CLOUD REALITIES

CR089

Culture to drive change
with Alex Alves, Unilever

Capgemini

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[00:00:00] You know what, sometimes when we start this podcast, it's 20 minutes of tech, click that, do that, change that. But you've arrived and it's perfect. What version of Windows are you on? Okay, okay now. Windows 3. 1, not sure I've tackled that for a while. Welcome to Cloud Realities, an original podcast from Capgemini. And this week, a conversation show exploring culture, change within culture, and how you can leverage culture to drive change. I'm Dave Chapman. I'm Esmee van de Giessen. And I'm Rob Kernaghan.

So, hello everybody. How are you doing? You good?

Uh, yeah, it's getting cold though, Dave. Winter has come. So, we're from the winter is coming to it's here now. Shocked. It is chilly. It is chilly, but [00:01:00] to warm us today with thought, I'm delighted to say we've got Alex Alves with us, a Global IT Director of Business Architecture at Unilever.

Alex, good to see you. How are you today? I'm fine, Dave. Thank you. Good to be here. And is it cold where you are too? Yes, it is. Very cold. It is the, it is the season of, you know, is it still the season of pumpkin spice lattes? No, no, it's Christmas now, Dave. We've had that. Ignore our decorations going up. So if you have put your decorations up already, oh dear me, or maybe actually you might be listening to this and going, yeah, no, it is December. So as you, you have You know, a very elaborate process of decorating. Have you started this year yet? No, it's actually finished now. The complete village, including skis and ice skating track and yeah, it's, it's done.

Very elaborate. Spectacular. Spectacular. So Rob, I was confused about pumpkin spice latte. Is there anything confusing you this week?

Well, David. Yeah, well, [00:02:00] it's more of a where it's going to go confusion. So have you heard of techno platform feudalism? I've heard of all of those individual words, I'm not sure I have together. Just unpack this quickly. So in feudalism or the traditional concept, you had lords and they owned the land, you had the vassals provided service or protection in exchange for the land, and then you had the serfs who worked the land, right?

That's how the money systems used to work back in the day. Many, many hundreds and hundreds of years ago. Techno platform feudalism is wondering if there's a new style of economy rising. We have the platform lords, and these are the large tech companies. You have the vassals or tenants. These are the content creators or the gig workers who use them.

You have the serfs, that's us who consume the content. Why do we always have to be the serfs? Oh, well, we're also kind of the vassals because we create this podcast, but we'll move on from that point. And then, of course, there's the extractive nature of it, which is where the lords would get the money from the land and the workers.

the platforms earn [00:03:00] loads of money from these vassals or tenants or serfs creating the content and using it. Okay. And there's a lack of mobility or agency in there as well. So it's very difficult to do platform shift because there's a number of very small, very dominant global scale. So you get these characteristics of centralization of power, lack of alternatives, exploitation of data and the creativity and this dependency, right?

So we ended up with the platforms are becoming the new feudalist nature of our society. And so there's this confusion in me going, is this just going to, you know, go back to a world where the technical platforms and the companies that own them are going to be basically running the show in all but name, and then the nation states will lose control?

And we've seen a lot of things about elections and communication pathways and the algorithm influencing people differently. Or is it just, uh, we're going to defeat them through

legislation, take more control? Because we've seen recently Australia legislating to say, if you're under 16, you can't use these.

Platforms, et cetera. And I'm genuinely confused about where this is going to go. Are we going to go back to the [00:04:00] dark ages or are we going to end up in this progressive, you know, future where actually this is all controlled appropriately? And hence David, my confusion this week. What's he going on about EZ

God. Well you surely got me confused. . I was like, lords, and then I le I left. Uh, I, I don't dunno. This might was already, this might be the time that the question is more confusing than the actual subject. I think I explained that quite well. No, but you see this thing about technology platforms taking control.

That's the point. Let's, let's thank our listeners if they're still on. Yeah, yeah. Let's just stay with us through that. We'll get to the good bit in a minute. Don't worry. Well, that's deflated me for all the support. Are you, are you basically edging towards what X has done in the U. S. Yeah, it's like, it's like, yeah, so you got, you got YouTube, X, you've got, you know, things like that where actually they can influence people [00:05:00] much more and in a much more serious way than we might hope.

And that is affecting election outcomes. You know, there's lots of talk about technology changing the way we interact as a society. And it's all that control is concentrated inside a very small community of tech players.

Yeah, right. So I think you might be right, Robin. I think X in the U. S. is probably the biggest example in my head at the moment of, of having such significant influence directly.

Now, in terms of like whether we're all just going to get trapped on platforms, I don't know the answer to that because blue sky is emergent, isn't it? No pun intended. So, so maybe, maybe the power of the crowd. might have an influence in the power of the platform.

Yeah, but the, that's like the, the upstart to the Lord's trying to take control.

Do they have enough influence and power to be able to do it? And time will tell because there's this concept of mass exodus to this new platform, blue sky. So is platform shift occurring [00:06:00] or is it not? Or will the gravity ping back? And what we've seen with other social media platforms that attempt to rise in competition with the what we know today, or the traditional players, we see they get squashed, basically.

Well, time will tell, and I think we'll get a first instance, won't we? of understanding this when we see whether listeners actually do end up pinging back from Blue Sky onto X. Or listeners rather, you know, contributors to that platform. So let's keep an eye on that. That was both a confusing question and I don't think we got anywhere close to unravelling it.

I shall remain confused, David. Thank you for the support in this matter.

