



Trailblazing with CorbettPrice Podcast - Episode 1

Transcription

INTRO: Welcome to Trailblazing with CorbettPrice, where we present new and fresh perspectives that challenge how you approach change to solve some of the biggest challenges faced by business and government leaders today.

Here's our host, Andy Corbett, to introduce our new series on organisational health.

ANDY CORBETT: Hi, there. I'm Andy Corbett, and I'm the Managing Director of CorbettPrice, and I'm absolutely thrilled to welcome you to the inaugural season of our brand new podcast series.

Over the next seven action packed weeks, we'll be introducing you to an amazing lineup of trailblazers who will share their insights on the fascinating topic of organisational health. So buckle up and get ready to explore the dimensions of a healthy and thriving workplace.

As you may know, employee wellbeing has become an increasingly important issue in recent years, and with financial stress, burnout, and work life balance struggles on the rise, it's crucial for organisations to take charge and prioritise their employees wellbeing, productivity, and retention.

In one of our recent articles, we dive deep into the concept of wellness, inspired by Dr. Bill Hettler's work from 1976 and the Employment Hero's Wellness at Work Report 2022, we identified seven interrelated dimensions of organisational health and wellness.

They include number one, physical, the operating environment. Two is mental, related to agility and resilience. Three is financial and performance and health. Four is occupational, related to the employee experience. Five is relational. This is all about workplace culture. Six is purpose and leadership. And seven is recreational, all about learning and development.

And these dimensions are interconnected and essential for an organisation's overall health. If even one of them is off kilter, it can disrupt the harmony and balance of the entire organisation. So in this groundbreaking series, we'll be exploring each dimension in depth, featuring inspiring conversations with trailblazers who will share their unique perspectives and approaches to enhancing the overall wellbeing of an organisation.

In today's premier episode, we'll dive into the first dimension of organisational health: the physical operating environment. This encompasses how leaders connect their organisation's purpose with its operations, thus creating an effective operating model that includes people, culture, processes, technology and more.

A comprehensive operating model is fundamental for identifying inefficiencies, implementing changes without causing disruption, and connecting employees with the purpose behind their work. And in fact, PwC's 2023 CEO survey revealed that 40% of global CEOs believe their organisations will struggle to remain viable in the next decade without significant reinvention. And with more than 80% of executives agreeing that advanced operating models enable reinvention, according to Accenture Strategy Research, it's clear that the future of business depends on embracing change.

So what are the key factors driving this need for reinvention? How do operating models enable businesses to adapt and thrive? And most importantly, how can leaders take the necessary steps to optimise their organisations for success? Stay tuned as we explore these pressing questions and much more in today's enlightening episode.

And for this first discussion, I'm going to switch hats and be on the other side of the microphone. And with me today, I've got my colleague, Lauren Chowdry. Lauren's going to be asking me some questions regarding this first dimension. Lauren is an Associate Director, and heads up training at CorbettPrice. She's got over ten years of experience in strategy and transformation and is a star performer in our organisation. Hey, Lauren, how are you today?

LAUREN CHOWDRY: Hey, Andy. Thanks so much. That's always nice to hear. Hi, everyone. All right, should we get started?

ANDY CORBETT: Let's get started. Lauren, go easy on me, please, if that's all right.

LAUREN CHOWDRY: Never. I think there are many misconceptions about what an operating model actually is and the value it can really bring. One of these, I think, is narrowly defining it as an organisation structure. Can you explain what an operating model is and why it's important for organisations?

ANDY CORBETT: Absolutely. And that is a great question. And it's a great question because I've heard so many misconceptions about what an operating model is, and organisation structure is certainly one of them. But it's also ranged from operating rhythm through to just lines and boxes on a page. And the reality is it's much more than that. It's a concept that's extremely powerful.

It's powerful because it cuts through all the complexity that you experience in conversations that you have with colleagues or from reviewing documentation, et cetera. And it really helps you to

visualize exactly how the organisation operates and the value it brings to both its customers and its stakeholders. And it's powerful and helps to simplify things just because it's very engaging, it's visual and very polished and graphical to the point where it's just people love to see things visually. It helps them to really simplify the complexity and understand exactly how the organisation delivers as value to customers and so forth. So I guess that's important.

