

EXECUTIVE TALENT



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Volume Twenty

IN THIS ISSUE:

MIND THE GAP

Women in STEMM

ASIA IN FRONT

Embarking on the
New Asian Century

The background features a dark, abstract design with numerous bright blue light rays radiating from a central point. A circular pattern, resembling a clock face or a target, is visible in the lower right quadrant, with the rays passing through it.

THE
ADAPTATION
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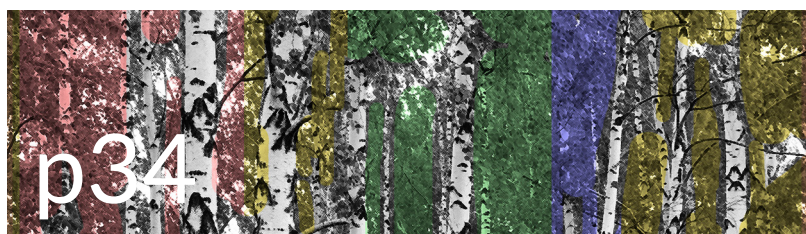
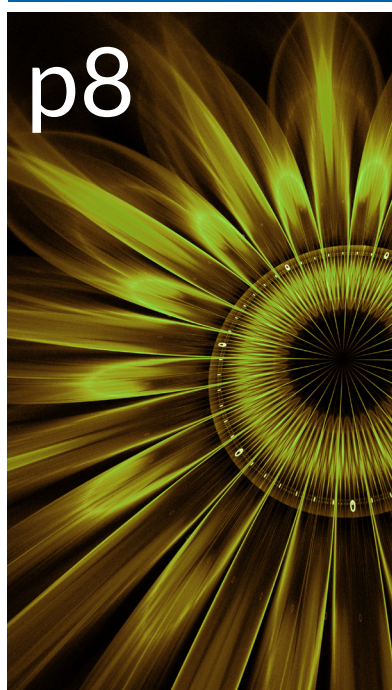
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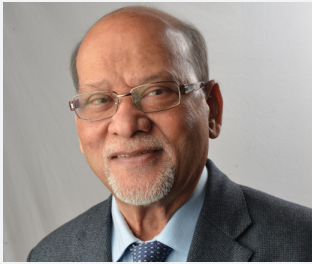
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Welcome to Volume 20

Months into the global COVID-19 pandemic, there are emerging glimpses of what is to come. While we are by no means out of the woods, there is a vaccine on the horizon, parts of Asia are already stepping into our next normal, and the rest of the world is learning, adapting and even innovating. One

thing is clear: the post-COVID world will undoubtedly move faster.

We spoke with AESC Members and other expert advisors to better understand how organizations and their leaders can embrace change, prepare for speed and agility, and best position themselves for what's next. In this issue of *Executive Talent*, we explore:

■ THE ADAPTATION ADVANTAGE: LEADERS AND ORGANIZATIONS READY FOR CHANGE

The difference now, future-of-work strategist Heather E. McGowan states, is the pace. People must continue to adapt, reskill and upskill—and to thrive in a rapidly accelerating world—concentrate on abilities such as collaboration, design thinking, creativity, agility and empathy.

■ MIND THE GAP: WOMEN IN STEMM

Diversity is a business imperative and therefore the STEMM gap comes at a steep cost for economies and organizations, as well as the women left behind. We spoke with four executive women in STEMM on the STEMM gap, its cost, causes and remedies, and what the future holds for women in STEMM.

■ ASIA IN FRONT: EMBARKING ON THE NEW ASIAN CENTURY

In the 21st century the question is no longer how quickly Asia will rise but how it will lead. In the current period of accelerating disruption and change, resilience may be key to Asia's success. We spoke with Oliver Tonby, Asia Chair at McKinsey & Company, as well as AESC Members in Asian markets to explore the "New Asian Century."

■ INDIVISIBLE: RADICALLY RETHINKING INCLUSION FOR SUSTAINABLE BUSINESS RESULTS

The value of inclusion is irrefutable, from innovation and business outcomes to thriving communities. And still, genuine inclusion has yet to be achieved at a broad scale. In the book "Indivisible," authors Alison Maitland and Rebekah Steele introduce a new, whole-system approach to bringing measurable inclusion into the strategy and operations of organizations.

■ AGILE & OPEN: A Q&A WITH CLUEN'S ANDY SHAPIRO



We congratulate each of the 2020 AESC Award Recipients, honored during our Global Conference. These exemplars of excellence demonstrate that executive search and leadership consulting is a profession that not only changes organizations, but also changes lives. Join me in congratulating our award winners on their significant achievements.

We hope this issue inspires bold perspectives and new insights for a new era of global business. Thank you to the many individuals and firms who participated in the interviews and contributed to the research for this issue of *Executive Talent*. As always, I welcome your feedback on all matters relating to global executive talent

We wish the continued safety and well-being for all our readers around the world.

A handwritten signature in black ink, appearing to read 'Karen Greenbaum'.

Karen Greenbaum
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THE ADAPTATION ADVANTAGE

LEADERS AND ORGANIZATIONS READY FOR CHANGE

“We are incredibly well-prepared for the past, and woefully unready for a future of work that has yet to be defined.”

Heather McGowan and Chris Shipley,
The Adaptation Advantage

In a fast-changing world, we have to look past our work-based identity, move beyond the comfort of our current knowledge and skills, and prepare ourselves and the organizations we lead to adapt continuously to a rapidly changing future of work.

Renowned future-of-work strategist Heather E. McGowan is co-author with Chris Shipley of *The Adaptation Advantage*. Adaptability, they argue, is the most significant determinant of success for individuals and organizations, now and in the future.

What is adaptability? For McGowan, adaptability is the skill to handle ambiguity, to both learn and unlearn in a changing environment. “In work as in life, evolutionary success belongs to those who can most readily adapt.”

Adaptability as an advantage is more than theoretical. In the context of COVID-19, McGowan reflects on the near-immediate shift to working from home, telemedicine,

and online learning. “That was five years of digital transformation crammed into a week, and what that says to me is nothing more than we’re a highly adaptive species. We’ve got to look at this period and say, wow, look at all that we did when pressed. Now, what could we do going forward? How do we reimagine work and learning?”

BREAK THE REARVIEW MIRROR

“We are driving faster and faster toward a horizon that none of us can see with perfect vision, and we’re doing it with one eye in the rearview mirror.”

McGowan and Shipley

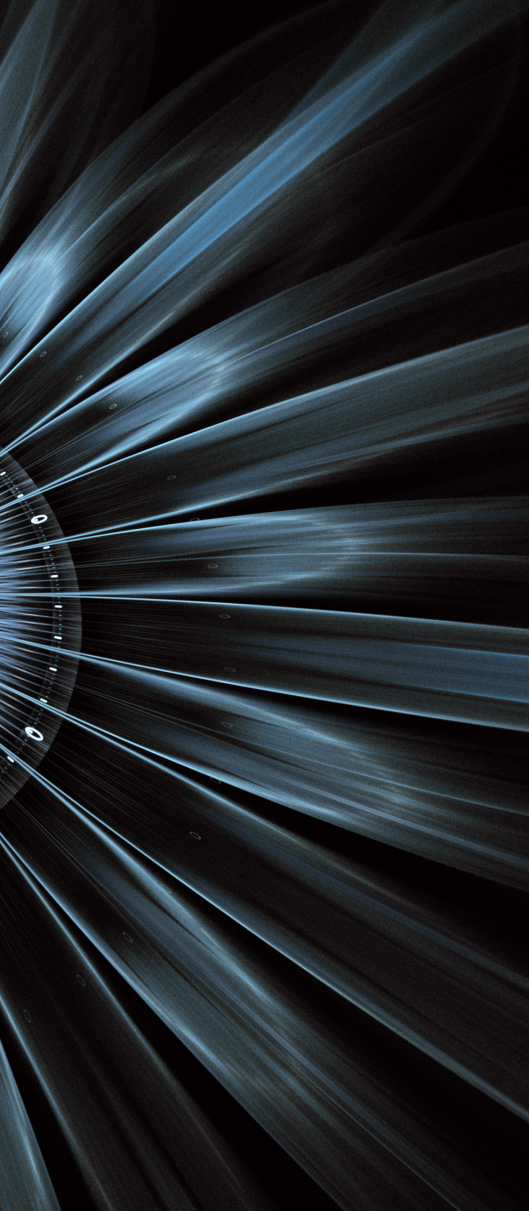
To move forward, first break the rearview mirror. For most people in the workforce today, our training and education prepared us for a lifetime of work. “In the 1980s, skills learned in a university or on the job held their relevance for nearly three decades,

about as long as a typical career arc. Today, skills have a shelf life of less than five years, according to researchers at the World Economic Forum.” (McGowan and Shipley, *The Adaptation Advantage*)

Organizations can no longer plan or hire according to past performance—the pace of change does not allow it.

How do companies build capacity, then? “Companies that are doing a good job screen people for culture add or shared purpose first, openness and ability to learn and adapt second and then, finally, for the role, because whatever role you’re going into, they know it’s going to change in 18 to 24 months.” McGowan describes the existing approach to hiring as “looking in the rearview mirror based on what’s been done before.” She says, “That will often get you somebody who could do the last thing you needed, not the next thing you need.”

More often than not, we will have no idea what the next thing is, until we do it. How does that work for people who have



had the same role their entire careers? They have to learn how to let go.

IDENTITY AND ADAPTABILITY

"In truth, we are all works in progress and we need to imagine, or rather reimagine, work. In order to do that, though, we're going to have to confront who we think we are, at least professionally, so that we can reimagine and reimagine again, and again, who we are in the context of a changing future of work."

McGowan and Shipley, *The Adaptation Advantage*

In order to adapt and thrive in the rapidly evolving world of work, we need to break out of the identity traps that connect our sense of self to what we do. "We need to overcome the fixed-occupational identity," McGowan says. She argues that we begin to establish that identity early on. Consider

how we get to know people: we ask children 'what do you want to be when you grow up?' We ask students 'what's your major?' And when we meet adults, we often ask them 'what do you do?' According to McGowan, this concentration on the 'what' is part of the problem. "We focus on this static occupational identity, when we're going to have many of them," McGowan explains. "We need to focus on our why—the purpose, passion, and curiosity that drives us; and our how—our ability to increase our capacity. And we have to realize that we'll have multiple work-worlds and we can't get too attached to those worlds, to any form of work identity."

Consider that, according to McGowan, a job loss can take twice as long to recover from than the loss of a primary relationship. "So many folks who hit 40, 50, they were in their peak job that they've been more or less gunning for, charging ahead toward a professional identity and riding that ladder up, up and then suddenly the ladder breaks and they're let go. They're thrown out of work, whether it's a shift in strategy, a downsizing, an acquisition, whatever it may be, and they can't ever get it back. They feel like they lost everything that they thought they were."

As work changes and roles literally disappear, what can people do? "They have to psychologically develop the strength to reimagine themselves," McGowan says. "Take that hard lesson as a learning and a rebirth, and that you can see that your purpose and your passion, your super power, can be recrafted and drawn in a new way, but it's up to you, to not be so attached to the next step on your career ladder, in case that step isn't there, anymore."

McGowan believes that everyone needs to be able to define themselves beyond the scope of a job. "Understanding what you do, or even how you do it, pales in comparison to knowing *why* you do what you do." Focusing on the 'why' and not the 'what' is an important step in building adaptability.

Another key part of developing adaptability is a willingness to accept what you don't know. The curse of expertise, McGowan says, "is thinking you shouldn't be questioned, or when you stop paying attention to anything that refutes your expertise."

"That's a trap."

The coronavirus provides an excellent,

timely example of the value in letting go of what we thought we knew. McGowan says, "We thought [the virus] was on surfaces. We were wiping everything down, and then we learned only a very small percentage of people can get the virus from surfaces, and a whole lot more can get it from droplets in the vaporization of our breath. We had to completely shift where we focused. Some people use that to say, 'how do I know I need to wear a mask? They told us in January we didn't need to wear it.' We have to be comfortable enough, especially when things are changing quickly, to say, 'I don't know,' and to change tactic when new information appears," McGowan says.

ADAPTABILITY FOR ORGANIZATIONS

"Products and services will be short-lived. Rather than optimizing for specific production, our best work will be in establishing the conditions that enable continuous and continually shifting methods of value creation."

