

**Challenges and Opportunities Post-COVID**  
PAGE 6

**A Guide to Reopening the Workplace**  
PAGE 24

**Reimagining the Future**  
PAGE 30

**WHAT IT TAKES TO LEAD NOW** PAGES 18, 62, 82

# Rotman

The Magazine of the Rotman School of Management  
UNIVERSITY OF TORONTO  
FALL 2020

## MANAGEMENT



# A Toolkit for Leaders

# Rotman

## MANAGEMENT

### FALL 2020: A TOOLKIT FOR LEADERS



When it comes to safely reopening the workplace, face masks are just the beginning. On page 24, the leaders of the Creative Destruction Lab argue that solutions fall into two categories: information-based solutions and 'always on' solutions. They also introduce a new program called CDL Recovery, which is designed to generate information-based solutions. Read all about it in A Leader's Guide to Safely Reopening the Workplace.

## Features



6

### No Going Back: Challenges and Opportunities After COVID-19

by **Anita M. McGahan and Jason Sukhram**

Moving forward will depend on the recognition that there is no going back to old ways of doing things.



18

### The Future Is Not What It Used To Be

by **Kevin Sneader and Shubham Singhal**

Leaders must consider seven elements as they plan for the next normal, including increased scrutiny for business.



24

### A Leader's Guide to Safely Reopening the Workplace

by **A. Agrawal, J. Gans, A. Goldfarb and M. Lederman**

Until there is a vaccine for COVID-19, public health will depend upon business leaders' decisions.



**30**

**Leadership Forum:  
Reimagining the Future**

compiled by **Karen Christensen**

Some of the world's foremost management thinkers share their thoughts on leading in times of unprecedented uncertainty.



**36**

**How Diversity  
Defeats Groupthink**

by **Khalil Smith**

Human beings enjoy cohesion so much that we are often afraid to do or say anything to disturb it. Diversity can help.



**44**

**Cross-Silo Leadership:  
A Powerful Path to Innovation**

by **Tiziana Casciaro, Amy C. Edmondson  
and Sujin Jang**

The most promising innovation opportunities require collaboration between functions, offices, and organizations.



**50**

**Rallying Innovation  
in the Age of COVID-19**

by **Joshua Gans**

One key lesson from the global pandemic is that the funding for medical research is woefully inadequate. We must do better.



**56**

**Unearthing the Roots of  
Corporate Social Irresponsibility**

by **Maria Rotundo**

Unrealistic performance expectations, a pressure-cooker culture and stress are just some of the factors that can lead to irresponsible workplace behaviour.



**62**

**A Leadership Mindset  
for Uncertain Times**

by **Scott D. Anthony and David S. Duncan**

History clearly shows there are always opportunities to innovate and grow, no matter how stark the crisis.



**68**

**How Task Division Can Build  
a Stronger Health System**

by **Will Mitchell and Kevin Schulman**

Healthcare organizations must split up the burden of response in order to effectively deal with immediate needs — as well as those lurking around the corner.



**76**

**Four Critical Skills For  
Tomorrow's Innovation Workforce**

by **Tucker J. Marion, Sebastian K. Fixson,  
and Greg Brown**

The young digerati who will lead innovation need to develop business awareness, an entrepreneurial attitude, bottom-line focus, and ethical intelligence.



**82**

**An Agenda for  
Business Leaders**

by **Roger L. Martin**

The outsized success of a few outlier companies points to four steps that every business can take to contribute positively to the future of democratic capitalism.

## In Every Issue

5

From the Editor

12

Thought Leader Interview:

**Rosabeth Moss Kanter**

by Karen Christensen



90



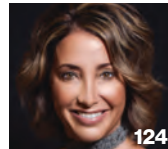
93



99



121



124

## Idea Exchange

“We can’t abdicate our responsibility to create a future that we all want to live in.”

—Satya Nadella, p. 93

90

FACULTY FOCUS **Sarah Kaplan**

93

QUESTIONS FOR **Satya Nadella**

96

FACULTY FOCUS **Julie McCarthy**

99

QUESTIONS FOR **Charlene Li**

103

POINT OF VIEW

**Andrew Atkins + Suzanne Bates**

106

QUESTIONS FOR **Stefan Thomke**

109

POINT OF VIEW **Jennifer Riel (MBA `06)**

112

QUESTIONS FOR **Joan C. Williams**

115

FACULTY FOCUS **Brendan Calder**

118

POINT OF VIEW **Chris Stamper (MBA `94)**

121

QUESTIONS FOR **Dan Heath**

124

QUESTIONS FOR **Lisa Kimmel**

## Rotman Management

Fall 2020

Published in January, May and September by the Rotman School of Management at the University of Toronto, *Rotman Management* explores themes of interest to leaders, innovators and entrepreneurs, featuring thought-provoking insights and problem-solving tools from leading global researchers and management practitioners. The magazine reflects Rotman’s role as a catalyst for transformative thinking that creates value for business and society.