You're very welcome. Now, moving on to our guest for the day. So Alex, why don't we start with your background. Bring us up to speed on the journey that you've taken. Okay. So, uh, I'm Brazilian, first of all, so I reside in London for 10 years now.

So I'm an electrical engineer, master of science in electrical engineer as [00:07:00] well. And I'm a professional that delivers transformation. So that, that's what I have been doing for many, many years. So more recently in the last 10 years, I have been working with firstly with Kraft Heinz as a VP for global business services here in UK.

And then I moved to AstraZeneca, UK as well, but in Cambridge, also, also related to global business services. And for the last five years and a half, I have been working at Tune Deliver,

also responsible for big transformations, global transformations. That's, uh, that's my summary.

So when you look, so that's a, a good, a great CV in terms of some of the organizations you've worked in over the course of the last 20 some years.

And you've worked on change programs. In each of those organizations with different cultures and different challenges and different markets. What observations have you got [00:08:00] when you look back across them? Do you see commonality in them? Or do you see actually, you know, kind of each organization has its own unique way of executing change?

Yes, I, I see both, but I think you have to appreciate, for example, in the list that I have provided now in the last 10 years. So we have now a health, a health science company, and I have two FMCG companies. Their culture, culture is completely different. So the, the approach for transformation is also very, you know, worlds apart, I would say, you know, and you have to take that into consideration because at the same, at the same point, we all have the same, of course, we have the, you know, business objective in mind when we start a transformation.

So, but the, the culture of the company drives the path for, for reaching those business objectives, you know? So I would say that, that that's one, one key point that no, is often overlooked because if you want to, to approach a challenge, you know, we have a prescriptive, like a mathematical recipe, [00:09:00] how to put together transformation A, B, C. If you don't consider in which culture we are, it's going to be much harder. So,

so do you see between the two FMCG organizations, for example, was that, was that a similar culture? Because it's very easy, isn't it? To sort of broad brush that whole sectors have very similar cultures. Do you think that holds true or do you think to each organization its own?

I think it's more of the second. Dave. So I think it's, uh, of course, no Kraft Heinz is closer to Unilever in terms of the culture and very far from both of them are very far from, from AstraZeneca, but no, even when we compare no FMCG companies, I think that there's a, also a big difference. So the point is don't, don't put together.

Know the, the recipe now, regardless of the culture, you have to, to start with the culture and, [00:10:00] and consider that that culture as a kind of guard guardrails of your transformation. So I can, I, I can establish now many items know that are different from craft Heinz compared with Unilever. So, and building in those two different universes, you have to be mindful of those, of, of those differences.

You know, how do you, when you first enter. such an organization, Alex, how do you grasp that culture? Where do you look at to, to, you know, to get an idea of what type of culture you're facing?

Well, there's, there's very different signals. So when I'm going to share my story, when I, when I was in my interview to AstraZeneca, So the person interviewed me and said, no, you're coming from a fast moving consuming group.

FMCG company F stands for fast. You don't have to be so fast here. So that was During the inter the, the interview, we got the first signal as me. So, but no, because, and, and it's nothing, nothing wrong with that. You know, I think it was a, a great, a great no call that [00:11:00] he, he, he made when he was interviewing me, because that set the tone, you know, so.

Of course, then you understand in, in the, in the governance of the company how people interact. You know how people know, conduct their meetings, you know how they are.

For example, this is something I would like to explore today with you, so how they treat creativity and innovation. Many people talk about innovation, creativity, but no different companies have actually different appetites.

For bringing to life innovation, you know, so it start trying to probe that, you know,

you mentioned that as you, as you're embarking on a change program, take, taking the culture into account first and letting it create guardrails for the change. Just explain to us how you handle that process, so, and how is that different from maybe other change programs you've seen kick off?

Yes, I think, I think that [00:12:00] no, one important perspective that I consider is the, the blueprint approach. So many companies, I'm not, I'm not talking about Unilever now, I'm talking as a general, and besides, besides, sorry, before moving to London, I was many years with the consulting, consulting business. So that's where my experience also comes from.

I think it's important to understand that many companies see transformations as a tool implementation only. So I know it's, it's like, no, I know the drill. It's about implementing an ERP globally, which in itself is a super big challenge. I'm not saying different here. So, but the point is that it's never tools implementation only, you know, and it's about, no tools.

It's about data. It's about analytics, about organization. It's about. people. It's about change management. And also another aspect that now is super [00:13:00] common in my, in my view is that we treat change management as a synonym of many different things. So everyone has a meaning for that. And to me is, is very.

detailed and with a big number of disciplines that constitute what change management is. So I think what's important to do is to consider that blueprint, those, all those transformation dimensions, as I like to say, as opposed to fix, fixing ourselves. to only the tool, the challenge of implementing a tool, you know.

So I think, I mean, you raise a very, very good point, which is when you enter an organization and you need to deliver change, what I really like what you're saying is you work with the way the organization operates today and you have to almost change it within the constructs of what it can cope with.

Yeah, you get some examples where people have gone into change and they, they kind of try and be too dramatic and rage against the machine and to try and tear it all up, but actually You've still got to keep everything going whilst you're changing it in very large [00:14:00] organizations, especially on such a global scale.

And I think that that point about. You've got to understand what you're changing first before you, you know, you just go in with preconceived ideas and I'm going to change the world and this is, you know, the system itself, if it's not happy with what you're trying to do, can become very passive aggressive against change.