But even more powerful is the ability to then bridge the gap between a company's strategy and its execution. That's also an extremely powerful aspect of the Op model. And that's really because people can actually connect what they're doing in their day to day role with why they're doing it. i.e. The overarching purpose of the organisation.

LAUREN CHOWDRY: That's always missing, isn't it? It's something that I think a lot of people struggle with.

ANDY CORBETT: It is. And people sometimes come to work, they're not sure exactly how they fit into the bigger picture and they sort of work within their silo and they've got the intention to really do the best they can within the job that they're working on, but they're missing that bigger picture view which would really help them to connect exactly what they're doing with why they're doing it.

And so again, that's where an op model can really help, I guess in terms of how you would define an operating model, it's a clear understanding of the organisation's capabilities, processes and technology. It's also great because you can identify any weaknesses within the current model. And then obviously if you can do that, you can find remedies that better align with the strategy.

And what I always find is that when you're trying to explain these concepts, the use of analogies is quite important. And so if I was to use an analogy for an operating model, I would probably use, say, a city's public transportation system, for example. So if you think about a transportation system, it must efficiently move people from one place to another, just as an organisation must efficiently deliver value to its customers and stakeholders. And so looking at the operating model, it's very much like the blueprint of the transportation system and the blueprint which defines the routes, the schedules, the modes of transportation that enable it to run smoothly and effectively.

Additionally, it also helps to improve planning and sequencing of initiatives by better understanding the dependencies across the organisation. And that's important as well because I think a lot of the time our employees that we see are burnt out. They're having to juggle all the balls at once. And a lot of the time, in my experience, some people lack a sense of what is exactly the priority and model really is that clarity around what's important and what isn't. And if something doesn't align to the organisation's strategy, then it's an initiative that you question why are we doing it? And so it really helps to provide that clarity on what an organisation should do and importantly, what it shouldn't do so that we really focus on the vital few things which matter.

Before I just move on to the next question, I also just want to sort of clarify as well around the Op model design and what it's made up of. It's all elements, it's all encompassing, it's holistic, it's the structure, it's the accountabilities, it's governance behaviors, it's the integration of those people, processes and technology to really support the strategy. And so if you've got that high level blueprint, you can then proceed with a more detailed design and ensure a cohesive approach to

implementing the company's strategic objectives. So look, I hope that is a clear explanation of an operating model. I hope that I hope that it sort of supports the idea that it's more than just an organisation structure and it goes beyond just those other misconceptions that I mentioned earlier.

LAUREN CHOWDRY: Definitely. I think it's clear from what you said, that sort of blueprint, if it were, covers so many different facets of an organisation. And I think often these conversations can come across as incredibly high level. And so it's good to see that this actually does go into quite a bit of depth across the organisation and show lots of different interactions between them.

I suppose when we talk about things that are perhaps a little too blue sky thinking, strategic level, often there's an issue between strategy and execution, right? So what I'm wondering is how does that operating model help bridge the gap between the strategy and its execution? And how can we help everyone from your front facing people in call centers all the way through to your top execs? How can we help them connect more with the strategy?

ANDY CORBETT: Yeah, another great question. It's a challenge that a lot of organisations face. There's another strategy document that's come out for the next three years, but people don't really know what does that actually mean? What does that actually mean? For me, it's great to have that vision and it's great to have those strategic objectives. But if you can't connect, make the connection between that and the impact on your day to day role, then it really dies a death, unfortunately, and it sits on the shelf never to be seen again.

So I think, as you say, it's important to connect and bridge the gap between strategy and execution because more often than not, that's where any kind of transformation can fall down. So I'll just explain why and what I mean by how an Op model connects and bridges the gap between strategy and execution. So as I said before, with the definition of an Op model, if you can clearly define the capabilities and accountabilities required to create value, then an operating model can help align the people, processes and technology on delivering those capabilities and ultimately the company's strategy.