McGowan and Shipley, *The Adaptation Advantage*

Organizations narrowly focused on their brand, product, and perception of the world, and "just selling more of that product or service, that unit of value," McGowan says "may be missing what's coming next." To illustrate the point, McGowan points to the classic example of Blockbuster and Netflix. "Blockbuster was rolling out this machine: we're going to have the best new releases. We're going to have the best locations. We're going to have the best turnover. And Netflix was looking at it differently: not only looking at it by the distribution methods, the DVDs by mail; Netflix was helping customers find something they didn't know they wanted with their proprietary algorithms, which would suggest movies you might want to see that you might have otherwise missed. And Blockbuster went from \$6 billion to bankrupt in six years, the shift was so fast."

Blockbuster was focused on the output, not the input. McGowan says, "They were focused on the brand, the sales, the expansion, and more specifically how they delivered that unit of value via physical stores. They weren't focused on their relationship with the customer and they were not agile enough to pivot when DVDs by mail became a viable business model.

How do we delight them in a way that gives them something they might not even know they wanted, something they didn't even know how to ask for?" McGowan explains, "That's where data comes in. In the past, data was used to look backward and decide who did a good job and who did a bad job. Data was reflective. We could only see it when we tabulated it—when it was over. Now, data gives you insights, predictions, trends." That's where Netflix held the adaptation advantage. While Blockbuster went from \$6 billion USD in revenue/turnover in 6 years, Netflix swelled to over \$15 billion in revenue and a market capitalization of over \$250 billion because they continually adapted from DVDs by mail to streaming to creating original content all the while focusing on increasing their leverage of data to help delight customers with content suggestions.

The future-winning formula is more than being digital-first. McGowan argues that the future favors the organization that focuses on culture and capacity. McGowan and Shipley define culture as the expression of a company's purpose and values, and capacity as the means by which the outputs are achieved, evidenced by the products and services, or a company's ability to learn and create. "If culture is the heart of an organization, capacity is its brain." And both depend on leadership and people.

To further illustrate future-ready organizations, McGowan recommends we "look at the top five companies in the world by market cap: Facebook, Amazon,

Alphabet (which owns Google), Microsoft, and Apple." She says, "Most of those companies are comprised of people who were hired to do something that hadn't been done before. They didn't throw out a job description and look for somebody who's done these X things before, these Y things before, because that's irrelevant when you're looking to do something you've never done before. Those companies have a tendency to hire people who align with what they believe and what they want to do, people who are seeking to increase their own capacity; they're trying to learn more, they're trying to advance. They see that their future value is tied to their ability to learn and adapt. They see learning as their real pension; their real future value." They see their value in adaptability.

THE IMPORTANCE OF UNLEARNING

"Capacity is how we think about new information and ideas in order to assess and respond to opportunity. In other words, it's not enough to ask whether you have the people—or even the right people. You need to ask whether your people have the mindset to think about this opportunity in the right way."

McGowan and Shipley

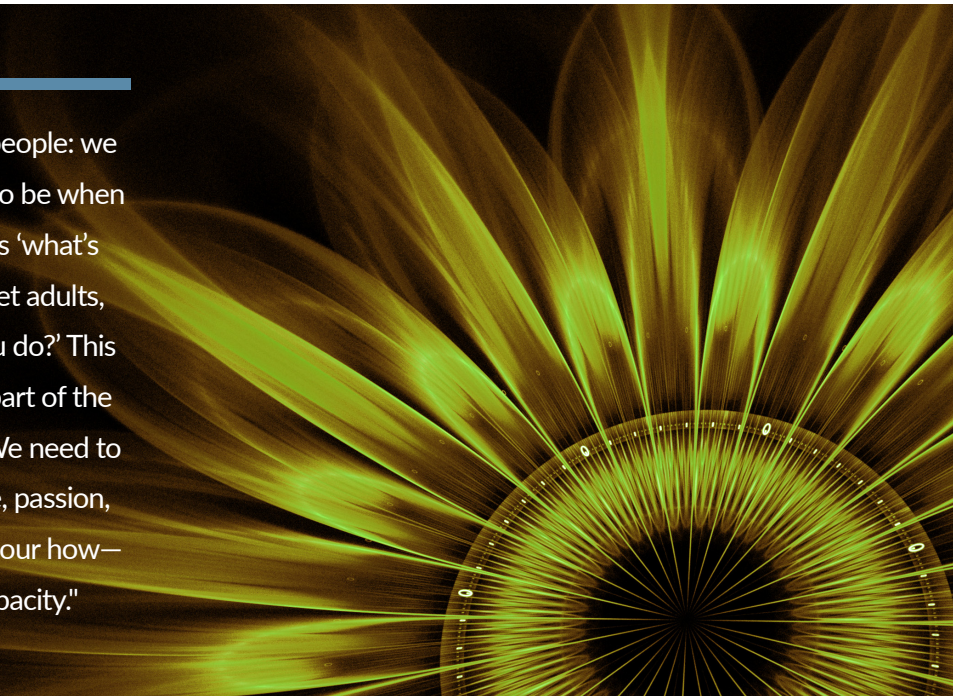
McGowan describes a company she once consulted for that demanded people be open to new ideas and effectively beat back the curse of expertise: "A highly technical

biotech company, the kind of company where you have to have your PhD or your doctorate just to get the most entry-level professional job." Imagine an organization where "everybody's very highly educated, everybody thinks they're an expert."

Remarkably, this firm required that leaders be adaptable. "They wouldn't let you get above director level unless you went through this extreme vetting process where they could prove you were not overly reliant on your expertise—that 'if I have a hammer, everything looks like a nail' thinking." McGowan explains, "You don't want those kinds of leaders, because the science world they live in is discovering new things all the time. So even though you spent X number years getting your expertise on something, we need you to look for a better way to approach it. Maybe some of the things that we've long-believed, things that are part of your doctorate, need to be in question now. So, you can't have people who rely on that expertise."

What do organizations need to meet the opportunities presented by the future of work? McGowan's advice to C-suite leaders is to seek out the candidates who want to inspire human potential as opposed to just drive productivity; seek candidates who see their value as elevating everybody else's game, "so their ego takes a backseat."

McGowan explains, "When the ego is in the driver's seat then the candidate is too vested in *my* role, *my* position, *my* status, *my* power, *my* expertise. They're not going to be able to adapt. If you can get the



Consider how we get to know people: we ask children 'what do you want to be when you grow up?' We ask students 'what's your major?' And when we meet adults, we often ask them 'what do you do?' This concentration on the 'what' is part of the problem. McGowan explains, "We need to focus on our *why*—the purpose, passion, and curiosity that drives us; and our *how*—our ability to increase our capacity."

person who comes in and asks, 'where's your organization today, where might it be in five years, 10 years? What are the threads? Who's the team? How do I invest in, empower and integrate the talents on this team?' That's setting the conditions for adaptation. If you're screening to get that C-suite star who's very invested in his or her image management, you're going to have problems."

A SCARY (AND NOT-SO-SCARY) METAPHOR.

As a way to look at effective working groups, McGowan cites the research of evolutionary biologist Dr. William Muir who tested a theory about the egg-laying productivity of hens. He looked at several flocks of nine chickens, putting each flock in a cage and selecting the most productive hen from each flock. He put those high-producing hens into their own cage, expecting that new flock to produce generations of superior egg-laying chickens. Instead, these hyper-competitive birds pecked each other to death and the flock quickly went from nine chickens to three, and may have dwindled to a single survivor had the experiment been allowed to continue. "Muir told us he's been doing that research since the eighties, across every species he could," McGowan says. "The results were always the same in the overall trend that it's the bully that suppresses the productivity of the rest of the group. When you focus on collections, whether it's hens or other animals, identifying the productive group and then breeding in that group, that's where productivity soared. That's how we have to think about teams."

Another way to look at the relative value of a star performer is through the metaphor of sport. McGowan references Malcolm Gladwell's statistical view of sports. She says, "If you're looking at forming a basketball team, you get a Kobe Bryant or Michael Jordan, a Scottie Pippen or a Larry Bird. One star can make a huge difference in basketball because they can score 20, 30, 40, 50 points. In soccer, the player touches the ball for such a short period of time, you're better off increasing the ability of your weakest players and having more average players than betting it all on a single star, because soccer works as a group."

To carry the metaphor to the workplace, McGowan says, "That means focusing on how we can elevate everybody's game."

DIVERSITY

Everybody means *everybody*.

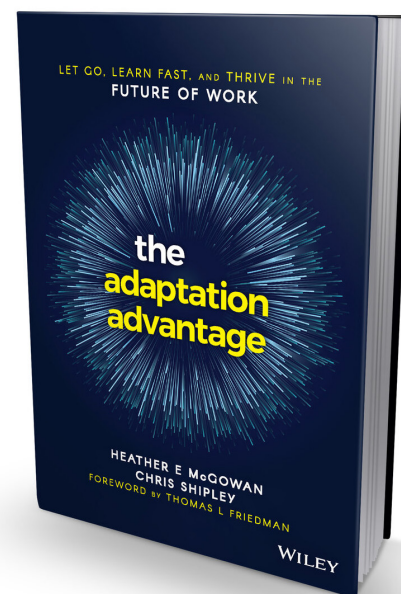
According to McGowan, the person or the team that learns the fastest not only has psychological safety, they also have cognitive diversity. "Unfortunately, one of the things we tend to do when building teams is pick people who think like we do," McGowan says. "Selecting people who think differently than you, even when it may be uncomfortable, is essential." She adds, "It's really important to get people to check our blind spots."

That requires confidence, and there is a direct link between confidence and the potential to be adaptable. McGowan references a study from Hewlett Packard that identified the propensity to promote men for potential and promote women for accomplishment. "We have told boys and men that they are good enough and that they'll figure it out, that they can run with it with half the information, where we have encouraged girls and women to wait until they have all the skills." We've encouraged confidence in boys and men, less so girls and women. "The challenge in that is when it comes to adaptation," which requires confidence. The confidence to be both right and the strength to be vulnerable; the ability to be comfortable not knowing or being wrong. That is the birthplace of learning and adaptation."

McGowan believes we need to do a better job getting women to leap forward. "We've got to be comfortable putting women into positions of power before they've proven themselves, which we are somehow more comfortable doing with men. At the same time, we have to get both men and women comfortable with vulnerability, not knowing, not having an over reliance on whatever they think their expertise is, and instead having a learner's mindset."

The critical confidence, she says, "is the ability to be strong enough to say, 'I don't know,' in a world that's rapidly changing."

The coronavirus provides an opportunity to reflect on and recommit to diversity. "The only thing spreading faster than the virus is a collective sense of empathy, compassion, and shared purpose," McGowan says. "You can see that in people thanking bus drivers and thanking essential workers and even supporting diversity issues, because the virus has laid bare all the structural inequities that we have not faced before,



that we cannot ignore now. Besides," she adds, "it isn't just morally the right thing to do, actually it's just good business."

SKILLS FOR THE SPEED OF CHANGE

"By all estimations, the slowest rate of change you will experience for the rest of your life is ... right now."

McGowan and Shipley

We have already outsourced our memory. We've changed the way we bank. Communication has been completely transformed in a generation. In fact, we've been adapting all along. The difference now, McGowan says, is the pace. People must continue to adapt, reskill and upskill. We need to concentrate on abilities such as collaboration, design thinking, creativity, agility and empathy, what McGowan calls "uniquely human skills."

Every time we hand something off to technology, McGowan says, "we need to reach up to learn new skills." That's the adaptation advantage.

"In my estimation, this inflection point may in time be understood as the single biggest and broadest inflection point since Gutenberg invented the printing press. And you just happened to be here.

And it's not over—in fact, it's just getting started."

Thomas L. Friedman
from the Foreword,
The Adaptation Advantage





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Congratulations Lyndon Taylor

Congratulations to Lyndon Taylor, Managing Partner, Diversity & Inclusion Practice, Heidrick & Struggles, on receiving the AESC's inaugural IDEA Award, recognizing his commitment to promoting inclusion, diversity, equity and access.

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MIND THE GAP

Women in STEMM

Four executive women in STEMM share their perspectives on the STEMM gap, its cost, causes and remedies, and what the future holds for women in STEMM.

“To truly reduce the gender gap, we must go beyond the hard numbers and identify the qualitative factors that deter women from pursuing careers in science, technology, engineering and mathematics (STEM).”

UNESCO Institute for Statistics
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The STEMM gap is the employment disparity in the science, technology, engineering, mathematics and medicine fields between men and women. There is also a racial imbalance in STEMM that aligns with the majority-minority challenges in many cultures. So why focus on the STEMM gap for women? Savannah Maziya is the Executive Chairperson of The Bunengi Group, an international mining, infrastructure, agriculture and investment corporation headquartered in South Africa. “So, I always talk about the one culture that the world shares. There’s American culture and English, Jamaican and Indian, whatever. But the one culture we all share is discrimination against women and always thinking that women are a lesser-than.”