## Rotman

Here’s where it changes.

ISSN 2293-7684 (Print)

ISSN 2293-7722 (Digital)

### Editor-in-Chief

Karen Christensen

### Contributors

Ajay Agrawal, Steve Arenburg, Brendan Calder, Tiziana Casciaro, Joshua Gans, Avi Goldfarb, Sarah Kaplan, Mara Lederman, Roger L. Martin, Julie McCarthy, Anita M. McGahan, Will Mitchell, Jennifer Riel, Maria Rotundo, Chris Stamper, Jason Sukhrum

### Marketing & Communications Officer

Lori Mazza Brenton

### Subscriptions:

Subscriptions are available for CAD\$49.95 per year, plus shipping and applicable taxes.

### Contact Us/Subscribe:

Online: [rotmanmagazine.ca](http://rotmanmagazine.ca)

(Click on ‘Subscribe’)

Email: [RotmanMag@rotman.utoronto.ca](mailto:RotmanMag@rotman.utoronto.ca)

Phone: 416-946-5653

Mail: Rotman Management Magazine,

105 St. George Street, Toronto, Ontario

M5S 3E6, Canada

### Subscriber Services:

View your account online, renew your subscription, or change your address: [rotman.utoronto.ca/SubscriberServices](http://rotman.utoronto.ca/SubscriberServices).

### Privacy Policy:

Visit [rotman.utoronto.ca/MagazinePrivacy](http://rotman.utoronto.ca/MagazinePrivacy)

### Design:

Bakersfield Visual Communications Inc.

Copyright 2020. All rights reserved.

*Rotman Management* is printed by Dollco Print Solutions Group.



*Rotman Management* has been a member of Magazines Canada since 2010.

# Charting A New Path for Your Organization: The 4Ps



**WHERE DO WE GO FROM HERE?** That is the question being asked by just about everyone, everywhere. With the onset of the COVID-19 pandemic, business priorities immediately shifted from 'how will we grow?' to 'how will we survive?'

As our medical and government leaders have indicated, we will get through this extremely difficult period and come out the other side. But there is little doubt that society will be different. It already is, and as a result, it is incumbent upon leaders to chart a new path.

Whether you work for a large corporation or a small business, an NGO or a not-for-profit, new thinking and approaches are required. In this article I will present a framework that can serve as a roadmap to prepare your business for the other side of the curve. The 4Ps Framework consists of four defining elements of a successful and sustainable business model for surviving and growing in 2020 and beyond: Purpose, Presence, Personalization and Protection. In this article I will take a closer look at each element.

## ELEMENT 1: PURPOSE

Organizations with a strong sense of purpose have been shown to be more than twice as likely to have above-average shareholder returns. Purpose has also been correlated strongly with ten-year total shareholder return. And it has never been more important that it is today. From corporate social responsibility, hiring and compensation to product design, development, manufacturing and marketing — all are impacted and shaped by your core purpose. Who you are and how you operate should permeate everything you do.

Purpose goes deeper than a Mission or Vision statement. While both are important for articulating the goals of an organization, your purpose is the core reason you exist. Further, every stakeholder an organization does business with must be aligned with your purpose. It is not enough to have a CSR program yet have manufacturing process or suppliers that are not in sync with that program. Make no mistake: Integrity matters more than ever before.

## KEY QUESTIONS:

- What does our organization stand for?
- What is most important to our customers?
- What is most important to our employees?
- How do we align what our customers want, what our employees deliver and what our organization stands for at a broader level?
- How are we driving an emotional connection with our products and services?

## ELEMENT 2: PRESENCE

Historically we have asked, How can we find more customers? But the future is about making sure customers can *find you*. Presence, and in most instances, *omnipresence* is what will differentiate successful companies from those that don't make it. Increasingly it will be paramount to know the best avenue to reach your audience with the right message at the right time. And connecting with your customers will have to be done on *their* terms.

Presence also means having an integrated approach for offline and online, traditional and non-traditional, bricks and mortar, contact centre and digital. Establishing your footing in these channels should be a mixture of strategy

and trial and error. Cost and barriers to entry will determine how fast and how often.

Interacting with consumers on their terms, where they want, means being active on many digital platforms. Digital is a lot more than display advertising. It also includes search-engine marketing (SEM), search engine optimization (SEO), video, livestream, augmented reality, podcasts, voice interaction, chat, messaging, key social channels like **Facebook, LinkedIn, Instagram** and **Twitter** and experimental channels like **TikTok**.

Traditional media continues to deliver on customer influence, so TV, radio (yes, radio!) and streaming content will be a key part of the mix to find your customers. Digital also includes the ability to shop, purchase and interact directly with your organization through the web, apps, and messaging. Just like physical channels, your digital presence must bring your brand to life and connect directly to your purpose.