And that alignment is crucial because it's crucial for helping employees make that connection. It's clear that obviously, if they don't have an understanding of their roles and the responsibilities within the context of the company's strategic objectives, it is going to be extremely difficult for them to deliver on those strategic objectives. It's going to be hard for them to feel engaged, it's going to be hard for them to feel motivated. And there might be some challenges with how committed they are to achieving those overall goals.

I think if people have got that clarity on exactly where their boundaries and responsibilities are, exactly how the Strategic Initiative connects with the overall strategy and why they are doing what they're doing, and you've got that cascade from top all the way through to the lower levels of the organisation, and literally every everybody in that organisation is on the same page. Then you've got full alignment and buy into achieving what the strategy sets out to do. And on top of that, you'll drive that culture of continuous improvement and agility to make sure that you're continuously iterating and checking in against progress made against that overarching strategy. So it's almost like empowering employees to really actively contribute to the company's strategic success. I think it's definitely one of the most powerful aspects of the approach.

LAUREN CHOWDRY: Yeah. And that's so important, isn't it? Having your employees truly be part of the soul of the organisation. And I often see there's some barriers to that. Right as we've just spoken about, that connection between strategy and execution is one of them. But I also think communication can really become a big barrier for that. What I'd like to hear from you is how do you think leaders and managers at all levels, how can they effectively communicate value and the importance of an operating model approach to their teams?

ANDY CORBETT: Absolutely. And again, as you just said, this is fundamental. This is another fundamental aspect of enabling the success of any given strategy. It's critical when it comes to getting everyone on board with the approach. It's fundamental that all leaders and managers are communicating consistently on exactly what the value and importance is. So there's various strategies, some things work, some things don't.

But from my experience, I think these are the sort of key things that have worked for leaders and managers to really articulate and make it clear around the value and importance of an operating model. First and foremost, it's really important to share a vision of how the organisation and individuals can benefit from adopting an operating model approach. Really just to sell in exactly why it is beneficial for including some of the reasons that I've mentioned so far in this podcast. So they really need to sort of answer questions around purpose, goals, the expected outcomes of the Op model. If they can do that, they can really help their teams understand the broader context and also inspire them to embrace the change that is on the horizon.

I think another crucial aspect of effective communication as well is active of communication too, is active listening. And some of these might sound obvious, but again, active listening and communication is still quite challenging in some of the organisations.

LAUREN CHOWDRY: Yeah, I think the easy things sometimes are forgotten because they're assumed as just happening regardless. But that's often not the case as we've seen in projects together in the past them and throughout our careers.

ANDY CORBETT: Exactly that's right. So it appears to be relatively straightforward. It can sometimes lack. And I think it's really important that leaders take time to encourage their teams to share their opinions, get them involved, embrace the ideas and gather as much feedback as they possibly can regarding the operating model.

Fostering that sort of safe environment, having the open and honest conversations, asking them to elaborate and build on ideas, posing questions, all these things. Leaders can play a really big role in just galvanizing their teams to really buy into this concept and they can really demonstrate that they value their team's input and are committed to working together to achieve the company's strategic objectives.

So I think to put it simply, if leaders want to really convey the importance of an operating model, they just need to bring things, get things back to basics, really use simple language, use relatable examples that really resonate with their teams. And I think from my experience, that kind of approach really helps ensure that everyone in the organisation is on the same page. They

understand the operating model's purpose and they understand exactly what role they're going to play during that transformation.

LAUREN CHOWDRY: I really like that concept of how important the why is for your team. Right? And I think as things evolve, particularly amongst the transformation which has so many different areas that are going to impact your people. I think it becomes even more and more important to keep that communication flow open and keep going back to the reason why you're doing it. I guess the next thing I'm thinking that we haven't covered quite yet is how do you think you can effectively adapt an organisation's operating model to accommodate rapid changes in the business environment? Things like we say, they evolve quickly. We've got market shifts, advancements in technology, got new regulations, MoGs, like we're having at the moment. How would you approach it?