Maziya points out the irony. “Women can be pregnant and give birth to people, bring them into the world, raise a full human being. But if you just say, ‘operate this heavy machinery,’ it’s ‘oh no, they can’t do that!’ For some reason, it seems difficult to see women operating in various commercial operations, especially

STEMM-related ones.”

Quoting global figures from 2016, Paola Scarpa, Director of Client Solutions, Data & Insights at Google Italy says, “We start off having just 35% women in STEMM at university. We move to 25% women in the STEMM workforce. Then 14% women in STEMM management roles and finally just 9% as a STEMM executive and CEO.”

The rates of female participation in STEMM vary country to country. For example, according to Michelle Gallaher, CEO of the ASX-listed AI company Opyl and co-founder and co-chair of Women in STEMM Australia, “The representation of women is the lowest around IT and physics, where we’re seeing less than a 15% representation, through to biological sciences and healthcare in which we’re seeing equity, we’re seeing 50/50. In Australia, we’ve only got 17% of professors in our academic institutions that are women. So there’s a real significant disadvantage. And the greatest gap is seen at the most senior levels of the STEMM sector in Australia.”

Another example is India, with its own striking figures regarding women in STEMM. Geetha Kannan is the founder and CEO of Wequity and a pioneer for the Women in IT movement in India. She explains, “India is number one in terms of female STEMM graduates, at a high level of 43%. However we are 19th in terms of employing them, this is where the issue of gender equity starts. And if you take medicine alone, 60% of students in medical colleges are women currently in India, but only 20% of them take up professional posts.”

The women who do enter STEMM professions are less likely to remain, or to advance. “We see a significant divergence and we call it the scissors graph, when we see women’s careers diverge from men’s, Gallaher says. “It’s about mid-career and it usually coincides around the building of families. And in STEMM, those women who continue to accelerate their careers still don’t accelerate to the same level as men. We’re seeing quite a significant gap in terms of salary as well. In STEMM in Australia at the moment, it’s about a 22.5% gap. And

the higher up you go, the bigger the gap.”

Diversity is a business imperative and therefore the STEMM gap comes at a steep cost for economies and organizations, as well as the women left behind.

PAYING THE PRICE

As digital transformation and the adoption of tech increasingly influence which companies thrive, even survive, what’s the impact of the STEMM gap? According to Gallaher, Kannan, Maziya and Scarpa, the loss can be measured in innovation, market share and the pool of top talent.

From Kannan’s perspective, “We are losing a lot of vital talent because these women have studied, but they’re not contributing in any way with what they’ve studied. This is one aspect, the talent pool is lost. The second aspect is that the financial performance of companies significantly improves when there’s diversity in the company, enough research is out there from McKinsey and credible research entities on this. The third key point is that you are developing for a market that is 50% men and 50% women. So if your market is not reflected in your workforce, how good can your products be?”

For example, Maziya says, “Consider how cars are built. Cars are really built one-size-fits-all. Have you ever seen a place for a handbag in a car? No, it’s called the passenger seat.” She adds, “It may be lot of things that seem unimportant, but actually are quite important. And some are life threatening. This shows that a lot of things are not built with women in mind and yet they form a large component of the user group. If more women were involved in the design process such things would be considered in all products.”

Maziya describes the experience of a researcher who wanted to study bowel cancer in African American women. “They were just told, ‘that market is just not big enough.’ Well that may be so in the United States, but there’s a whole host of other people of color outside the United States. Hello, 500 Million women in Africa, for example. There’s the UK, there’s the Caribbean. But it becomes very difficult to make a career stand, unless you’re really senior enough and say, look, I really want to do this. And then women leave the commercial environment because they just don’t

want to fight those battles anymore. We need to have environments that are accepting of diversity. We are seeing a lot of focus on diversity now. This is very encouraging and needs to be supported so that it is sustainable.”

Kannan describes “listening to stories of people at work, talking about what they’re going through and how the prejudices at work are really pulling them back rather than advancing them, even resulting in some of them saying enough is enough, we are going to quit.” She says, “So I decided from that time onwards that I’d continue to be associated in the space of advancing women in technology.”

According to the 2019 McKinsey Global Institute report “The Future of Women at Work: Transitions in the Age of Automation” women are more likely to study natural sciences than applied sciences and have a low participation rate in tech jobs. “Fewer than 20 percent of tech workers are female in many mature economies. Only 1.4 percent of female workers have jobs developing, maintaining, or operating ICT systems, compared with 5.5 percent of male workers, according to the OECD.”

Why is this gap relevant? Scarpa explains, “We are going in a direction where everything will be digital. So even if you are an historian, a painter, or whatever, there will be digital in the background. You need some technical skills to be able to survive in this environment. The reason we need to provide women the same opportunity that we provide to men is because otherwise, we will only have products and messages written by men.”

Kannan’s assessment is definitive. “The result of the STEMM gap is, we are losing.”

BREAKING BARRIERS

The many barriers to women in STEMM can be boiled down to bias, access and systems.

The bias starts early. Scarpa cites a Microsoft study which indicated that girls decide what kind of roles they want in the future when they are about 12 years old. “So who are the big influencers? It is the parents and the teachers. Because when you are 11, 12 years old, these are the people around you. So the first step is really to help the family to resolve their unconscious bias.”

Addressing STEMM education, Maziya says, “We still live with certain stereotypes.

THE FUTURE OF WOMEN IN STEMM IN ONE WORD:

DIGITAL

So the future in STEMM is woman because in order to be successful in a digitally normative environment, you need a lot of soft skills that are very woman-related: empathy, active listening, team attitude. So when we match the soft skills with the hard STEMM skills, you have a fantastic, powerful new group of women that can make the change in society. Women will succeed because they already have the soft skills and they will match them with these hard skills in a digital world.

– Paula Scarpa



DISRUPTIVE

“It’s going to disrupt the current women who are leading in STEMM, and it’s going to disrupt the younger women in STEMM. It’s going to disrupt the men.

It’s going to disrupt organizations and governments and funding models and policies. But I think we have to have the courage to disrupt. And I think we have to have the courage to be uncomfortable in this. I want to say to young women who are just starting out their careers in STEMM to have courage and be ready for the discomfort!” – Michelle Gallaher





If there is an engineering class, whether it's a grammar school or middle school or even high school, girls tend to be motivated to take on what are referred to as the softer classes, like the arts and such. We don't see anything wrong with that, but my position and that of a lot of people who are involved in advocating for STEMM is that there should be an even split in the numbers from the beginning in all areas of study and careers."

The high number of women in India graduating with STEMM degrees is especially remarkable given the cultural barriers they face. Kannan explains, "In India, there is even a lack of choice for even being born, based on the reality of female infanticide. Then you may not have a choice of being educated because your brother gets preference over you. Then of course when you graduate from college, family factors really put a lot of pressure on women to quit the workforce."

Scarpa notes that one key to retaining and promoting women is to provide workplace flexibility for everyone, not just women: "what we try to promote in Google, is really to work by objectives and not time." What does that look like at Google? Scarpa says, "I personally don't care if my people are working during the day, during the night,

three hours, four hours, if they provide the results, I'm fine."

For women entrepreneurs in STEMM, flexibility in workplaces can't help them. Their challenge is funding. Gallaher says, "The area that I'm most interested in is the number of STEMM qualified women who are in entrepreneurship. At the moment, it's about 2%."

Gallaher's observations extend to the U.S. as well. "Consider that, in 2018, all-male founding teams received 85 percent of total venture capital investment in the United States, while all-women teams received just 2 percent, and gender-neutral teams just 13 percent." (McKinsey)

"It's appalling," Gallaher says. "To address the inequity Gallaher is involved in a global network of women entrepreneurs. "It's people like me sharing experiences with other women who want to walk the path as well, but it's also me opening up my professional networks. This is around mentorship, sponsorship and creating those professional networks around women to help them learn and help them accelerate and help them to find what they need, whether it's funding or whether it's technology or whether it's talent. But to break down those barriers for women who are giving their all to get a business up and

Diversity is a business imperative and therefore the STEMM gap comes at a steep cost for economies and organizations.

running and to get a technology out there and commercialized."

Kannan reflects, "So many thousands of years of history, we are battling against patriarchy. We are battling against the prevailing stereotypes on gender and schema that is like a mindset. Then there are parental and community attitudes specific to India, which influence a girl's choice of further studies, or whether or not she takes up a career, and if she does, whether she gets to stay and progress her career."

Breaking barriers could begin with simply changing the language that we use. Kannan points to the efforts of a small, U.S.-based financial services company. "It has a technology center here in India, and they really looked at all the words that they put out in terms of social media, the words that their leaders say, any advertisements they do, any job descriptions that they've generated. They looked at every word, and asked 'how can we make each word gender agnostic?' And they gained an interesting insight in terms of how women and men react differently to the words that are used." The outcome, Kannan says, is profound. "They found a significant difference in the number of female applicants that responded to a specific ad.

It's just a powerful example of how just words can change the mindset of people."

Referring to the projected skills gap in Europe, Scarpa says, "We know there will be some million new jobs they will not be able to fill due to a lack of STEMM skills. So we need to close the gap to have additional workforce, both men and women, to work on these new opportunities." She says, "Everything will be in the cloud. Everything will need data and big data analysis to make forecasts, to understand the customer better, to decide what the future will be."

Corrective action may need to take the form of public policy. Kannan explains, "In January 2020 the Indian government said that there should be affirmative action, and that at least at top schools in India, about 20% of seats will be specifically set aside for female graduates."

Maziya agrees that public policy helps. "Until you've got a policy, companies or organizations and even individuals will not look at something as being serious, but once there's a policy that a government has put aside, that has some kind of carrot and stick, people pay attention."

Gallaher points out that among women there are additional barriers to STEMM. "Women in STEMM, particularly in Australia, are typically women from privilege. We've had the best education and our families have valued education and can see that education is freedom for women. But when you look at the diversity of those women in leadership in STEMM, it's very white and it's very privileged and there's a certain age and background here."

Gallaher believes, "The next step for us to walk deeper towards real equity is to understand how women like me can really change our language and become better allies. This, right now, is one of the most uncomfortable and the most disruptive things happening in STEMM. There's that personal responsibility we all have. For people like me, who are in a position of influence and leadership, it is about checking that it's not just about more women at the table. It's about more diversity of those women who are at the table."

Maziya doesn't let companies off the hook. "The barriers are that a lot of these matters are institutionalized. It may not be said out loud that I don't want women in STEMM, I don't want women in these careers or these classes, but just by action,

it becomes quite clear that that is the position. With movements such as #MeToo, pay parity and looking at getting more women on boards and women in C-suites, we're starting to see a turn, but we certainly need to have more companies coming out and standing their ground on that. When investors such as pension funds, sovereign funds, etc. start to insist that companies should have women representation at all levels of corporations including senior management, C-suites and boards, that will definitely shift the needle. You can see it happening with fossil fuels—investors are telling companies that they will not invest in them if they operate in fossil fuels and that has driven the change. The participation of women, including them being paid equally, requires these sorts of positions from these kind of market participants."

ROLE MODELS, MENTORS, SPONSORS AND ALLIES

"Female entrepreneurs who operate in male-dominated sectors are more likely to have had male role models when growing up. Championing successful women could encourage girls to envisage their working life differently, choosing entrepreneurship as a career, and moving away from common stereotypes on women's professions."

("Can role models encourage woman to step off the beaten path and become entrepreneurs?" OECD Gender Equality, March 2019)

The shortage of role models begins pre-career, according to Kannan. "When girls do enter colleges and universities, they don't have enough women as role models standing in front of them." For example, she says, "I have a friend who teaches in at a premier Indian school in Mumbai, and she deals with applied maths, a brilliant lady. She says sometimes when she is in the room, she's the only woman there. If in teachers, you don't have role models, the whole bias continues because you're actually suggesting women are not good enough even to be standing in front of a group of students. It starts from there."

Scarpa agrees that role models are crucial. "When I was a young engineer, unfortunately, there was nobody helping me. I learned by mistakes. I learned by myself, this is the reason why, even if I don't

THE FUTURE OF WOMEN IN STEMM IN ONE WORD:

LIMITLESS

"The innovation and the products that come out of having more and more women in STEMM is becoming limitless, and removing restrictions, barriers and unconscious bias gives women a limitless career to pursue. Limitless also means that their work is not restricted by any kind of boundaries so that their work can become really and truly limitless." — Geetha Kannan



EXCITING

"Like all good things, we need to work for it, we need to support each other for it, from schools all the way to governments and policy makers. I liken the issue to trying to run a marathon when you have two fully functional legs, but you tied one behind your back.