Far too many organizations believe the answer is one or the other — physical *or* digital. The truth is that they must *both* evolve together in order to deliver the full consumer experience. Seamless and frictionless interactions are essential to make sure the offline and online worlds deliver on customer expectations.

#### KEY QUESTIONS:

- What does our customer journey like?
- What is the level of integration between our offline and online processes?
- How do our multiple channels interact with each other at each customer touchpoint?
- How do we ensure the purchase experience is built from the customer-out?
- What is the experience for customers who move between different parts of our business?

### ELEMENT 3: PERSONALIZATION

This has been called the era of Big Data, but the truth is, we have more data than insights and considerable raw computing power that we don't or can't leverage.

At the same time, it is becoming increasingly difficult to put more messages in front of consumers, who are being overwhelmed by the sheer volume of communication. This has led to ineffective strategies to target them and a less than fulfilling experience for many.

Being relevant, meaningful, timely and transparent will be critical to reaching your customers effectively. Studies show that as long as organizations use the data they have to help customers in a meaningful way, people are open to sharing data and it results in an enhanced experience and a deeper relationship. Getting to the heart of what the customer wants and delivering a product or service that recognizes that is what sets great organizations apart.

The new personalization is a combination of two distinct but complimentary strategies:

**'THE WHAT'**. What is offered is influenced by a number of factors including customer level pricing; product customization on a number of different design and manufacturing features; behavioural segmentation and alternative distribution strategies. The 'what' should address the individual needs of each customer.

**'THE HOW'**. How will you deliver a unique message about 'the what' to the consumer? The how is about understanding how consumers want, expect, and respond to messaging about 'the what'. Presence is what affords you the best opportunity to deliver 'the what' message to your customers in a relevant way and through relevant channels.

#### KEY QUESTIONS:

- How are we leveraging data to drive better customer insights?
- What makes each customer unique, and do we in turn deliver uniqueness to them?
- How is our organization leveraging AI and machine learning to drive deeper personalization?
- How can we integrate our data with data from other sources to drive deeper personalization?
- What feedback mechanisms are in place to enhance customer satisfaction?

As we harness the power of AI and machine learning, the unique needs, preferences and experiences of each customer will drive exponential growth in options and choices. Personalization will be driven not just by your organization's data, but also by the data collected by others. Over time, data aggregation and integration will drive even deeper personalization.

# Business continuity planning has always been a best practice, but now it is a core competency.

## ELEMENT 4: PROTECTION

The fourth and most critical element of the 4Ps Framework is Protection, which consists of the safekeeping of your clients' data, their well-being, their privacy and preferences, and your reputation. Customers rate security and protection as the key elements in a business relationship. Yet data breaches seem to happen every day. In 2019, almost 7.9 billion records — including credit card numbers, home addresses, phone numbers and other highly sensitive information — were exposed through data breaches.

Organizations large and small need to make the safekeeping of their data a top priority. Historically, this involved simple steps like backing-up data to an alternate storage vehicle. Today, safekeeping includes cloud storage, archiving, disaster-recovery planning and the shift to a model where organizational data is continuously protected in real time vs. a batch process or one-time duplication.

The rise of AI and machine learning makes this an even greater imperative. What your organization does with the data it collects, how it uses it, stores it and even sells it will be a priority for customers who believe it is theirs to control. Customers want data transparency and access: They want to know what you have and how you plan to use it, and they want a say in this. As a result, organizations will have to play a greater role in educating their customers about policies and programs that leverage data.

Finally, as the pandemic has demonstrated, organizations need to place the physical protection of their employees and customers at the heart of their business. Customer and employee business-continuity planning has always been a best practice for the best organizations, but now it is a core competency. Those with robust business-continuity plans will be able to pivot and adjust to changing business realities. This is about more than physical well-being. It means being truly there for your employees and customers through the good times and the bad.

## KEY QUESTIONS:

- What do we do with the data we collect and how do we keep it safe?
- What customer and employee access permissions do we have in place?
- Are we prepared for a data breach?
- Is data and customer protection a Board-level priority for us?
- What is the extent of our customer and employee business continuity planning?

If you can answer these questions confidently, protection underlies your business model — which bodes well for you. If you can't, prioritizing the protection of your business and customer information should become your top priority.

## In closing

As a business leader, focusing on the integration of these four critical factors — Purpose, Presence, Personalization and Protection — will ensure that your business grows well beyond 2020. While all four elements are critical, if you fail to Protect your customers, Purpose, Presence and Personalization will not matter.

Every organization and every leader needs to prepare for a new normal. Looking back to remember where you have come from and what you have learned, combined with a new approach based on the 4Ps, will accomplish two things: It will help to determine the path forward for your organization and it will set it apart. **RM**

---

**Chris Stamper** (Rotman MBA '94) is a former senior executive and Chief Marketing Officer for Canada at TD. He has also served as Chair of the Canadian Marketing Association.