ANDY CORBETT: Excellent question. And yes, the examples that you provide there around what's changing in the environment that's ongoing and it will continue to be ongoing forever. There's no such thing as just one off transformation. It's an ever evolving transformation going on because of the rapid changes in the environment and the external pressures that organisations face. And so really the only way for organisations to be to future proof against that is for them to be proactive, flexible and resilient as much as they possibly can.

So I'll give you some. There's a lot to be said about this and probably more than what can really be covered in this podcast, but from my experience, I think there are some several strategies that leaders and others can draw upon and that companies can really employ to stay ahead of the curve and respond effectively to these changes that are occurring around them at an exponential rate.

One approach is to really again, it goes back to that vision. It's is crafting a vision that addresses how the organisation will operate once changes are implemented. Again, an op model who can really help to really support and craft that vision. If you're considering the potential impacts of market shifts, technological advancements, new regulations and so forth, leaders really need to develop a clear picture of what the future might look like and then clearly communicate that vision to their teams, helping to guide them through the transition process.

Another important aspect of adapting to changes is creating a more inclusive and sustainable work environment. Again, sort of touching upon what I've just said in the previous question, I think it's essential that companies have this culture of collaboration, a culture of innovation. Innovation shouldn't be left to a team called Innovation. It should be shared across multiple teams. It's everyone's job to collaborate and innovate, to improve what the organisation is doing, to deliver on the strategy. And they can only really do that if they're empowered to do so. If they're empowered to contribute new ideas and new solutions, you're going to really be in a very good position then to adapt your operating model more effectively.

More often than not, the people on the front line, the people doing the day to day, facing the challenges, facing the customers, the support staff, everyone, those are the people that really have the best ideas and know exactly what is required to change what's working well, what might not be working so well. So it's really important to empower them and involve your people as much as you possibly can.

Lastly, successful adaptation involves embracing the actual transition process itself. So like I said before, it's recognising that change is constant. It's not a one off. If people have that sort of mindset where we're always continually evolving, and if we don't, then we're in big trouble, then I think the organisation is best placed really to be resilient to that change that's going on around them. So doing all these things, I think companies can really help adjust their operating model as needed and help navigate any challenge that comes their way when it comes to changes in the business environment.

LAUREN CHOWDRY: Yeah. Wow. It's interesting, isn't it, how culture makes such a difference on being prepared for these things. And I think it's certainly, like you say, it's a fast evolving world and that ability to adapt is so important. I think this is probably most obvious to me, and I think from what you've said, it's interesting we align on that. It's most obvious to me in workplace culture. And when you see how people are existing in their workplace, you can see it's a reflection of the company's values.

I'm really curious, how is workplace culture, in your eyes, a make or break factor when implementing an operating model approach? Are there key steps that leaders can take to overcome that and improve on that?

ANDY CORBETT: Yeah, absolutely. I always come back to that famous quote and the name escapes me now, but the idea of culture eats strategy for breakfast. And people hear that all the time. But it's so true. It really is. I mean, you can have the best strategy in the world, you can have the best operating model in the world, best processes and responsibilities, all of that stuff in place, that fully interconnected system of how things should work. But if you don't have the culture that supports that, then it's really a breaking factor around how successful you're going to be when you implement your operating model.

I think a positive and collaborative culture is fundamental. It really drives employee engagement, it facilitates that communication, it fosters the innovation that I just spoke about before. All of these things are absolutely essential in executing the ambition of the organisation. And so, yeah, like I said before, any kind of negative or toxic culture gets in the way and really leads to employees resisting any change, not being motivated to really buy into the new world. So there's several steps, I think, just to answer your question, there's several steps that leaders can take to overcome this hurdle. And again, there's a lot of frameworks out there, a lot of content, there's a lot to cover in this space because it's so important and it is hard to achieve. But I'll briefly touch upon some of the steps that can be taken.