And I don't know if you've got a viewpoint on the, on the sort of, if you've seen where people haven't been able to take that culture on board and where they've struggled with the change and the sort of where they, they maybe should have adapted their approach.

Yeah, so we're up two points here. I think first we have to understand why the organization wants the change.

You know, so, and what's the, how flexibility that organization has in achieving that change. Let me give you an example. When I, uh, when I was in a specific company, not, not to deliver in a different company, GBSs, they are, they are, they are implemented like typically in a

vertical structure. [00:15:00] Yeah. And so, so finance, HR, and blah, blah, blah.

So I was convinced that that was the wrong, the wrong way to do that. So I suggested a horizontal way because that, that, that, that, that way would be, would have more benefits, you know, but that was too much for the organization. You know, the organization reacted to that, you know, so it's, it's, it's, it's both is equally important to understand why, what the organization wants with the change in terms of value.

You know, but also the flexibility the organization has, you know, because too, too much creative, even if you've gained support, no, with no business outcomes that will come as a result of that creativity might be too much. So to, to ask me points, so we have to read those signs. Because otherwise you're going to be presenting something that will look sci fi to the, to the, to the LTE, you know, and it's like you are someone detached [00:16:00] from the reality of the challenge of the company.

So I think this is, this is super important.

How do you do that, Alex? Like when you're in the midst, cause you're part of the system. Once you're in it, you're in it, even though, you know, we all think we're not and we can see it from the side, but you're in it. How do you do that? How do you use your senses?

Like on a daily basis, where you're in the middle of. of those

moments. You know, I learn a lot with my, my mistakes as me. So, so usually people tell, tell their stories now based on their success. So I also learn when they make a mistake. So let me give you an example. I was in, when I was in AstraZeneca, I was in a meeting.

And I was suggesting that horizontal approach. And I created a process called just like you have procurement to payment or to cash, something to something. I created the discovery to distribution. I thought that was very creative of mine because we would have a horizontal multi competency thing. I think that would be, that would be, be [00:17:00] great.

Their reaction was not good at all. You know, so I, I realized during the meeting that no, I have gone too far here. So I realized I had made a mistake and that's how I learn also, you know. What did you see? What happened? Were they in your rebellious? Did they leave the meeting?

No, it was, no, they didn't leave the meeting, but it was more like no faces.

You know, I didn't engage with the idea. I was super ready to defend every aspect of the idea, but no, what I was not ready for is that to identify that the flex, I have no turns past the border of flexibility of that culture.

You know, that's what I'm saying. So the, even with my mistakes, I think that I know it's a cliche, but no, it's also true.

You know, when you make the mistakes. You learn so, so many important things that for life, you know, so as much as you can be convinced about the given medicine is the optimal medicine. [00:18:00] Sometimes you don't have to give the optimal medicine to a patient. You have the medicine that the patient can absorb.

If I can make that analogy. Not sure if I'd be inspired by AstraZeneca here.

It's a great example of what I call organizational. speed limits which is sometimes you turn up you go right we're gonna go 90 miles an hour and they go no just about get to 35. Yeah it's that which is the how do I get you to 90 it's gonna take a while.

Yes that's a great analogy as well Rob so I like it yeah yeah spot on.

And when you're thinking about um cultural change so we've talked about change within a culture and sometimes especially when we're talking about things like digital transformation or or moving towards cloud culture or cloud native or, you know, those sorts of phrases.

It implies an act of cultural change and depending on You know, who you're talking to, [00:19:00] they'll either think that that's actually impossible, because the, you know, the old culture strategy for breakfast stuff, like the cultural be what it will be, and to enact a change on it is kind of foolhardy. You've got to do the thing within the existing culture.

Or do you think, you know, kind of in the experience that you've had, that you can shift cultures and move cultures, particularly towards things like digital native?

In my experience, the, as I said before, so we have those guard rails, right? So, but no, I think change management is key. It's a key discipline when.

Trying to move what's possible to move, to change what's possible to change. But one has to also appreciate, as I mentioned before, in my experience, not, not again, not in New Living, but no, even in my consulting experience, each company has a view what, what change management is. For many, change management is a stakeholder management, which is [00:20:00] correct.

To your point, Dave, so we have to understand from, from each, each, you know, leadership, no member, what their, their view, their view is. That's one, but it's also training. It's very different from stakeholder management. It's also mark understanding market redness, which is also very different from the two other ones.

It's also create a business simulation. It's also creating. A new organization that will deliver that change. So you see under the big umbrella of change management, there are so many diverse components that one has to observe. And, and, and to me, you have to, to, to be successful in the transformation. And to me, that's key.

Because no, if you don't train the people, if you don't create an organization, if you don't engage with the stakeholders, if you don't simulate the operation of the transformation before you go live, you know, even with no, if you don't make sure to have a, a very detailed pre go live checklist [00:21:00] across all those transformation dimensions, and also a checklist that no dictates what success looks like when you, um, The new, the transform entities in operation, I think life is going to be super hard.

So, and this is, this is, this is why I think that transformation, corporate global transformations is a, is a very, should be a very well structured discipline because, because it's not only again about let's implement a tool. You know, I know how to implement it too. I know the drill. I'm going to implement it too.

It's never about implementing it too. It's also about the implement, it's about implementing all those, those dimensions and connect those dimensions to develop creation that we expect, because that's where transforming in the first place, right? So because we identify why the company wants to, the change.

we have to prove that that that change is going to be feasible. So it's it's really a complex environment in in that [00:22:00] no culture with those guardrails that have talked about.