Why? Why wouldn't you use all the resources given to you to be able to run this race? When we start running with both our legs, when we understand that as women, we hold up half the sky, and that STEMM is the future, it's going to be exciting for all parties, not just one gender. Because if the whole village is working together, we're all richer for it."

— Savannah Maziya





have a lot of time, I try to have three or four young mentees, young women engineers, trying to help them, to say, 'this is what can happen in your career. This is what can happen after maternity,' just to explain what it's really like."

What is the difference between mentorship and sponsorship? Scarpa explains that a mentor can share his or her experience, whether from within or outside of the workplace, and a sponsor is someone actively engaged in promoting a person's career. "The sponsor will fight for your promotion, for a new job, while the mentor is more somebody who will share with you their experience."

A woman going it alone is not unusual, according to Maziya. "Women rarely have people who support their careers." She explains that many careers are dependent on an internal champion. "They sponsor you wherever there's an audience to do so, and talk you up in any environment. It becomes really difficult when we don't have those sponsors, because those tend to come from golf and tend to come from old school buddies and that kind of stuff. And so it becomes very difficult for women to get the opportunities. It is important to find mentors and sponsors. Some of them will be men. We should never exclude them—they can be our biggest supports and cheerleaders."

The solution? "You really need strong, defiant men to be able to take on mentoring and sponsoring women as an important exercise. That's where the gap really is. You know, if nothing else, COVID should have

taught us that we are all equal. When a pandemic strikes, it doesn't discriminate. It infects and affects everyone. We are in it together and therefore we need to work together for the greater good. Diversity is strength and the world is better when we recognize, appreciate and utilize our differences. The different ingredients make for a better meal," Maziya says.

Gallaher sits on the board of a medical startup accelerator called The Actuator which sponsors competitions for funding. Gallaher describes one such startup that won funding. "It was a hundred percent female-led company. That's really rare. And so there were engineers, there were chemists, there were designers. So in this cohort of women, they didn't have a network. These awards and accelerators are usually dominated by men, so this is a really important message to men: look what talent is there. So even if these businesses don't survive, the talent is being

seen and the ideas are being heard." She says, "It builds a much better ecosystem."

Scarpa insists that sometimes women need to be their own advocates. "Why should it be the case like in the Disney story, when you have the prince coming to you, putting the crown on your head and saying, I will marry you? This is not what should happen." Instead, Scarpa tells women, "Be conscious about your value." She describes a Google project called "I am remarkable." Scarpa explains, "This is a way for our people to really understand why you are relevant, and that you are good enough." Employees are asked to think about and put in writing their unique accomplishments and qualities, to know their worth, and practice self-promotion. Scarpa says, "Every time you have doubts or you're waiting for your manager to say, yes, you're good enough, we are saying don't wait for that. Look at your list. Be strong and ask for something if it's not coming to you." This advice is especially important for women, she says. "It will be a man for sure that will ask. Loudly."

The scarcity of women role models, mentors and sponsors in STEMM can reinforce a cycle of underrepresentation. Maziya explains, "Most times, you stick to a career because there's people like you, who can promote you and work with you, but when you don't see people like you and the environment is not necessarily outwardly hostile, but certainly not as nurturing as it should be, a lot of people then drop off. And so we lose them. We don't have them in industry as much as we should, and we need to have them at all stations of the career profile—from the entrance to middle management, to senior management, to boards, and everywhere in between." ■

"When a curious mind is given resources and opportunities to learn, research, test, teach, and invent, the possibilities are limitless. A woman builds solar lanterns that bring light to her Guatemalan town. Girls code a drone controlled by SMS messaging that will dispense medicine in rural areas. A woman pharmaceutical chemist wins the Nobel Prize for research on anti-malarial compounds that improve the health of millions. Women and girls in STEMM are creators, entrepreneurs, innovators and leaders. They're tackling some of the most pressing global challenges head-on, but, across the field, their participation remains relatively low. Why?"

UN Women, "Sticking Points in STEMM"
February 7, 2019



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ASIA IN FRONT

EMBARKING ON THE NEW ASIAN CENTURY

As the 19th century was led by Europe and the 20th century was led by North America, in the 21st century the question is no longer how quickly Asia will rise but how it will lead. Oliver Tonby is Asia Chairman at McKinsey & Company, and co-author of Future of Asia, which is built around a series of reports by the McKinsey Global Institute. “The center of gravity is shifting towards Asia in many ways,” Tonby says. “Asia is increasingly central in the growth of global consumption that is happening in the world. It is increasingly central in the trade flows that are happening. It’s increasingly central in the innovation and technology development that is happening.” To illustrate his point, Tonby references some of the conclusions from McKinsey’s analysis:

- By 2040 more than 50% of the world’s GDP is going to be in Asia.
- Between now and 2040 more than 50% of the incremental growth in consumption is going to be in Asia.

- More than 40% of venture capital investments are in Asia.
- Asian entities own more than 65% of the world’s patents.
- More than 36% of unicorns today are Asian.
- Some of the world’s largest technology companies are in Asia.
- More than one out of every \$2 invested in the last 10 years has been in Asia.

Ashwini Prakash, Managing Partner in the India region of Stanton Chase, says, “Many factors have contributed to the rise of Asia as an economic power over the year. For Prakash, the deciding factor is leadership. “What really made this change happen is transformational leadership. We definitely have very agile, smart leaders who actually have a blend of both the Western and the Asian worlds, and they have made this transformation happen. Leadership is at the core of everything in the Asian sector. Now things have really evolved. We have incredible, future-facing leaders

here who have made the transformation happen in Asian countries.”

Ati Simatupang, Partner and Managing Director based in the Jakarta office of Global Sage, looks at the evolution of leadership in Asian companies in tandem with the economic rise of the continent. “Prior to the Asian economic crisis in 1998, most Asian companies started pretty much as family businesses with leadership that was very much top down and consensus, where loyalties are very important, trust is very important. That leadership trend continues now, but has evolved with influence from the West.” In the current digital age, Simatupang says, “Technology has reduced the information and expertise gap between East and West, and the two have moved closer together. Leadership approaches and models in the East have evolved accordingly in line with western trends”

While Asia is rising, it is important to remember that after the second world war Japan achieved remarkable growth and since the 1970s has been the third largest economy in the world. Japan is high



tech, developed, is an important source of investment and one of the drivers of growth for ASEAN and India.

Prakash observes, “What started off as a cost-efficient region is gradually and steadily becoming an innovation hub. There were cultural and decision-making differences between Asia and the West, but the first phase of globalization blurred the cultural borders of the world. The evolution of global in-house centers over that period gave us a peep into what Asia is capable of.”

POPULAR CULTURE IN THE ASIAN CENTURY

Asia’s cultural influence is growing with Asia’s economic prominence. “We’re already seeing this worldwide,” Tonby explains. “Go to any city in the West, you will find different variations of Asian food. Look at the global box office revenues that come from Asia, and that means Bollywood, it means China, it means Korea. You see K-pop music, which is extremely popular globally. So absolutely, culture is following.”

Will Asian cultural influences be as pervasive as Western culture? That remains to be seen, but it's certainly growing and it's influencing the world. Mark Sungrae Kim is partner-in-charge of Heidrick & Struggles’ Seoul, Korea office. “If we talk about content like K-pop music and K-drama/movies, in the last year the Korean film “Parasite” won the Oscar award, and then, recently a Korean boy singing group called BTS just reached the number one on the Billboard chart. So it's not only Samsung, LG, Hyundai Motors, Korean products, but even Korean content.” The tourism industry also shows signs of the rising influence of and interest in Asia, as well. “Before COVID-19, we were having a lot of visitors to Korea. So I think the Asian brand, it's evolving, and it's not just gaining interest in the U.S. or Europe, but also in Latin America and Africa.”

RESILIENCE

The continent has withstood generations of change and upheaval to arrive at this moment of cultural and economic


prominence. “As you know, In Asia, we have grown up in a lot of uncertain times,” Simatupang says. “So we have been in a lot of crises in the past 20 years, in each market, with the biggest crisis obviously in 1998. And then we had another financial crisis in 2008. And now COVID. And in between we face many other uncertainties and small crises. So there's a lot of uncertainty which actually makes Asia more resilient.”

In the current period of accelerating disruption and change, resilience may be key to Asia’s success. “One of the reasons for this resilience and the promise for the future is diversity. There really isn’t one Asia.” Tonby says. He describes four Asias:

- Greater China by itself is the world’s largest or second largest economy by GDP, if looked at by PPP adjusted. It’s growing fast, it’s technologically sophisticated. It attracts a lot of capital, and it’s also now a source of capital.
- The advanced Asian countries include Japan, South Korea, Singapore, New Zealand and Australia. These are very advanced countries, high GDP per capita. These are sources of capital, but they have moderate to low growth. So they’re also looking for growing markets.
- ASEAN or emerging Asia has been growing at 5% on average since 2000 and it looks to continue that way. It is very heterogeneous with the world’s largest Muslim majority country

“If 50% of the world’s population is women, 50% of the world’s population of the world’s talent is women. That’s the reason for making this a priority and Asia has a long way to go on this topic.”

—Oliver Tonby, Asia Chairman,
McKinsey & Company



"A lot has happened after the pandemic, even organizations which traditionally did not have business process continuity teams or who were not really bothered about such teams are now setting up their own risk management teams."

—Ashwini Prakash, Managing Partner in the India region of Stanton Chase

in Indonesia, the world's largest Buddhist majority country in Thailand, one of the world's largest Christian majority countries in the Philippines, all of these very large countries but very diverse relative to one another, and all of these are in one market. ASEAN is a source of labor that is used to produce labor intensive goods.

- India and frontier Asia has been growing very fast until just before COVID, and is a huge source of technology talent with more STEM graduates than any other place in the world. It's a huge market with low GDP per capita, and is less connected to the rest of Asia.

"You have these very different Asias, but they are all complementary," Tonby says. "That's part of what is beautiful about Asia and part of what makes Asia resilient, and what makes it also very promising for the future. That makes it complicated to work there, as well."

IN THE ASIAN CENTURY, LEADERSHIP GETS COMPLICATED.

Breathtaking growth and constant disruption have shaped the successful leadership profile in Asia.

Johan Uittenbogaard is the Managing Partner of Odgers Berndtson in Tokyo. "As a leader of a business in Asia, you have to be able to deal with disruption in a very positive way. So when we look at the

leaders we are recruiting for our clients, one of the main elements is how can that individual deal with change? How can they change themselves when that's being called for, and then importantly, are they able to change their teams as well?"

For example, Uittenbogaard says, "Throughout most of Asia, things are changing so rapidly there that if you have a successful business now, you might just lose it to a competitor that nobody's ever heard of who completely destroys the market in a couple of months' time. As a leader, how do you deal with that? What we do as a business, we have created a psychometric testing methodology to test people on how they can deal with change."

Rapid growth and compounding crises are examples of the kind of change leaders in Asia must navigate. For example, Simatupang says, "Double digit growth for us is not just 10-20%, it is often growth which can be 60%, 100%, 300%, so that is the growth that a lot of Asian companies faced in the past 20 years. So how do you actually keep up with that fast-changing growth? You just have to be agile, thinking fast, making decisions fast and being resilient; and then you have a crisis in front of you. So how do you take on this crisis and move through that crisis?"

She says, "A lot of leaders are now facing a very hard time. Before, we faced political and economic crises. Now, it's everything. You have the social crisis, you

have the economic crisis, you have the health crisis. And with that, every leader is required to look beyond, to think what's next, right now."

The impact of growth is also complicating the flow of executive talent in Asia. Kim explains, "A lot of the Asian companies, mainly Chinese and Japanese before them, but recently also Korean companies have been buying global brands and global companies. It is actually the Asian owners and investors who are investing in global. Now, a lot of these local Asian companies are looking for global talent, not only for their global business, but also for their local business."

An additional leadership challenge is addressing the vast complexity of Asian markets. "Just because you have worked in China, it doesn't mean that you can easily manage in Korea, Japan, or Indonesia. They are totally different markets," Kim says. "The language and culture are different, the dynamics, the legality, everything is different."

These vastly different markets are increasingly turning their attention from the West toward each other.