So think number one. It probably goes without saying, but it's absolutely crucial encourage a sense of belonging time after time. Research has really demonstrated that if you have an environment where employees feel they belong, then it's likely to lead to better business outcomes. Employees want to feel a sense of belonging. They want to come to work, they want to enjoy what they do. They want that sense of purpose. They want to know how their, their work contributes to that bigger picture and really feel the passion behind what they do. So leaders can really foster a sense of belonging by ensuring their employees are engaged and committed as much as possible in order to successfully implement the operating model.

LAUREN CHOWDRY: It's interesting when you talk about engagement as well in this time where we've got a lot of people working remotely. I think that's where you need to start really having tailored approaches to how you get that sense of belonging. And I think often leaders today are a bit afraid of how to do that in that sort of technology, particularly centric environment. And it's interesting to sort of look at the organisations today, particularly in the public sector, at how they're doing that. And I think there's some good examples nowadays.

ANDY CORBETT: Yeah, absolutely. What are some of the examples that you've seen, Lauren, and for instance, that working well?

LAUREN CHOWDRY: Yeah, I think people are really leveraging even just things like teams, things like different AI technologies, Asana, different tools that keep you connected to what you're doing, but also, I guess, connecting to your team in a way that is almost as good as face to face. I don't think everyone needs to have that nowadays. And using the time that you do come together to do what you can only do face to face, having those lunches and workshops where you're really sort of active rather than wasting that time, where you've got everyone in the room just sitting at individual desks and teams meeting each other from different rooms.

It's interesting where you start to talk to teams that feel really strong in their sense of belonging. They've got, I think, generally, like you were saying before, that great sense from their leaders of why they're there and a sense of trust that toxic workplace there in those organisations. So what other things would you say we should be doing, though? So we've got a sense of belonging? What should organisations be doing as well?

ANDY CORBETT: Just getting back to what you said, I mean, I think it's really important. I do see a lot of the time where people just come into the office for the sake of coming into the office. But it's about using that time, that FaceTime, you know, appropriately. And I don't think it's yeah, there needs to be sort of some clear structure and guidance around exactly how to do that, to really foster that sense of belonging. Don't waste that base time, just make the best use of it when everyone's together. I thought that was a good point that you just made there around that idea of sense of belonging. But just to answer your question, I think there are other steps as well, other things that leaders can do.

I think this idea of empowerment, I've touched upon that already in previous questions, empowering them to contribute as much as possible is critical. I don't think culture building is solely the responsibility of leadership and management. I think it's really the responsibility of employees at all levels. And so to do that, they need to be encouraged as much as possible to play that active role in shaping the workplace culture.

And I think communication as well again, mentioned that before, but just open, transparent communication, it just creates that sense of trust. And trust is fundamental for any kind of positive workplace culture. And so if leaders are more proactive around sharing information about the operating model, clarifying why we're doing things, what's the purpose, what are the outcomes, how are we tracking, not just within a particular team, across the board? The more transparent and open we are with communication and information, the more likely there is to be trust. And really, the more likely it is that employees will understand why we're doing things, the rationale behind

why we're doing things. And that can really help to alleviate any potential resistance that might be in place. So, just to summarize, I think sense of belonging is key. Empowering employees is key, and communicating openly and being as transparent as possible is also.

LAUREN CHOWDRY: Yeah. Wow. I think when you put those things together, I think everyone can agree that's the culture we want, any organisation we work in to have, so it follows that that's what we should be trying to do within our own organisations and for us within, you know, client organisations as well, I think, you know, that organisational culture is a passion of mine, and I think for many people in our sort of business, I think the reason that we have that passion is because you can see the results that get driven from having a strong culture to support business transformation.

But one final question before you go. I know our time is nearly up together, but what are some of the common pitfalls challenges that organisations face when they're implementing these operating model approaches? I know we've talked about all the great things you should do within them and how effective they can be, but I imagine it's not always quite so straight forward. So how can we avoid the pitfalls and what are they?

ANDY CORBETT: Yeah, that's great. So again. Excellent question. And yeah, there are a number of pitfalls. I guess workplace culture is probably the biggest, but there are obviously other challenges as well and leaders and teams just need to be really aware of these to help implement an operating model approach successfully. We've touched on communication and how important that is.