Yeah, yeah, yeah. One of Rob's favorite ways of changing culture is to, uh, is to send an email to everybody saying on Monday morning, we've got a new culture.

No, I've changed that, Dave, now. I've changed that. I've changed that now. We get everybody in a big room. I stand on a stage and I say, we are digital now. And then I just

walk off. That's the answer. Go forth and be digital. Go forth and be digital. Go forth and be digital. Go forth and be digital. You set the strategic direction.The rest will come as a result, Rob. Exactly. Self organize. He only needs four or five words. Four or five words can change the culture of an entire organization.

There's a big value in that, Rob, so. And have you seen, on a serious note, have you seen an example of. I mean, you can, you can choose which way you want to go with this one, a change that has gone particularly badly because it didn't engage with the [00:23:00] corporate culture or the corporate tick speed that Rob was talking about, or conversely, you know, it's Friday, we can do a happy one, like, you know, one that went well and why did it go well?

No, Dave, as much as I disclose a mistake of mine here in a very honest fashion, you know, I'm going to be. equally honest saying I never took part in the transformation that did not succeed. Right.

So I was lucky enough and I was very well accompanied, of course, for many, many brilliant people. So I can tell you about, about stories that are successful ones. So I would like, if you don't mind, choose IOPS. integrated operations. Yeah, please do. And this is a Unilever program. That's a Unilever program. So IOPS is now, so we have, um, in the past, like five years ago, Unilever is divided by, by, by function. So we have a market operating, then we have the [00:24:00] finance function, we have the supply, supply chain function and, and, and so on and so forth.

Integrated operations is no, and you can imagine how happy I, I got when I landed here in delivering and, and to contribute in integrated operations is a horizontal approach compared to my previous story. So it's a horizontal approach where we take several, several processes from the markets and we Move them from vertical to horizontal.

So it creates a truly multi competency, a process and, and, and we know you have to, of course it was, it was a global project. And of course we have very specific, no benefits in mind. We are going to operate the markets on the, on behalf of, of, of the markets, right? So it was, it was very challenged. So we have, we have three types of markets.

We have modern trade, distributed trade, and e commerce. [00:25:00] Modern trade is, is a monolithic one. So big, big, big, big, you know, retail companies. So, so they'll have distributed trade, which is no. Very, very, with different natures of and sizes of clients and we have e commerce with with a new lever have at least six business models.

So we have to, to do that across, you know, finance, SNOP, supply chain, logistics, and, and. Or to cache and, and, and P2P at the end. So it's in a, to a certain extent was, uh, was creating a GBS, but we don't name that name integrated operations. And it has been tremendously successful. I was the design lead of that integrated, integrated approach.

And of course we use lots of change management there. Another thing that I have learned here in Deliver, in my previous experiences, we, we, I didn't, I was not, not exposed to that, but I was exposed that to, to [00:26:00] deliver. And I, I'm really grateful. It's the attention to financial risk and controls because when you do a transformations, like we've been talking so far, oh, let's transform.

Even if you have the, The superstructure transformation recipe, even considering the culture of the organization, now the change management aspects, it's very common that we forget the implications of the financial risk and controls. So this was, I think, a very successful thing in IOPS project as well, because all the transformations had this additional guardrail.

Because, for example, there is a, there's the experience of outsourcing things, right? So when you outsource, when you outsource our activities to a third party, we're having a changing event. So our people stop doing that. Another, another third party company starts doing that. That's a change event from financial controls risk.

So we have to observe the process that you are designing. have to take into account that dimension as well. So [00:27:00] this is an example of a very successful transformation. I'm very happy and proud to be part of that with a very big team. And, but no, it's also an example of the complexity of successful transformations.

And it's a very interesting point. Again, you raised there around risk and how people perceive. risk and how that varies cross sector, cross industry, et cetera. Because often if you come into a situation and you don't understand where risk is and you go to try and deliver change, it can, you can often come a cropper.

And once suddenly there's this dawning realization that when you properly understand the risk, then you would, you go, Oh yeah, we need to do that differently. And I think that's often a culture clash where people enter a new. industry but don't quite appreciate that risk balance that has to be struck.

And I think that's a, that's a challenge that if you don't get it right, you can, you know, it's, it's a painful experience all around.

True.

Yes. Yeah. So this is, [00:28:00] and I agree, Rob, and, but also taking into consideration that the risk I'm talking about is the financial, financial, financial risk of no, for example, when they change, which is, which is connected to what you have said to some extent, but just to To give you, give you more details, everything that in the transformation that touched the profit and loss of the company.

No, we have to be very careful, you know, because I, I can't, I can't, I can't make a mistake there. So that's a risk in your context, but no, it also in my context, I'm enjoying your comment with mine. Okay. Yeah. So it's, it's true. So you have to be very. Detailed, to have a very detailed approach, how to sort out and mitigate each possibility of risk that we have there.

Just to be precise here.

I think to nail that in future, Rob, you're going to have to add another bullet point to your email communication on that.

Yeah, and control risk as you do it. Yeah, yeah. [00:29:00] Don't crash the company into the wall, please.

Well, talking about communications, how important is that, Alex?

Because I think that the stories you tell and everything that you do, you know, requires good communications.

Yes. This is very, very difficult and important at the same time. Because as pointed out by Dave before, we're talking to different groups of people, right? So yes, so we have to understand who you're talking to.