THE NEXT CHAPTER IN GLOBALIZATION IS REGIONALIZATION.

McKinsey's research points to an increase in regionalization. Tonby says, "We are increasingly seeing Asia for Asia." For example, Tonby describes intra-regional trade which originates in

Asia and ends up in another part of Asia. “Intra-regional trade accounts for more than 60% of trade in Asia. So in Greenfields investing, 59% of it ends up in Asia. So again, it’s Asians investing in other companies, investing in other Asian countries. We see it in travel. 74% of travel is intra-regional. So we’re clearly seeing this increasing ‘Asia for Asia.’ All of these factors have been growing significantly over the past 10 years.”

The shifting of supply chains is an important factor in this regionalization, driven by increasing labor costs in China and the growth of manufacturing in Southeast Asia. “Now Chinese labor costs can be three times that of Vietnam,” Tonby explains. “Couple that with increasing geopolitical tensions and companies assessing where they produce, where the supply chains go to and from, and they’re increasingly thinking about diversifying investment. The destination of that is often, by quite a significant majority ASEAN and then next, India. And now COVID has accelerated these trends of shifting of those supply chains.”

This trend is not new, Tonby adds. “In 2017, Vietnam was already responsible for 7% of the world’s emerging market labor-intensive goods, and it’s continuing. We see this happening in India and Indonesia, Bangladesh, and there’s more to come.” Tonby notes that this regionalization preceded COVID-19. “And by the way, it started also before

the rise in US-China trade tensions. This is not about that, either. These factors have accelerated this regionalization, but it started well before.”

THE TALENT SUPPLY CHAIN

Much like the regionalization seen in the movement of goods and services, a similar trend may soon take shape in the movement of talent. “More and more, clients are actually bringing in people from other Asian countries,” Simatupang observes. “More and more big companies are basically preparing for when the expat leaves and then they will try to look for local talent.”

Scarcity remains a problem, with a generation of local leadership talent still coming into its own. “You’re going to need stronger leaders in Asia, and this is something where, to be really honest, there is not enough talent in the market. And that makes sense because excluding Australia, Singapore, Japan and Korea, most countries have not been in a similar capitalist environment for more than 15, 20 years max. They were under-developed 20 years ago, and there was little leadership developed. And leadership doesn’t just stand up, ready in two or three years.”

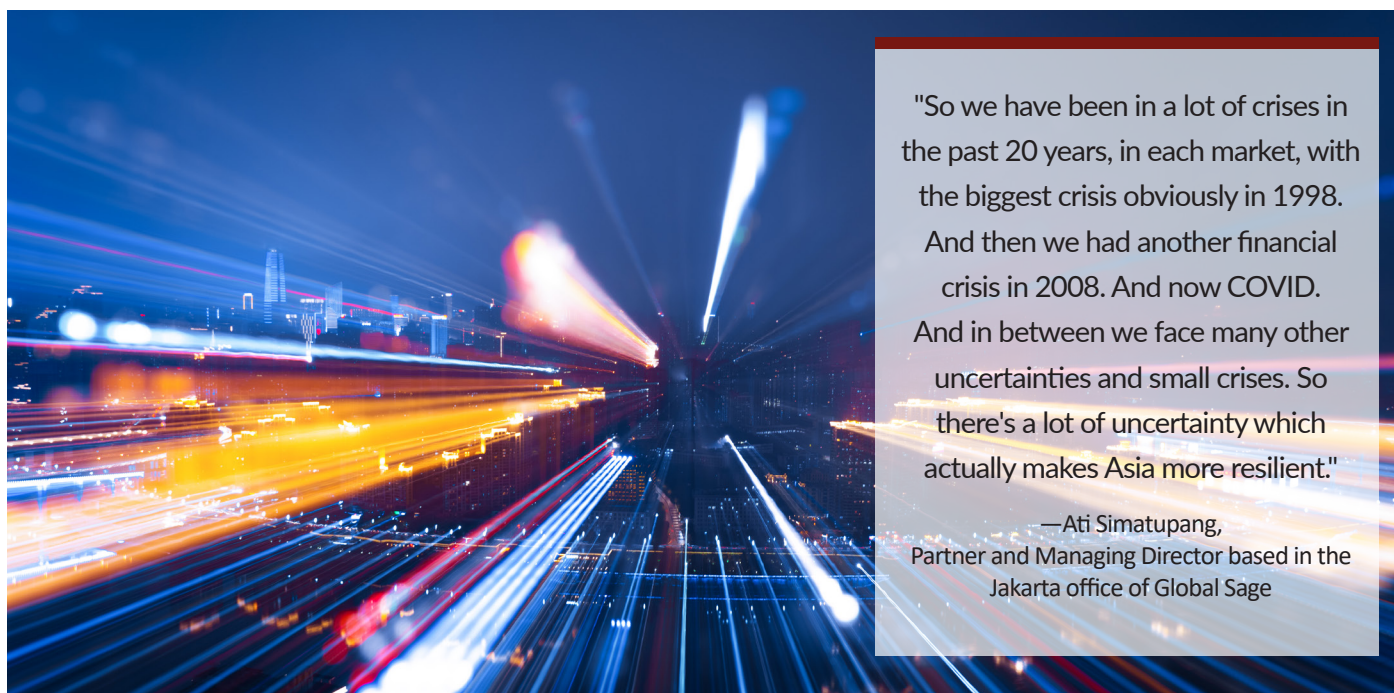
The talent pipeline, then, is critically important for both Asian companies and global companies doing business in Asia.

For example, an often-cited key to weathering change is effective

succession planning. “Twenty years ago, we did need all of those expats, all their expertise. The local talent during that time was not sufficient. We needed to grow the local talent and be ready to become the future leaders. Even Asian companies hired top talent globally; from Europe, the US, from Australia to lead that organization, and then develop the local pipeline. The local pipeline is growing but there are some markets that are still not ready. So they still need some expertise from outside.”

But outside leadership comes with some risk—retaining the rising generation of top talent. “If you don’t have a local CEO or General Manager, the talent one level down won’t see future career opportunities,” Kim warns. “For example, one company had a new expat coming in every year or so who doesn’t know much about the market. The local team members became frustrated that they were teaching these leaders instead of being led by them. So the good and smart people eventually left. Best to have a mixture of Western or expat and local management. If all of your leaders are expatriates, then good, up and coming leaders will not stay around for very long. They will be looking for outside opportunities.”

If weathering the transition from expat to home grown leadership isn’t enough, companies and countries in Asia are also dealing with the existential threat of climate change.



"So we have been in a lot of crises in the past 20 years, in each market, with the biggest crisis obviously in 1998. And then we had another financial crisis in 2008. And now COVID. And in between we face many other uncertainties and small crises. So there's a lot of uncertainty which actually makes Asia more resilient."

—Ati Simatupang,
Partner and Managing Director based in the
Jakarta office of Global Sage



"It is actually the Asian owners and investors who are investing in global. Now, a lot of these local Asian companies are looking for global talent, not only for their global business, but also for their local business."

—Mark Sungrae Kim, Partner-in-Charge of Heidrick & Struggles' Seoul, Korea

WEATHERING THE STORM OF CLIMATE CHANGE

A darker accelerating trend is the impact of climate change. McKinsey's report on climate risk and response in Asia, "paints a sobering picture," Tonby warns. "You could use the word 'alarming,' for that matter. This is serious. What we've done is we have modeled the effect on several factors."

- **TEMPERATURE:** We're going to face a temperature increase of two degrees by 2050, with 600 to 700 million people in Asia, particularly in India, Pakistan, and Bangladesh, that live in areas where there's a significant chance of lethal heat waves. So working outside, let alone being outside, is potentially lethal. The impact on manufacturing, on outdoor labor and therefore productivity and therefore growth and GDP in these countries is very, very substantial.
- **DROUGHT:** We also look at the likelihood of increased droughts, in particular Southwestern Australia and parts of China. There are going to be parts of those regions that are going to spend as much as 80% of time in drought by 2050.
- **CROP VOLATILITY:** We looked at the likelihood of increasing volatility in crop yields and the problem with increasing

volatility is farmers can't plan. And if there's volatility, they make significantly less. So there's a significant increase in the volatility of yields for crops.

- **INFRASTRUCTURE:** Infrastructure is massively at risk from flooding, whether from typhoons, riverine flooding, or coastal flooding. So much so that Indonesia is moving its capital, Jakarta, because it is sinking.

These are real, very dangerous outcomes of climate change. From an economic perspective, "At least 2.8 trillion US dollars of GDP is at risk from this climate change in Asia," Tonby says. "The opportunity here is for Asia to step up its game. And the good news is that over the last two years there's been a significant shift in the sentiment around climate change. I'm now much more convinced that most CEOs take this seriously because their customers expect them to, because their employees expect them to, because the children of those very same CEOs say, 'listen, time is up, it's time to do something.'"

Are organizations in Asia doing something? Simatupang says, "Talk about sustainability has transformed from being a buzzword to reality. Right now, a lot of organizations think and manage and plan a strategy around climate change. I think the C-suite would

definitely like to put it as a KPI but in terms of putting climate change into the strategy, it's still something new, something that's up and coming. At this stage in my experience it is 'nice to have,' not really a 'must.'"

Prakash is witnessing an increase in clients looking for candidates with experience in sustainable practices. "Recently, I hired a head of supply chain for one of the life sciences companies in Bangalore. One of the key requirements for this candidate was that he should have had experience working on power consumption and how we can utilize wind energy, et cetera."

"Asia is basically a very disaster-prone continent," Prakash explains. "You have a lot of coastline, you have low lying territories, you have extreme weather, you have tsunamis, and there are many countries which are island countries. So climate change affects us more in Asia than probably any other place."

Recognizing the growth in infrastructure in Asia, Tonby says, "Hopefully that new investment is made with a view to mitigate climate risk. If you look at new energy, renewable energy, Asia is the place where it's happening in an order magnitude: 60% of renewable energy capacity going forward is going to come into Asia, and Asia already dominates the portfolio of renewable energy."

Climate change is an immediate threat, but governments have limited resources to address a range of pressing needs. Tonby says, “Against job creation and against lifting people out of poverty, do governments see addressing climate change as something that works in the same direction, or is it opposing? There are different views on that in different countries.” Some are planning with a one hundred-year view on climate risk and others are taking action, but it ends up competing with other priorities.”

A key priority is the fight against COVID-19. Governments have spent and will continue to spend on prevention and treatment, as well as mitigating the economic impact of the pandemic. Tonby says, “COVID also means that governments have spent a lot of money, and they need to spend a lot more money, so there’s going to be a fight for every dollar when of course, investing in climate change also requires money. The hope is that some of those stimulus programs will come with a green orientation. If you’re going to stimulate

new infrastructure, make sure that it helps mitigate climate risk.”

PLAN AHEAD TEAMS

Mitigating risk and anticipating trends and opportunities is the role of plan ahead teams. To put the need for such teams in context, Tonby says, “You have the devastating effect of COVID as one factor, you have a technology revolution that is going on that is affecting everything. You have an emerging, new-world order, geopolitical tensions, and these will not go away irrespective of any election. And then you have climate change as our generation’s imperative, and you mix all this together, and that is a pretty uncertain future.”

And in that uncertain future, organizations need to be looking at the range of scenarios. “So you plan, you try to plan back for that,” Tonby says. “This is different than your traditional strategy team. This is a taskforce. It is CEO plus the business leaders, the heads of different business lines that are in the game together looking at intelligence,

developing scenarios, identifying options. That’s what the plan ahead team does.”

COVID-19 has inspired more organizations to invest in scenario planning. “A lot has happened after the pandemic, even organizations which traditionally did not have business process continuity teams or who were not really bothered about such teams are now setting up their own risk management teams,” Prakash says. “They’re calling it by different designations, but the idea and agenda is the same: how they can plan ahead, how they can see the unknowns, so that the organizations are kept more informed, well-prepared, and more agile to handle whatever is coming.”