I think lack of adaptability is a common pitfall. It's a challenge that the organisation space, it's the realisation that you're constantly evolving and it's not just a one off. As I said before, you can't just stand still. You've got to really be aware of what's going on around you and be ahead of the curve in technological advancements, market shifts. You've really got to be finger on the pulse when it comes to exactly what is happening around you in order to then figure out how to then what are the implications of that on your operating model so you can be as agile and adaptive as possible. And it's not I have had experience where you do an Op model project, you implement that and then it's not following that. It's not really kept up to date. Things have changed in the background and so you really starting sometimes you have to start from scratch to really understand the current state before then changing the Op model to line to any changes in the environment. So I think it's really important, apart from just understanding how things are changing in the business environment, I think it's really important to continuously keep any kind of documentation, your Op model up to date at all times.

LAUREN CHOWDRY: I think also I hear people kind of talk about that agility and adaptability as just being using an agile project methodology. You know, they think, oh, if we have an agile based project, it will be agile. But I think people who aren't as well versed in this will sort of think that that ends when the project is delivered. And that's the trouble. It's not about the project rollout adaptability, it's about the ongoing implementation, management and updating of these sorts of thoughts, priorities and your approach to delivery that you need to be constantly adapting and reviewing with your teams.

ANDY CORBETT: Yeah, absolutely. And I think to that point as well and something that's related is not spending enough time planning. We know people want things yesterday, we know people want

to do things as quickly as possible, but you really need to spend the time and sufficiently planning exactly what your Op model operating model looks like. Not just at a very high level, but really important to go down to detailed design as well and invest the time and resources in doing that to then clearly define your goals, responsibilities and timelines going forward to transition to that future state.

Just be mindful that these things take time, we can't just jump straight into delivery mode. We do need to spend time making sure we're all on the same page and we've got sufficient detail that we can then leverage to know exactly what we should be working on and how we can actually move from where we are today to where we need to be in the future. And I know I've said this a few times in this podcast, I think the people are just so important. They're so important, the greatest asset of any organisation and it's a real shame when any kind of employee concerned are just overlooks, just ignored. Do not underestimate the power of the people, if you like the value that they bring and what they see on a day to day basis and if they are concerned and if they've got feedback and wanting to voice it.

I think it's really essential to address any concerns or questions or doubts that they might have about the new operating model and just have open dialogues and actively listen to them. If you can do that, you can cover all bases, you can really alleviate any fears and ensure that you're on track to delivering the new world and the new ways of working. So again, I think the common theme across this whole podcast is really the importance of the people that are within your organisation and the value that they can bring to your operating model approach.

LAUREN CHOWDRY: Definitely, I think, yeah, that's certainly been very clear in this conversation and work we've done previously, I think it can never be underestimated the value that a good well engaged team can bring. And I suppose if you want to get the most out of consulting engagements projects and when you've got change management teams in, if you want to get the most out of them, you need to be thinking about your people and being their best advocate to ensure every question, every concern is covered. And by doing that you get such more bang for your buck, I think, and longevity out of the work that comes through. But I digress, we could talk forever about it. But thank you so much Andy, for sharing your advice and your perspectives on the physical operating environment. It's been a real pleasure.

ANDY CORBETT: Absolutely, yeah, thank you Lauren, that's great. I appreciate your questions good.

LAUREN CHOWDRY: All right. Thanks, Andy. Talk to you soon.

ANDY CORBETT: Thank you very much, Lauren. Well, that's a wrap for episode one. We hope you enjoyed listening today and found our insights and approaches valuable. The transcripts of this episode is available to download from our website on www.corbettprice.com.au/podcast. That's www.corbettprice.com.au/podcast. And also please check out our free white papers and insights also available on the same website. Please tune in next week as we talk with Scott Johnston, Deputy Secretary of Revenue, New South Wales, on our next dimension of organisational health - mental organisation, agility and resilience.