And tell the story the way I put it. No, it seems that no, and it's true. Transformation is very complex and, and, and detail, but nobody wants to, to, to listen to this, no scientific mumbo jumbo, you know, so just know how, how intelligent this guy is and how complicated this guy is. You have to also, I'm going to tell that story to some, someone that's no.

Doesn't have all those elements, but it's important that now I engage them because they have a crucial role in that [00:30:00] transformation. You know? So how, in other words, it's, it's like different languages that we have to translate from one language to the other so that the communications established and we can trigger what's expected to, to from, from that specific group.

Not only trigger, but no help them to engage and be co-authors of the transformations in their domain. That's. That, and this is very difficult to ask me. So really difficult. So, and again, this is one of the disciplines that change manage brings, you know, one of the many. So again, so that, that's my point again.

So change managers are many important things together, you know, of different natures together, as opposed to just no stakeholder management or training. So the, how we tell the story. You know, it's, it's super important. And again, in the beginning of IOPS was, it was really difficult to tell the story. You know, we have, how am I going to tell the story?

It's [00:31:00] too complicated. Don't know. Let's, so we had, it was not something that you found out, you know, in the first month of the project. We should, we had to have, you know, several iterations there to make sure we're in the, in the right, in the right, you know, channel communicating the right things. to write different audiences.

But it's really difficult. It's really difficult.

When you talk about IOPS as an example, there's a lot in that. You've got standardization as a core where we should work in the same way where it's sensible, but then you've got deviation in there. You've also got this power. Balance changing. So you talked about on behalf of the market.

So the markets used to be king. They run the P and L. They had control. And then they're sort of seeding control away a bit more to the standards in the center.

I'd be interested in your view on when power bases like that change. Is the Java viewpoint on how to manage that effectively? Because as as as responsibility is shifting around an organization that can create a lot of emotion as [00:32:00] people feel like they might not be as income as much in control as they used to be interested in your reflections on that as part of that program.

No, that's very true. And that's a big challenge. Let me, let me answer your question with, uh, a previous experience of mine in, uh, Alhazer, Bush and Bev, you know, ABI. So in ABI was no created that their global business services, and they are very talking about culture. Let's try to connect all the elements here.

ABI has a very aggressive culture. You know, so it's an owner culture. There's no gray areas in ABI, you know, just black and white. Now who's responsible for that? It's Bob or it's Dave, but it's never Dave and Bob. You know, so, so you're going to be guilty. We're going to be a hero. You know, it's, it's, it's very, it's very, it's very clear.

So when you're creating, and I was a consultant there. But, but now your question triggered me that, that, that, that memory. So I'm going to share with you. [00:33:00] So we are taking lots of functions or tasks from the, from the, from many areas and centralize them in the global business service, which became the embryo of the entire global ABI GBS today.

And then exactly what I've said, there was super big resistance. No, because I'm, if I'm giving my tasks to you, I'm losing the power because the proxies, the number of people that I have, not the value that I bring. So it was, it was really, really difficult. And then we did some interesting things because we know, know that they would be so very, very much objective.

The same, at the same moment, we removed those that had count from them. And Landon, that now FTE in the GBS organization, we locked them to hire any additional resource because every time they raise their request to hire a resource, why are you asking to hire a resource? No, because I want this person to do A, B, [00:34:00] C, and D for me.

No, now it's going to be done by the center. So we blocked them to do that. And then we delivered. The success and that when it was a pivotal moment for them, they, they understood the model would bring a value. And then what it was very interesting what they, because they, they also understand super fast.

So they, they said, I want, I want to give more tasks to you. You know, the things swapped flipped, you know, I want to give you. They, they initially, they have given us just a transaction activities. So I want you guys to absorb my non transactions activities as well. So we have to deliver the model in a successful way to conquer that resistance that was based on power abandoned.

So I, I, they feel that they are losing power, but then they, that, that change with the. subsequent success and they became great allies [00:35:00] of the subsequent operation because they understood the value of the model. It's not about headcount, it's about the value that we we plan to bring any measure that was brought.

Yeah, yeah, it's a great example of seeing is believing. As soon as they saw the advantage, they went, right, I'm on that.

Yes, but no, the, the, the journey is, is no, it's not no, a calm sea, it's waves all the time, thunders. Rough seas. Yes, yes, yes.

It seems to me just building on that point that there is a process I think with, with key stakeholders around a change when you're in the middle of it and when you're trying to enact some form of change is to be legitimately active listening to those stakeholders.

So many, so many people seem to think that. In change management, it is a one way communication stream and I'm announcing things to people and I'm letting them know where we're going and actually to me, it's a two way exchange and it's okay to allow [00:36:00] the transformation to be shaped and morphed by that, do you think?

I think that question is a good example of depends on the culture, you know, so for example, let me compare in ABI, I think it's more of the first. Not to listen too much, you know, that's where I want to go. eah.

Let's get there. Push through, push through it all counts. And again, this is not bad to, to, to ask me point.

So we have to understand the signals of the culture of the company. That's why that company is successful. So, you know, so. It, it, it ha has to, to to be like this. Another example, when I was presenting the project in the convention in Chicago, of the company to 300 people, no, very silent audience. And when I finished, someone grabbed my, my shoulder.

It was the CEO, right? And the CEO said, guys, let tell you one thing. This is not Alex project. This is my project. [00:37:00] I'll be super disappointed if you don't help Alex to succeed. That, that's one example. So that's a useful

bit of sponsorship. So, so in that context,

Dave, no listening was involved. Even though I agree with you, you know, but no, this, no listening was required, was required, you know, but for example, in AstraZeneca's case.