There are few companies now that have not been through this exercise, Tonby says. “Now the challenge is refreshing, updating, and being agile when changes come, so you actually have to do this much more frequently than the past, and by the way, it rolls into your budgeting, your year-long

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Progress has been made across the globe but, in some countries, there is still a long way to go

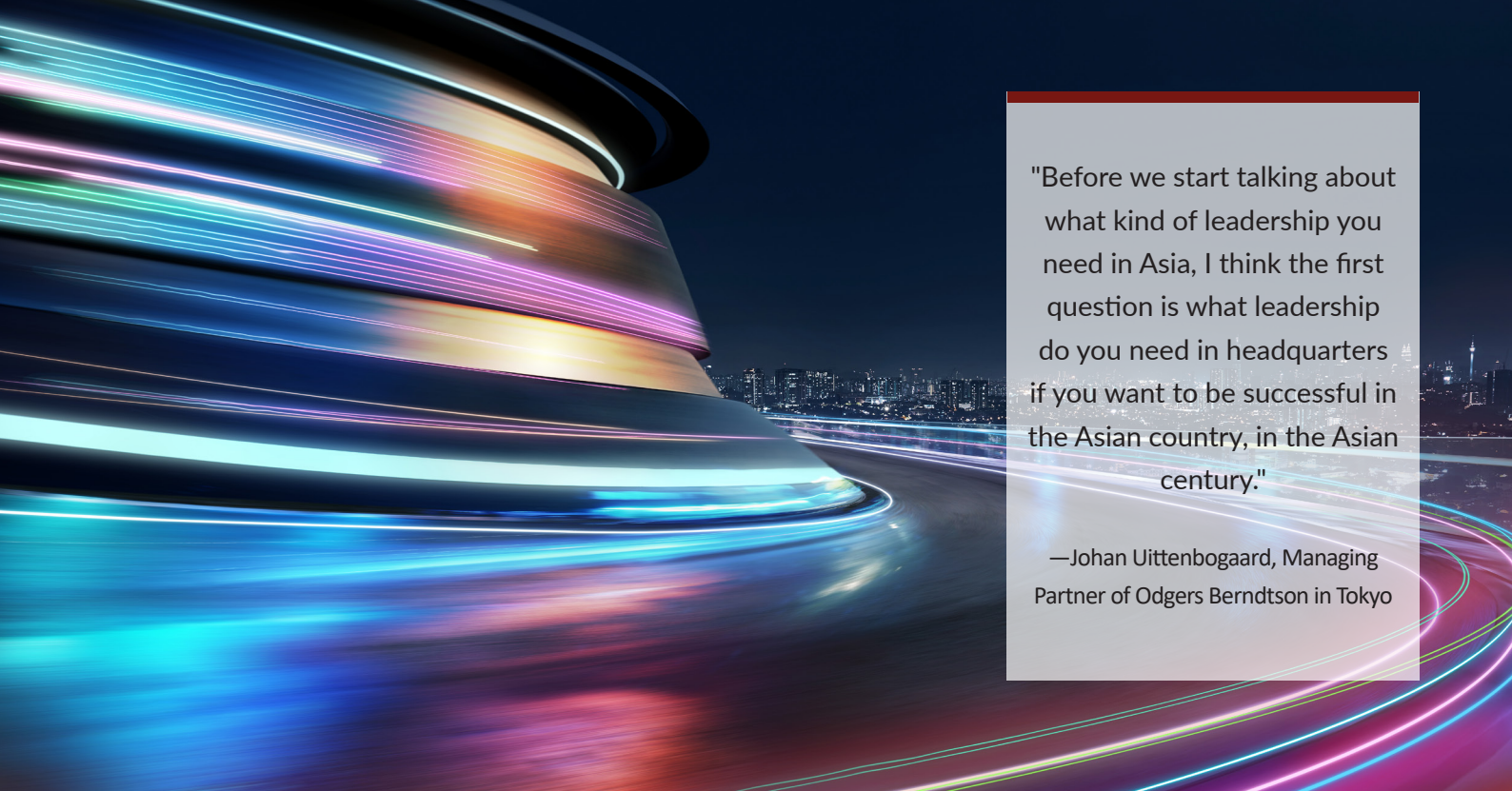
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"Before we start talking about what kind of leadership you need in Asia, I think the first question is what leadership do you need in headquarters if you want to be successful in the Asian country, in the Asian century."

—Johan Uittenbogaard, Managing Partner of Odgers Berndtson in Tokyo

budgets. It's pretty tough to put in place a decent year-long budget, now. So you end up doing this at much more frequent intervals than you did in the past."

And what are the leadership qualities of those plan-ahead team members? For Tonby, "folks that are curious. Curious and creative folks who are analytically oriented, folks who are externally oriented, looking outside for what's happening, but also folks who are practical: what does it mean in practice that, so you can actually bring it back to some decisions that you will or will not make."

Prakash says, "I believe resilience, bold decision-making, maintaining communication with stakeholders to maintain their trust and confidence, and team players who always keep their people and organization ahead of them are the few key skills that every team needs to possess to navigate through any crisis."

Diversity is also key to effectively imagining and preparing for the unknown.

THE ROLE AND IMPACT OF DIVERSITY IN ASIA

Diversity and inclusion pose a tremendous opportunity for growth and innovation in every organization, worldwide. For Tonby, "This is a huge opportunity for Asia. It is one of the

biggest opportunities, actually, that there is for Asia."

Tonby addresses the opportunities presented by both gender parity in workforce participation and the impact of women in leadership across Asia. "We have analyzed this in detail in our power of parity report a couple years ago. We had looked at how the GDP of different countries can increase by between 11 to 16% over the next decades by increasing gender parity. You're talking about trillions of dollars across Asia. And it's very different country by country. So in Singapore, we already have 44% participation. You go to India and it's only 23% participation. So increasing gender participation is a huge opportunity."

The second level of opportunity when it comes to gender in Asia is women in leadership. "If you look at different countries and companies by and large, we're talking about significantly less than 20% of the C-suite level. It's even lower participation at the board level, at 10% or less," Tonby says. And the impact of that disparity is obvious. "There is ample, empirical evidence that gender balanced companies perform better than those that are less gender balanced."

"Koreans are known to be hard working people and many now have global experience. More and more global companies are hiring Koreans and other Asian talent as they have 'best of both

worlds,'" says Kim.

Prakash is noticing more organizations that actively promote a culture of diversity and innovation. "Organizations have increasingly understood the importance of having diverse teams so that they keep challenging their fundamental assumptions and come up with more creative and innovative thought processes of running an organization. This they see as a winning formula, diversity and innovation."

Tonby adds, "We can have a long debate as to causality and correlation and so on. To me, it's very simple, which is I have never heard a CEO complain that they have too much talent and too many leaders. That has never, never in my more than 25 years, never heard that sentence, 'I have too much talent and too much leadership.' It's always the opposite. And if 50% of the world's population is women, 50% of the world's population of the world's talent is women. If the funnel isn't 50% throughout, very simply, we're losing out on a huge part of the world's talent. That's the reason for making this a priority and Asia has a long way to go on this topic."

WHO SUCCEEDS IN THE ASIAN CENTURY?

"One size does not fit all," Prakash says.

The same can be said for strategy.

Simatupang explains, "We cannot use the same strategy across every market, because a successful strategy depends on the scale of the economy, the readiness of the market itself, the people's different skill sets. There are quite different elements that one company needs to consider." Key among them, she says, is "sensitivity to the local cultures." For example, "A global company coming to Indonesia, or to Vietnam, they need to understand the local culture and the market itself to be successful. Without that, it is very difficult because if you bring your product from the U.S. with the U.S. system, that might not work well with the ecosystem in Indonesia, Vietnam, or even Thailand. You need to adjust, and come up with a different business strategy in each market."

Uittenbogaard reinforces that observation. "American companies often think, let's just copy and paste our success model in America and put it everywhere else in the world. With an opposite approach, Japanese companies

have basically rendered international business units separate from their global business. Neither of those two models work. You need to get a business that is truly global. Some people call the difference between a global business and an international business, where an international business has got dots on the map and a global business really is represented throughout the organization at every level, from people from around the globe."

In order to do that, however, the global perspective must permeate the organization. Uittenbogaard explains, "The Chinese national will know China, but may have no clue about India. So having Asia represented in your leadership is not that simple." He says, "If you have a senior leadership team or even your board where you don't have expertise about Asia, how do you think you can develop not just the strategy, but also the execution to be successful in Asia? So before we start talking about what kind of leadership you need in

Asia, I think the first question is what leadership do you need in headquarters if you want to be successful in the Asian country, in the Asian century."

Prakash reminds us that "Asia has the highest consumption power, it has the world's largest and biggest middle-class population, India being the classical example, China next. Everybody's cost-conscious here. At the same time, they are fueled by aspiration for better lifestyle. If you think 'it's a very cost-conscious market, let's not even launch Louis Vuitton there,' sorry—you're wrong. They know where to spend, where not to spend. It is a lifestyle understanding, which is really important if you want to be successful in Asia."

Tonby says, "If you look at this, if you look at growth in demand, if you look at technology development, if you look at the corporate ecosystem, I think it's fair to say that the center of gravity is shifting closer towards Asia. That's why we're talking about this," he says.

"The Asian century has arrived." ■

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INdivisible

RADICALLY RETHINKING INCLUSION FOR SUSTAINABLE BUSINESS RESULTS

Q&A with authors Rebekah Steele and Alison Maitland



ALISON MAITLAND



REBEKAH STEELE

The value of inclusion is irrefutable, from innovation and business outcomes to thriving communities. And still, genuine inclusion has yet to be achieved at a broad scale. In the recently released book *INdivisible*, authors Alison Maitland and Rebekah Steele introduce a new, whole-system approach to bringing measurable inclusion into the strategy and operations of organizations. With concrete action for people at all levels—senior leadership, middle managers, teams and individual employees, Maitland and Steele present a foundation for building more inclusive, higher-performing organizations.

Q. Diversity and inclusion have been prioritized for years, yet we don't seem to be making much progress. Why?

ALISON MAITLAND

I think we can say that there has been some advancement in some areas, but also worryingly little in others, and many organizations are really frustrated about the lack of progress. We see several reasons why this has happened. The first one is that diversity and inclusion are very often

disconnected from business goals, priorities and the outcomes that the organization is trying to achieve. So that means that they don't receive the kind of focus, resources and accountability that other business drivers do, like marketing or finance or strategic workforce planning or safety.

Inclusion is absolutely critical, and in fact we call it 'harnessing the collective superpower of diversity.' Without inclusion, diversity is really unfulfilled potential. But unfortunately, inclusion remains poorly understood and poorly measured. Diversity and inclusion are often conflated. For example companies use statistics about the proportion of different groups in the workforce or in leadership roles, and they say that's a measure of how inclusive they are, when actually that's a measure of diversity and they're not focusing on or measuring inclusion at all.

REBEKAH STEELE

Yes, and in addition we so often see organizations replicating what are called 'best practices' from other companies, even when there's clear evidence that these are incomplete or ineffective practices. One

example is when implicit bias awareness training is put into a DEI (Diversity, Equity and Inclusion) strategy, even though a 2019 meta-analysis of all the evidence showed this actually has limited impact on mitigating bias in behavior.

In addition, diversity and inclusion efforts are often treated as piecemeal approaches, isolated programs, or siloed initiatives, and a pretty narrow lens is put on this work. One example is that if an organization is measuring inclusion at all, they are typically measuring only a small part that doesn't give anything like a complete picture of inclusion. Many seek to measure how inclusive they are by asking individual employees just a handful of questions that are inserted into an engagement survey. For example, do employees feel they're treated with respect, or do they feel a sense of belonging? And this just misses a whole lot of information about whether inclusion is actually supported by behavior, structures, processes and signals across the organization. Or what impact inclusion has on business results.

In the face of these shortcomings, we know that organizations can do better. And fortunately, some are doing much better, even advancing inclusion through the pandemic crisis.

Q. A central theme to the book is that everyone has a role—senior leadership, middle management, and teams. How does this approach make a difference in organizations striving to become inclusive?

STEELE

We see many organizations focusing primarily on senior leadership when it comes to approaches to inclusion. They often express frustration that middle managers seem frozen or stuck when it comes to this work. And they don't provide clear accountability for individual workers. So, we specifically address senior leaders, middle managers, and individuals, as well as teams. They all have a role to play, and we provide recommendations for practical actions for each of those groups.

Along with that, we address how marginalized populations are often more vulnerable to exclusion than mainstream ones. This is a reality we have to attend to. And at the same time, we know that *everyone* is vulnerable to exclusion. So that means everyone can benefit from inclusion.

It also means everyone is responsible. Showing how people can take action at any level means that everyone is involved in co-creating a work environment that works for all. Everyone's responsible and we can't put all the work on the shoulders of DEI specialists, the HR function, employee/business resource groups representing marginalized populations, or on senior leaders alone. We all have a role to play.

Q. What does it mean to be “skilled at inclusion?” Is this something inherent in some people? Can it be taught? From the perspective of the search profession, can we assess for inclusion, and how?

