to be a part of the iteration and exploration of new thinking and new ideas, not on the sidelines waiting for a big unveil. Make it clear to your partners that you want to roll up your sleeves with them — but remember: If you're short on time, take care not to weave yourself in so tightly that your time limitations create bottlenecks.

We're proud to work with some of the world's most admired brands, helping them seize today and lead the world into tomorrow. Need help with your business transformation? *We're here.*

1 Kantar Consulting, *Purpose 2020: Igniting Purpose-Led Growth*, May 19, 2018

2 Kantar Consulting, *Purpose 2020: Igniting Purpose-Led Growth*, May 19, 2018.

3 Harvard Business Review, "Put Purpose at the Core of Your Strategy," Thomas W. Malnight, Ivy Buche and Charles Dhanaraj, September–October 2019, <https://hbr.org/2019/09/put-purpose-at-the-core-of-your-strategy>

4 Harvard Business Review, "Digital Transformation Is Not About Technology," Behnam Tabrizi, Ed Lam, Kirk Girard and Vernon Irvin, March 13, 2019, <https://hbr.org/2019/03/digital-transformation-is-not-about-technology>

5 Prosci, *Best Practices in Change Management*, 2018.

6 Prosci, *Best Practices in Change Management*, 2018.