Which, you know, operates with much bigger margins compared with an MCG company.

Things are different. We really have to listen. You know, so, as I said, one recipe is that don't think you have the recipe for the challenge. No, learn the recipe as you go, you know, because no, the culture is driving that. You have to, each company is different from each other.

I know this is a cliche, but it's also true. It's a cliche that it may be, but a lot of people forget it, don't they?

Yes, because you know, we are all very well trained and we read many books, the power of [00:38:00] listening and blah, blah, blah. But no, when you are in the foxhole in the fight, you know, it is all going to depend in which foxhole you are.

And that book might be of not use, you know, so. Very true. Very true. Maybe to bring our conversation, maybe full circle into a little bit of a close for this time. I just want to see what you think. Are in your mind when people say phrases like digital transformation and increasingly, I think we're going to see AI transformation as a, as a phrase.

What do those things mean to you? I mean, you opened the call by saying that these transformations are not just tool deployments. What, what, what more for you is going on within a digital or an AI transformation, for example?

Yes. Okay. So at first, no. My first reaction to digital transformation, I'm going to, for the moment, put AI aside.

Okay. Fair enough. Because I think it's a different animal. [00:39:00] Digital transformation is more, one more dimension. in that blueprint that I have mentioned. So have to approach a given challenge, understand what the company expect in terms of benefits, tangible and intangible benefits of that transformation, and create the articulation across all those dimensions, process, technology, organization, and, and.technology. And so in, in digital, we have no, for example, in terms of, we can measure, for example, one example would be the, um, the percentage of automation that we can have in that transformation. That would be an example of digital transformation or the usage of internet of things in those processes that are created in your process.

That would be an example of transformation. So. To answer your question, taking digital transformation with that connotation, I would just distribute those elements that I have just mentioned, for example, automation, internet of things across the process and technology and DNA. And I'll [00:40:00] keep with those four.

dimensions for the transformation, as I call it, for short, blueprint. So, but AI is a different story, but sorry, go ahead, Dave.

No, I was going to, I was going to comment on your, on your categories, the sort of people, process and technology categories and. I've been in a number of conversations around sort of digital transformation, where I've sort of, you know, kind of described what all of what's likely to go on and some of the challenges and things like that and people return at the end and say, Oh, is that just people processing technology then?

And it always gives me pause for thought and it does because my initial reaction is actually, no, it feels like it's more than that. Like it's it's like that on steroids versus. where you're doing a people processing technology change around, say, like an ERP implementation or something like that. Do you, am I just kind of howling at the moon or do you see any distinction between the two things?

No, I see a [00:41:00] distinction because the more We have to, every time a new element comes into play, we have to, we have to think how we're going to use that. Right. So that's

where creativity comes is, is, is, is key. You know, so, so for example, internet of things. You know, I, I can use internet of things, for example, to have a camera on an ice cream cabinet, checking everything that that's, that's creativity, you know, so, but it's a, it's a creativity that we can, for example, share that with no, there's a component of process there.

Because when the camera, no, detects that, no, we have to have a replenishment in that cabinet triggers something that there's a process going to be involved. Of course, there's technology there, the camera itself. So those new elements, and that's why I put AI aside because I think AI is different. Okay, those new elements, automation, IOT, and the like of it, [00:42:00] they can't be, no.

projected onto the four business dimensions that I mentioned. I don't think that's the case with AI. No, I'm not sure if you want to, to explore that now, but no, I think AI is a very, very different thing. So AI to me is, uh, is very transformational. So for example, we, we, we have been exposed to different transformations before, right?

So having to the right downsizing, right sizing, the ERP revolution, the database revolution, all those revolutions came. Yeah.

I thought in the, I thought in the ERP was of the early noughties.

Yeah, it's spearheaded by a company, right? When I say ERP, you think about the company, right? When I say database, you think about the company.

When you think I talk about internet, you think about the company. Which company you think when I mentioned AI? There is not a single company. In my, in my, in my opinion, there's a plethora of companies trying to, to, to, to do many interesting things, but no AI is, is, is, is [00:43:00] really, no, it's really a tsunami in my, in my view, it's going to change.

Even how we transform. Let me give you an example. I can use AI to, in my transformations that I have, you know, designed so far with you. So all those four dimensions, I can use AI to simulate the organizational structure that's going to be necessary to, to run that operation. I can think how I'm going to change the organization of a company using AI.

Let me, let me, instead of using the AI, using machine learning to do that. You know, maybe I can create now organizations that are dynamic. They're not structured as we have always seen. So again, AI is a new thing that combines in my vision, math, Mathematics, you know, with creativity, so it's, and then I would have, if I didn't have difficulty to projecting digital transformation to my four layers of the [00:44:00] blueprint, I would have difficulty trying to understand to, to, to, to project, you know, an AI app into, into those things as well.

It's, it's very different, a very different animal. And I think companies are still trying to understand how to reorganize. To deliver those challenges, you know, nobody has a doubt that's going to be disruptive. I think the doubt is about the pace, but I think early adopters will, of course, know benefit from a competitive advantage.

It's, it's a mystery in itself. And that's, that's my view. It's going to change everything. It's going, even this, this prescription that I have given here in the beginning of our conversation in terms of transformation.

I think you're right. I think you're right. We, we, we got really lucky when we launched this show because we, we actually launched it at the time, uh, ChatGPT launched about two years ago.