MAITLAND:

These are fascinating questions. Inclusion is a key leadership skill and fortunately it's increasingly recognized as such. Look at the really strong interpersonal skills that are needed to lead people effectively in this virtual environment that we're in right now; similarly, the higher-level human skills that we all need to work on and to enhance if we're going to thrive alongside smart machines, things like empathy and adaptability and social influence, and the ability to read the room, whether it's a real room or a virtual room.

I think it's fair to say that some people are naturally inclusive and others are not. And so it's really important that teams have those people represented in them, whether it's the leadership team or any team in an organization, because inclusive people ensure that everyone is on board and that no one is left behind.

In the book we set out 10 inclusion enablers, which the search profession could draw on. We've clustered these enablers under three headings: creating connection, creating opportunity and creating common cause. They involve things like respect, openness, transparency and fairness, and also shared power, which is about distributing power across the organization and exercising power *with* people rather than *over* people. These are all things that need to be in place in order to have a truly inclusive work environment.

STEELE

With regard to assessing for inclusion, I did an event about *INDivisible* earlier this year with a group of talent acquisition executives, and I used a poll to ask how

many of them employed any assessment about inclusion capabilities as they made hiring decisions about leaders or indeed about anyone at any level in the organization. There was a shockingly low percentage of talent acquisition executives that were doing anything about this. The idea of evaluating candidates for inclusion capabilities was a real aha moment for them.

Q. What does COVID do to your theories and your recommendations?

MAITLAND

We've definitely noticed that, with the COVID crisis and the economic fallout, as well as the Black Lives Matter movement, all of those things together have really reinforced how critical inclusion is. We've also seen some dramatic examples of what we'd call caring and 'care-less' behavior or leadership from national leaders around the world in how they've managed the crisis. It has created some very stark illustrations of how inclusion is, in some cases, literally a matter of life and death.

STEELE

The COVID crisis and the related economic fallout, the climate crisis, and the resurgence of the Black Lives Matter movement since the killing of George Floyd in the United States have illuminated centuries of injustices and bias and systemic problems that are preventing us from making the most of a full mix of people in businesses and organizations and in society. What we're seeing is that this context is raising the awareness and the commitment of leaders and organizations to take the next steps, to elevate their approaches to inclusion and diversity and equity, and they are looking for radical new ways to help them actually make lasting systemic changes, which have often been overlooked in traditional approaches to inclusion.

MAITLAND

We talk about how inclusion doesn't just live inside an organization, but has to be inside-out and outside-in. Organizations obviously are not islands on their own. They are impacted by what's happening around them in society, and they have an impact on what's happening in society and in the economy. Inclusion needs to extend

to external stakeholders, including your on-demand workforce. COVID has really shone this light on critical workers, the key workers who have enabled societies to continue to function. Not only caregivers, but people like cleaners and drivers and food retailers and delivery people. Those people quite often come from marginalized populations and are in low paid and precarious employment. If your organization wants to have a clear purpose and ensure that your internal inclusion drive is being supported by what you are doing across society, you have to ask: How are we treating this workforce, and our other external stakeholders, in our inclusion strategy?

Q. Communication is so important. Please explain what you mean by “Taking care with the terms we use.”

STEELE

Communication is critical. We can look at the consistency and the clarity of communication of national leaders who have managed the COVID-19 crisis well, compared with those who have not.

In our book, we show how when it comes to DEI it's unhelpful to put people into single identity boxes because that doesn't reflect the reality of each whole person. Each of us is comprised of multiple identities and multiple experiences coming together in

one person, and these things can shift over time. Understanding this makes it possible to advance inclusion more accurately, more effectively, more generously because we're not making assumptions.

For example, there are a lot of discussions about whether we should say 'BAME' in the UK to talk about Black, Asian and other minority ethnicities. But each person rightfully has their own preference on how they want to be described, as well as what their ethnicity might be called. As we have this conversation it is also important to be aware that terms used to describe the mainstream are often left out altogether, a habit that underpins their advantage by positioning them as the norm.

Another example is that not all women experience the same biases or restrictions, but often that's how we're seeing these things treated in organizations, as if all women are the same. Women and their identities and experiences and challenges are influenced by other intersecting factors like race or age or disability or ethnicity. People in the West often talk about the challenge of getting the commitment and the action and follow through of white men for diversity and inclusion outcomes. But not all white men are the same. And research shows that 45%, or almost half, of straight white men cover or try to hide a piece of who they are in order to fit in

at work. Communication—the terms that we use—makes a difference in this work. At the same time, I have seen times when a sticky focus on terminology gets in the way of doing the actual strategic work that makes a difference with inclusion.

MAITLAND

Yes, people also often get worried about getting it wrong and saying the wrong thing, and this can hold them back from actually getting involved in inclusion. Layla Saad says in her book *Me and White Supremacy* that when you get called out or called in about something that you've said, that's actually part of the work of anti-racism. If you're really serious about anti-racism, if you're really serious about inclusion, you *will* get things wrong. You're bound to. We're all human. But it's the best way to learn. And then to apologize and make a change if you've got it wrong rather than to hold back and say, 'Oh, you know, this is all too complicated. I can't step in here.'

With their analyses of what hasn't worked and why, anecdotes, scenarios, case studies, research, metrics and scorecards, plus actionable recommendations for people no matter their role in an organization, Maitland and Steele have written a guide to making systemic, enduring change. Change, they argue, that not only benefits the bottom line, but society as a whole. ■

SPECIAL BOOK EXCERPT

More than 'Belonging': 10 Inclusion Enablers

THE EASY ALLURE OF 'BELONGING'...

It is fashionable to see 'belonging' as the next big thing for diversity and inclusion.

The allure of a catch-all term is powerful in the field of complex human behavior. Given how vague some leaders still are about what constitutes inclusion, we understand this. The idea of 'belonging' appeals to our human desire to be part of a group. For busy executives, the apparent simplicity of this concept must be welcome.

It would be a mistake, however, to become mesmerized by the buzzword of 'belonging'. We doubt that it provides the clarity you need about the different building blocks of an inclusive work environment, how to detect gaps, or how to measure progress towards desired outcomes.

Belonging provides only a partial view of what inclusion is. And there is a risk that focusing on belonging muddies the waters for those who want to make serious progress.

Why? For one thing, belonging is an outcome, not an input. It is about how people feel – whether, for example, they feel respected and valued for who they are and able to be themselves at work.

It suffers from the same limitations that we set out in Chapter 4: you cannot understand and measure belonging, or inclusion, simply by asking people how they feel. Asking if they feel they belong tells you nothing about how they behave towards others, or what specifically needs to change to make the work environment more open to everyone.

Edited excerpt from "INdivisible: Radically rethinking inclusion for sustainable business results", ©Alison Maitland and Rebekah Steele, Published by Young & Joseph Press, 2020

Secondly, 'belonging' can sometimes be in direct conflict with inclusion. People often feel their greatest sense of belonging when they are in a group that is similar to them, with shared backgrounds, demographics, outlooks and interests. At the extreme, intolerance of outsiders can create a powerful sense of togetherness and belonging.

Thirdly, there are circumstances in which 'belonging' insinuates ownership. In the context of historic and modern slaveries, this interpretation of belonging, with its connotations of bondage, directly opposes the principle of being inclusive. Moreover, in some cultures marriage is considered ownership not partnership.

"I'm concerned when we focus on new terms like 'belonging' to describe a problem instead of addressing the real issue with steps that focus on our behavior and the processes, systems, and policies we work by," says May Snowden, life mastery coach, D&I thought leader, and founder and CEO of Snowden and Associates. "Rather than spending our time coming up with new terms to describe the problem, let's decide to live as if we believed that we are all valuable human beings in our thoughts, words, and behavior."

UNDERSTAND: INCLUSION GOES WIDER AND DEEPER

To cultivate inclusion, we have to work at it every day, intentionally inviting alternative perspectives and seeking out people who are different from us. We also have to build the cohesive organizational structures that create an inclusive setting.

Companies need to know what difference inclusion makes to people's lives, to performance, to customers and to achieving the organization's goals. Most are failing to capture any of that right now. At one gathering of international D&I executives, 71% reported measuring inclusion by inserting a few questions into their companies' much longer employee engagement survey. Yet inclusion is at least as multi-faceted as engagement, and it should be treated as such.

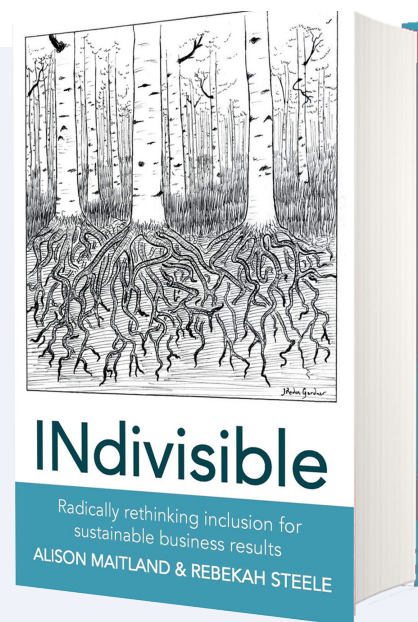
To address inclusion comprehensively, we must go both deeper and wider.

One way you might approach this is with a *comprehensive* inclusion survey alongside your engagement survey. However, there are other methods that produce deeper insights. Whether you use surveys, focus groups, coaching, everyday feedback or a combination of these and other methods, the important point is to take account of all the elements of inclusion addressed in this book.

We have created over 100 questions that combine information gathering and learning on inclusion. You'll see examples throughout the book, along with sample questions from our Senior Leader Questionnaire.

OUR 10 ENABLERS OF INCLUSION

In our search for more effective ways to understand, measure and act on inclusion, we looked at studies across a wide range



of topics including health and wellbeing, education, social exclusion, working conditions and environmental sustainability.

Based on the knowledge we gleaned from these different areas, and our own considerable work with organizations around the world, we have identified 10 core components, or 'inclusion enablers'. As a cohesive set, they broaden your opportunities to harness the 'collective superpower' of diversity.

As many of these enablers are interdependent, we have clustered them under three headings:

Connection: Inclusion is about how people connect with one another.

Are we *open* to the ideas of others who are different from us? Do we *respect* people across differences and feel respected by them, even when this takes us out of our comfort zone? Is there an environment of *trust* where good intentions are assumed?

Opportunity: Inclusion is about access to information, opportunities, and influence.

Is everyone treated *fairly* and provided with the opportunity to learn, advance and contribute? Is there *transparency* about how decisions are made, goals selected, and progress achieved? Do people have *choice* about how they accomplish objectives?

Common cause: Inclusion is about how people work together to achieve goals.

Is *power* distributed across the organization, or held in the hands of a few? Does everyone have the opportunity to *participate* in how the organization is shaped and operates? Is there an expectation and practice of *supporting* one another? Are people working collaboratively toward a *shared purpose*?

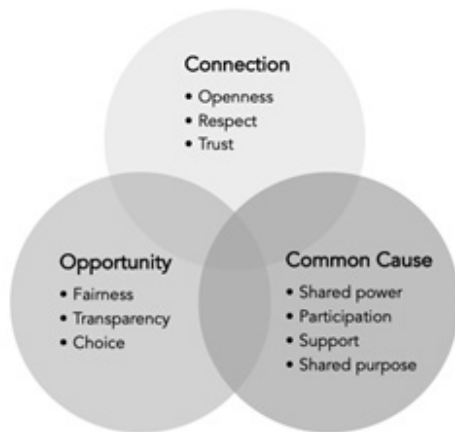
We explore each of these enablers in more detail in the book.

MEASURE: WEAVE IN THE 10 ENABLERS

Considering all of these inclusion enablers gives you a deeper understanding of how your organization is performing on specific elements of inclusion. You may, for example, already have a respectful and supportive work environment. But

1. The Conference Board (2018, September). Poll about measuring inclusion, Joint Meeting of The Conference Board's Global D&I Executives and D&I in Business Councils, Paris, France.

Creating connection, opportunity and common cause



decision-making may be opaque, and people may be unsure whether they are fairly paid and projects are fairly allocated. You have a transparency gap. This information helps you develop targeted approaches to address the gap.

As you assess feelings, actions, and structures as part of a whole-system approach to inclusion, you can weave these enablers into the questions you ask people at every level of the organization, the actions that you take, and the structures and processes that you put in place.

Questions about transparency

Here are some questions relating to the inclusion enabler of transparency, which you can ask people at every level of your organization. You'll see that they cover feelings, actions *and* processes:

- Do you feel that decisions affecting your opportunities at work are well explained?
- Do senior leaders regularly take time to explain to everyone what is going on in the business?
- For decisions about who gets promoted, is the process transparent?