So we've had the sort of, the benefit of tracking, like just the, holding a mirror up to the progress and the rate of [00:45:00] change over the course of the last couple of years. And

I think what you just said is. is, is very true. You know, the world is going to look like a very different place and maybe as quickly as five years time.

But I wanted to just end today's conversation by going back to a notion that you have touched on throughout. And it's, it's one that I'm personally really passionate about as well, which is this notion of creativity, creativity and transformation and creativity in business. Maybe just expand on that a little bit and why it's so important to you.

And then what advice would you give. to organizations that maybe haven't unleashed enough creativity.

Okay. Before I answer your question, let me just add two elements. You know, this, this transformation, you know, is, is crucial for every company. So in, in the past, in many, many, many years ago, you know, companies were buying mainframes in a black box.

So my first advice would be have no skilled people in [00:46:00] AI, machine learning. in your company, because otherwise you are going to be buying a new black box of the 21st century. No, that encapsulates AI because AI. So, so I mentioned to you the, the four dimensions, right? So, and one of the things that you have to do before you transform is test.

How do you test an AI application? Can someone ask me that, you know, Rob asks it, Rob asks it, cheese jokes and to write those things I can't do much better than me. So it's very difficult. So I think the, my advice would be the, the, the companies have to understand that this challenge is unique.

You know, so it's like the third revolution, industrial revolution that we are. So, and we can't have an organization facing the third industrial revolution as we had before. So that's to your question now, where [00:47:00] creativity comes into. importance, because, no, what's going to be this new organization structure they're going to have?

How can I endow the company with the knowledge to not buy black box that will eventually expose us from any general data protection, for example? Of course, the app is going to do what's expected, but because the app is programming itself, how can you be sure? that this is, this is, this is going to, to not to breach any, any law or anything like that, how to test.

So I think, I think the, the more than ever, we need creative people having ideas. They can look at the landscape and understand how we could, how we can in a secure fashion, bring to life transformations in the AI space. That will deliver the objectives that we want and how we communicate, tell our story, change, manage [00:48:00] everything and doing that in a fast way so that we can achieve benefits or it's a big riddle.

But at the same time, it's a big, big moment to be living because it's, it's, it's strong, it's compelling and transformative. So as a professional. Related to transformations, I feel the moment is great. So that's my, my view.

And, uh, Ez, what you've been thinking about this week?

Well, obviously the animal that just got pulled into the room, AI. Oh, the specter of. Yeah, I know. And it's actually, you got me thinking, Rob. Yes, there again you get a compliment. So, uh, good Friday for you. I don't think we signed that off, Marcel, didn't we? Compliment? I'm not allowed them. I'm not allowed them, Esme. Marcel's very strict. Yeah. Okay. Dominance, overlords, [00:49:00] complete control. Won't allow that. I'll put it back into the jar. So when he, yeah, okay. Look at his little face. It's gone red. Look how mad he is.

Okay. So I went to an event, as I just talked about, and Moe gobbled up.Oh yeah, right. And oh my God, that was so inspiring. I just loved the way that he talks, but it also resonates. Of

course he's talking about AI. He's been doing that for quite some years now, uh, AI in terms of, in terms of happiness and then the correlation between the two. Right.

And Rob actually. talked about mental models. You know, are we going for AI from a mental model that we structure it, that we create a blueprint and from there tackle

AI? I remember this conversation. Well, that was one of my confusions. Will LLMs and chaos work or will we need models to improve to get to AGI? I think that was the conversation where we helped you understand why architecture exists, wasn't it Rob?

Yes. Thanks Dave, yeah.

That's the one. So I took some time and also Of course, listen to Mo, uh, at his talk. [00:50:00] And he's actually, I think this is, I'm very curious about your thoughts. He's talking about AI, like a child that we're going to raise together.

And as how you raise your children is, you know, if you want to have a beautiful, better world, and he's actually also showing that as a utopian.

Beautiful view, no matter what we're going to get there, but it depends. Are we going to go there with a straight line or are we first, you know, go into doom and, uh, not so pleasant ways.

Well, that's a great analogy. If you think about it, the algorithm is nature and the nurture is the way we train the algorithm to come together.

Oh, yeah, I really like that viewpoint, which is bad nurturing is going to create a hellscape. Yeah. Skynet to

action because we feed it. So every time we ask questions, we can either, I had an example this week, there was a former colleague of mine that was talking about, I now used co pilot on teams. And I asked, I was part of a meeting and then I left the meeting, but I was sure that they were talking about me.

So I asked co [00:51:00] pilot in the summary of that same meeting, what did they tell about me?

And? Did it, did it, what, did they get the results they wanted? Well, I

had Mo in the back of my head and I said, well, you could also ask them what type of compliments were they giving me?

Yes. They tended to the negative before the positive.

And that's how we're, you know, we're raising AI. Do we want to have co pilot have those negative thoughts or do we want to have it in a more positive way? We had, um, we had Michelle Zhao from Jiuji on. The show a couple of seasons ago and her organization, she was a startup on the West Coast. She spent most of her life, I think, working on Watson at IBM and was now creating a company that was doing kind of Instant pop up chatbots, like generally instant pop up chatbots, and that episode is actually called Developing and Nurturing AI, and it was exactly, her perspective was very aligned to Moe's in the sense of, [00:52:00] you know, you, you're training these things, you know, that words, that's an important word, isn't it?

Training it isn't a, a single dimensional, I'm just training this thing like a slave to do a task. You, you are training all kind, all kinds of like reactions and things like that. It's, it's a multidimensional piece and, and you're right with human nature's, you know, kind of gravity. Often towards utilitarian darkness, you know, you get what you deserve, don't you?