What are your answers to these questions about your own organization right now?

What questions would you add to help you gain further insight into the level of transparency in your organization?

Ways to practice the inclusion enablers

Through her training and practice as a facilitator and coach, Alison has discovered accessible ways to bring these enablers of inclusion out into the open. For example, she facilitates teams to discuss what everyone needs from each other and from themselves to collaborate successfully.

Everyone participates, and the team agreement is not finalized until everyone is comfortable signing up to it. It's also useful to refresh your team agreement regularly. The whole process can uncover issues beneath the surface and lead to important conversations about things like respect,

trust, transparency, fairness, and choice. Because everyone is invested and accountable, it can shift perceptions of power and influence.

Such practices take more time. It's worth it. The investment reaps a big payback in terms of openness, trust, motivation, accountability, and shared purpose – key elements of inclusion linked to business goals and outcomes.

TAKE ACTION: USE THE 10 ENABLERS

Actions for senior leaders, middle managers and individuals

SENIOR LEADERS

- Begin a reciprocal mentorship with someone who is different from you, with a focus on helping each other become more inclusive leaders.
- Use the 10 enablers as discussion points for that development work. Consider what you can learn from this process that would be useful to incorporate as a standard part of leadership development.

MIDDLE MANAGERS

- Formally commit to working on all three sets of inclusion enablers – connection, opportunity, and common cause – to increase team collaboration in achieving a critical performance objective.
- Discuss how to do this with your team, work on it with a peer coaching group, and/or find someone with insight and expertise to guide you.

INDIVIDUALS

- Partner with colleagues to explore which of the 10 enablers are strengths that you already consistently weave into your collective work.
- Work together on a plan to address gaps individually and as a team. Share your plan with others, and invite colleagues from other parts of the organization to join in.

MAKING TIME:

Taking action means starting new habits. Rather than hoping to find time for inclusion, intentionally structure it in. To make room for your focus on inclusion, consider what you can stop doing that is getting in the way. You might stop 'multitasking' on your smartphone instead of giving colleagues your full attention in meetings. Or using idioms and metaphors that are specific to one culture. Or assuming that people who rarely speak up have nothing to contribute.

EVALUATING:

Build in regular monitoring and evaluation of the impact of your actions. What effect are your actions having on individual engagement, team performance, and business success?

ADDRESSING THE BIG PICTURE:

Each individual can act to make a difference for inclusion. To achieve widespread and sustainable business results and impact, remember that you also have to implement systemic organizational changes. ■

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AGILE & OPEN

A Q&A WITH CLUEN'S ANDY SHAPIRO

Andy Shapiro, CEO of executive search software provider The Cluen Corporation, sat down with AESC's Chief Marketing Officer, Joe Chappell, to share insights on how Cluen's clients are managing technology, relationship management and business development during the COVID era.

JOE CHAPPELL: Andy, thank you for speaking with us. Cluen in is a long-standing partner of AESC, spanning two decades. In your words, how do you feel the missions of both AESC and Cluen align?

ANDY SHAPIRO: One of the things that we love about our partnership with AESC is, like AESC, we're so focused on advancing the needs of the retained executive search industry. Cluen is hyper-focused on having the best tools and technologies for retained executive search. And it is really rare to find a similar organization dedicated just to executive search. There are plenty of organizations in the world that focus on recruiting, but that's very different from what executive search is all about. So we've been able to prove our dedication to executive search over this time span, not only in our continued partnership with AESC, but also in our actions for our clients and for the industry. We've really been able to prove our focus here, just as AESC has.

CHAPPELL: Right. Agree that a rigorous dedication to executive search unites us. Thank you for that. So, it goes without saying, but 2020 has been a challenging year keeping us all on our toes. What are some of the best ways from your perspective that an organization can stay agile during these challenging times?

SHAPIRO: It has a lot to do with open-mindedness. In the software development world, to keep innovating, we always say that there are no 'sacred cows'. Things that you may have been known for in business over time, you need to be ready to rethink. So, whether it's a great process, a great feature, or whatever you have in your business, you can't be agile unless you're ready to rethink everything. Organizations that have embraced change in that way are able to adapt.

CHAPPELL: And are you seeing your clients adapting fairly quickly during this time? What does that look like for them?

SHAPIRO: It's like any evolution—some species adapt and survive and some don't. Mostly we've been thankful that our clients are doing okay. And now that we're deeper into the pandemic, executive search seems to be doing fine at the moment. So talk to me in six months, but most of the market is boutique Search and most firms that we work with are smart and dedicated to be doing Search at this moment and into the future. They're forward thinking. A lot of the current focus is on adapting to change and prioritizing business development—where are the fertile markets, where are you going to go next? That will bring growth.

CHAPPELL: Yes, the executive search profession is resilient. What do you see your clients prioritizing at the moment?

SHAPIRO: Well, I think it's about change and business pipeline. In terms of change, it's making sure that they're able to work flexibly from everywhere and have the right technology to be efficient. And certain technologies we've innovated over the past year or so include things like new web technologies for interacting with clients. That's a technology that can make you more efficient, but it's also a way to advance business development, to enable you to be in front of new clients in a pitch and talk about how advanced your Search firm is, how transparent and innovative you are.

And if you're out there looking to win new business, every little piece helps. Some of our clients are very much prioritizing that business development aspect from a whole new focus. They may have focused on certain sectors in the past that were performing okay then, but in these COVID

times, they may have to focus on other sectors that are stronger today. There may be a hundred organizations they need to be in front of in this sector that they haven't focused on before. How do they develop that new business and win it? So those are some of the technology tools that we're enhancing just this year. Things like client web interaction, automated email nurturing—we understand that most executive search professionals have thousands of relationships, many more relationships than they can possibly maintain with phone calls and meetings alone. They're going to still have that face-to-face relationship with their key contacts using Zoom or other video conferencing tools. But there's still going to be thousands of others who won't have time to meet. So, how do we use technology to let them nurture those relationships?

CHAPPELL: Yes, exactly. So, in terms of business development, it is based on relationships and it's also based on trust. In what ways are you seeing that relationship management has changed for your clients over the past few months?

SHAPIRO: In many ways it depends on the sector. If you have a trusted client, difficult times bring an opportunity to be flexible—to accommodate exceptional needs that clients might have in an exceptional time. So it's certainly something that we've been doing with our clients—being flexible and accommodating exceptional needs. Our clients are doing the same with their clients. And clients remember this, right. We're not here for short-term relationships just like any search firm is not with their customers. If you do something extraordinary for your client, they'll remember it.

CHAPPELL: Right. And what do you see on the horizon in terms of technology? Are

there technologies that executive search firms should be planning for now?

SHAPIRO: Well, you know, we've been talking for years about artificial intelligence and how that saves time and can bring new answers for parts of the Search process, and new productivity. So that's going to be on the immediate horizon. Cluen is doing more and more, incorporating AI tools and data partnerships. By the time of publication, we'll have announced our new partnership with BoardEx. Cluen is pursuing many data integration partnerships where we align with data providers to help our clients incorporate data sources more directly into their databases.

And by the way, Joe, as a result of our partnership with AESC, we were introduced to BoardEx, a great example of how our partnership is a success for us, but also provides mutual value to other AESC partners, members and clients, all operating in a shared ecosystem.

CHAPPELL: Right, an entire ecosystem. That's great word for the wider AESC community. BoardEx is of course an official AESC partner as well. That's fantastic. We look forward to hearing more about that partnership. So, you help your clients manage their relationships, but of course, you're also helping them manage their people data. How do you help your clients get it right and avoid common mistakes?

SHAPIRO: Well, forget about mistakes around compliance, which is a whole other thing. One of the most common executive search data management mistakes is over engineering. Cluen has worked with literally thousands of executive search professionals. And it's very tempting when thinking, 'Oh, how are we going to manage this data,' that we are going to set a plan from a managing data perspective. There are so many choices. There are so many things you can do, so it's tempting to do more than you need. So, the pitfalls of executive search databases are frequently over-engineering and not keeping it simple. One of Cluen's guiding principles for our clients and our product is to figure out what's needed and how to defend what's needed. You know, if someone says, I need it, why do you need it? How does it give you a return on investment? How does it increase productivity? And if there aren't great answers to those

questions, then you're better off keeping it simple, saving the time and having one less thing to manage and get right. Our systems are very flexible, so clients can choose complexity in the areas that really call for it—but that can be dangerous. The key— keep it simple.

CHAPPELL: Makes sense. Help them understand what they need versus what they thought they needed.

SHAPIRO: With any tool, let's use



"A lot of the current focus is on adapting to change and prioritizing business development—where are the fertile markets, where are you going to go next? That will bring growth."

Microsoft Excel as an example, you go in and say, 'Oh, they're 15,000 functions of this tool, let me decide how my team is going to use it by looking at each one to decide whether I like it or not.' No, it's not the right approach. The right approach is work with an expert. An expert who's done it many times and align it with your business need so that you can run your business smarter.

CHAPPELL: Right, of course. Absolutely. As you know, we do an annual survey of AESC members to gauge what are trends in our profession? And repeatedly, time comes up as the greatest challenge for Search professionals. So how are you helping your clients save time?

SHAPIRO: I think the answer there is rules-based automation. And here's what I mean by that—in the past, we would focus on saving time from administrative stuff, productivity. And that is, 'Oh, I do this task. It takes 10 clicks. I can make it two clicks. I can make it one click.' Our entire current generation of technology is focused on zero effort, 100% automation based on preset rules. So, if you can decide how you want it done, you never have to think about it again. In terms of capturing emails related to a client or a candidate, zero effort, 100% automation, you set

the rules. You never think about it again. Client status reports—big time saver. We spent years reducing it less and less to zero. You set the rules. How quickly can you get those insights about who used to work at a certain company—that used to be a reporting exercise. Now it's just there. The system pushes it to you. And that's the kind of paradigm we're in now. How many of those tasks related to a classic retained search process can we bring to full automation, but based on rules. So it's not like Cluen tells you how you should do it. You set the rules and it just happens.

CHAPPELL: And that's helping everyone involved in the search process from researcher to consultant, et cetera.

SHAPIRO: Right. And then they can choose how they want to better use their time. So it's just giving the flexibility to step away from these time-intensive tasks.

CHAPPELL: And focus on better uses of their brainpower. What do you see as some ways that executive search firms can best position themselves for success post COVID?

SHAPIRO: I think it's like any economic cycle that we've had in the past. I mean, it's different, but similar in that having great technology, the best infrastructure possible, and everything else we've spoken about, like strong client relationships, a robust business development process, and pipeline, that is all key. Fill up the pipeline now, and after COVID, there will be things coming out of that pipeline. And importantly, staying agile—the ability to zig and zag if the world changes, which it's proven that it does.

CHAPPELL: And it will again, certainly. Well, thank you. Any parting words of advice that we've not already touched on?

SHAPIRO: I would reemphasize that open-mindedness. Be ready to embrace change and spend some time to learn about things you might not know about. Even if you're not ready to change infrastructure, talk to Cluen, talk to BoardEx, and talk to other providers in the space just to know what's even happening out there. So if one day you need to change something, you're aware of the possibilities. ■

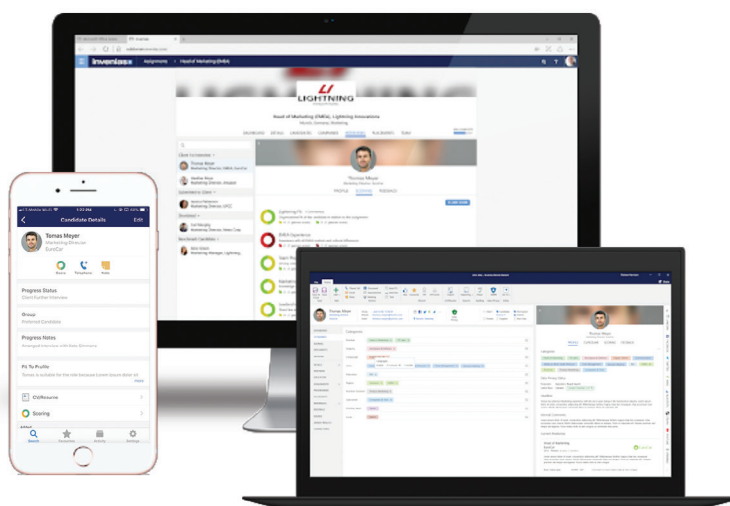




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