I think we can even circle back to culture again then, Alex, because if you have AI growing up in your company, how is your cultures is probably going to end up being integrated in your AI.

Yes. I think the company back to the, the, the, the creativity topic that we discussed before, We have really to rethink how, how the company is organized.

You know, let me give you an [00:53:00] example. If, if you be, if with all those dimensions that have considered here, we give, we give AI to the IT group only. You know, God help us. God help trusting central it again.

Yes. Maybe it's, it is very, I think it's, if I put myself in their position, it could be super complex to do that because it's, it's bigger than ideas. As I said before, I think AI to me, machine learning in particular, because I think AI is like a fantasy name. So machine learning is math and creativity, you know? So it is a tool that should, should be widespread. Any, any, any, no team in the company should, should, should be knowledgeable and fluent.

In that language, you know, and because they will be able to use their creativity to create the things that will, that will hopefully deliver sustainable [00:54:00] advantage. But if you talk about creativity, right? And, and the fact that a lot of organizations. Miss the importance of creativity and transformation as we were talking about before.

Man, Esme, that goes a thousand fold for training AI. I love your point on AI in an organization is going to be reflective of its culture. And can you see situations where you might have sections of HR that is there to steward the training of AI? Yes, and to be honest, I think Unilever has done a fantastic job earlier in the year where we train our global population.

In terms of what AI is. So we opened our agenda, everybody in the world could attend that and be trained in or and understand what specific [00:55:00] teams are doing with AI. So it was a great thing that has been done in deliver in terms of training, you know, everyone. So the curious minds. were certainly triggered by, by that information that was, that, that was delivered.

But HR has an important, HR and the entire leadership of any company has an important challenge ahead, because how we're going to organize ourselves, you know, and I think this is, this is really important. How are we going to organize ourselves to, to deliver those, those AI transformations? You know, what skills should we have?

You know, because of course, at the end of the day, an application is coded. But in the times that even coding itself is done by, you know, applications, AI applications, the difference that will move the needle is the knowledge in two things, you know. And it's very, I think this is very interesting. I'm very excited about that.

So one is math knowledge. [00:56:00] That's, that's true. Maybe I'm not saying something that, no, many people will agree or not, but no, that's my view. You have to be knowledgeable about math. There is specific set of, you know, math elements in every algorithm. And this is important, but no, interestingly, the, the, the other, the other ingredient is, is, uh, uh, the creative minds.

So back to your point, Dave, HR has a challenge to identify who are the creative minds in that corporation. Because that, now the name of the game is innovation. It's not repeat the same as we did all those years. We have to do something different. And what, and who is going to lead us in that, in that, in that difference?

The creative minds. So HR has to be, it has to train itself first to be able to understand one, how I'm going to be organized, how I'm going to detect know across my entire organization,

where those creative minds are, how I'm going to foster them, you know, and how I'm going [00:57:00] to, to, to make sure that the, as time goes by, we have more people operating in that know, with that creative, creative behavior.

Honestly, and, and essentially creative people, because I think that's, that's the people that are going to, to play a key, a key role moving ahead. And I hope it's clear how different our AI is from digital transformation as I, as I put it. To me, it's a. Uh, really a different animal whole, whole world in there.

So thank you guys for that provocation. And I think we're going to start diving into the scaling of AI transformation and the rest of the season and on because it is, it is a fascinating and I agree very different piece. But for today, Alex, thank you very much for joining us and sharing your insights.

It's been a really, really rich conversation. No, thank you, Dave. Thank you. Thank you all for having me here today. It was a pleasure.

Well, thanks again. And now [00:58:00] we end every episode of this podcast by asking our guests what they're excited about doing next. And that could be something in your personal life.

It could be, I've got a great restaurant booked at the weekend, or it could be something in your professional life. So Alex, what are you excited about doing next?

No, I'm really excited. No, as, as you might imagine with this transformation, I think you can tell how excited I am in my, my point of view. And, I have been, uh, started a PhD course in AI at UCL.

Oh, cool.

So, yeah. Wow. So, I'm, I'm trying to be one of those creative people in Unilever and, uh, I'm, I think it's, it's, it's super important because, you know, my thesis is about, I cannot share the content of the thesis, but it's, it's a very creative idea that's, it's ripped the idea using AI for Unilever.

Fantastic. Uh, so I'm really excited about that. So as, as I said to you, I think the innovation and the creativity will [00:59:00] come, will come from science and like the other, the other that came with companies, uh, as an umbrella. I think now the intrapreneurship is, is a key. Aspect for any company.

Right. You know, so that's, that's why I'm excited about to be, to be an example of this entrepreneurship in Unilever with my, also my experience in now develop, develop my PhD thesis in AI and also helping to transform how we transform companies, you know, so that's what I'm, what I'm excited about.

Well, thank you for sharing that. We, uh, we look forward to that with interest and maybe when you can talk about it properly, maybe come back on and blow our minds with it.

My pleasure, Dave. Thank you.

If you would like to discuss any of the issues on this week's show and how they might impact you and your business, please get in touch with us at cloudrealities@capgemini.com. We're all on BlueSky and LinkedIn. We'd love to hear from you. So feel free to connect and DM if you have any questions for the show to tackle. And of course, please rate and subscribe. It really helps us improve the show. And Alex, thank you for this really nice conversation that also keeps us going [01:00:00] again in terms of new ways to see each other again in their next reality. See you in another reality next week.

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