

Future of Asia Podcast

# Building agile organizations for the next normal

Agile companies have managed the impact of the COVID-19 crisis better than their peers.



**For many companies,** COVID-19 has challenged their operating and business models. Agile organizations have proven to be more resilient than the average company, and are thus better suited to respond to economic shocks posed by the pandemic. In this episode, we explore how large companies adapted their operating models in the midst of the crisis, and what companies can do to get a head-start going into the next normal.

**Oliver Tonby:** You are listening to the Future of Asia Podcasts by McKinsey & Company. I am Oliver Tonby, your host and chairman of McKinsey Asia. In this series, we feature leaders from across the region to discuss the forces, the opportunities, and the challenges that are shaping the future of Asia.

Welcome! Welcome everyone to this episode of our *Future of Asia Podcasts* series. Today's topic is a new operating model for the next normal and what lessons can we learn from agile organizations. I am joined today by three dear colleagues. I am joined by Mary Meany. She's a senior partner out of our Paris office and she leads our global leadership and Organization Practice.

I am also joined by David Pralong. He's a senior partner based out of New Zealand and he leads the firm's, McKinsey's enterprise agility practice, globally. And finally, I am joined by Hyejin Kang. She is a partner based in Seoul and leads organizational leadership practice out of Seoul. Welcome ladies and gentlemen. I'm really delighted to have you on today. Before we get into the topic, I would love to warm up and just hear from you, which is tell me what is one interesting learning or experience that you have had during this COVID era that we are now in? Mary, would you like to go first?

**Mary Meany:** For me, one of the really interesting things has been the importance of purpose. So, even before the crisis, we knew that purpose was really important. But I think what I've seen and what I've observed both within our firm but also with my clients is that actually, having a really strong sense

of purpose and meaning has been so critical. It's helped energize and reenergize people as we've gone through some pretty turbulent times, and it's really come through as one of the most essential elements.

**Oliver Tonby:** Perfect. Thank you, Mary. David?

**David Pralong:** I get to spend a lot of time with my kids during the lockdown and I confess to not being exactly sure how that would go. I've learned so much about them, the way they look about life, their values, and I recognize many of our values in that and came away absolutely fascinated and full of admiration for them, and luckily, for my wife as well.

**Oliver Tonby:** Thank you, David. Hyejin?

**Hyejin Kang:** I learned, professionally, that I was surprised to see my clients' productivity was perfectly fine when they were working from home remotely. And personally, I was surprised to see my mom actually using the online e-commerce app perfectly fine to shop around.

**Oliver Tonby:** Thank you. And I think this exemplifies a little bit. It's a great intro to the topic of today, which is, is there a new operating model in the next normal. I think what we have seen in the last several months is there have been many devastating parts of COVID, the impact on lives and livelihoods, but we have also seen COVID as an incredible accelerator, accelerator of change, accelerator of technology adoption. We've also seen COVID as a differentiator, frankly, differentiator between companies, between sectors. So, let's zoom in now and talk a little bit about from the organizational angle, from the operating model angle, what you, the three of you, have been seeing? Let's start at the high level. What happened to companies during the COVID-19 crisis? And let's start global. Mary.

**Mary Meany:** Thanks so much, Oliver. I think the first thing I would say is, of course, there's been enormous variation from one industry to the

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next from one geography to the next. But as you mentioned, there have been some really interesting themes, some really interesting learnings. And one of the things that really struck me has been this extraordinary acceleration of the pace and speed of business. And I've seen this play out in so many ways. Just to give a few examples; BestBuy had a plan for curbside pickup and delivery that was supposed to be 18 months, but when lockdown hit, they went operational in two days. If I think about Majid Al Futtaim in the Middle East, as they saw their cinema business, which was very hard hit, they were able to retrain their ushers and their ticket collectors almost overnight to work in other parts of their business; the grocery, retail business that was booming. If I think about one of my luxury goods clients, they pivoted their factories from perfumes to hand sanitizers. So, we saw incredible things happen. And at the core, there's acceleration, the speed. There were a number of consistent patterns.

One of them was boundaries and silos that suddenly seemed to be removed, which then helped to accelerate the pace of decision making. You saw teams of talent come together to really focus on the most critical problems and really reduce the time that would otherwise have been spent trying to get lots of people aligned. We saw leaders really go to the frontline and spend lots of times energizing

teams and connecting with them at a very personal level, and we saw collaboration and leadership and new technology, and remote working adopted overnight. So, lots of fascinating things happening. And I think one of the critical issues is how do we learn from this, so that we create a whole new level of performance, not just during the crisis, but after the crisis.

**Oliver Tonby:** Thank you, Mary. Let's zoom in into Asia. David.

**David Pralong:** The same happened in Asia. Asia has had historically a very high metabolic rate to start with. This has accelerated further during the crisis to the point where it's challenged some of the beliefs, we all held about how large businesses that run. There are several of such beliefs under pressure now, but I'll mention a few. The first one is the speed at which the organization can work, which Mary talked to. Number two is the notion of efficiency. Number three, collocation. And let me go through each one of those in turn. The speed, we are all used to the notion that large corporations face complex decisions, these decisions take time. What we've seen through the crisis is an ability to really focus on a few decisions that matter, bring the team together, and really get on with that, whether you are a telco or bank that needs to reprice their products in the

heat of the action. These are decisions that typically go through a lot of committees and so forth. That singularity of purpose has meant that this decision got made literally on the fly and with the same level or better in terms of risk and financial scrutiny.

The second one is efficiency. Every large company has made efforts over the years to really go after high levels of productivity, not having people we don't need people. The reality is that the output of many organizations during the crisis was higher on certain dimensions than before with far less people. We talked to certain banks, one of the banks in Southeast Asia, where they realize that the number of people that had dialed in via VPN was a third less. However, the productivity in terms of processing request was 20 percent higher. And if that goes to show as well the number three on collocation, we always knew that collocation was very important to coordinate, but organizations that have an explicit rhythm that agreed what to do.

The implementation of these very explicit rhythms of what are we going to do, who's going to do that, how do we check in on the results, meant that their performance when they went through modes was actually better than what they weren't inside. The notion about do we work better remotely or how much remote can we stand is still up in the air, but this was something that wasn't thinkable only a few months ago.

**Oliver Tonby:** Wonderful. Thank you, Mary. Thank you, David. So, listening to this, and perhaps Hyejin you can elaborate, what is it we can learn from these large company experiences about operating in this crisis?

**Hyejin Kang:** I think what we can learn from this crisis is that first, this allows companies to be much more focused. They focus on the most important things, and therefore, they can remove the hierarchy and unnecessary bureaucratic processes, and unnecessary things on their plate. Secondly, especially for the ones with already instituted agile

mechanisms and practices in their organization, we noticed that they are much more productive and faster in terms of adopting and reacting to the crisis.

**Oliver Tonby:** Thank you. Mary, or David, would you want to elaborate on or expand on that?

**Mary Meaney:** Sure. Let me just quickly build on one of the points that Hyejin raised, which I think is a really interesting learning from this crisis, which is, we are seeing consistently that those organizations that had adopted agile ways of working have weathered the crisis better and are coming out of it stronger and faster than those that didn't. In a way, this is something we would have expected, but the crisis has really demonstrated the value and the amount of performance improvement that you can get when you adopt agile ways of working with a real clarity of purpose, but being very dynamic on where and how you allocate resources given an incredibly fluid external environment. So, I think one of the key learnings is how do more organizations really embrace agility and really go for that enterprise agility, which has been proven to help us in periods of huge uncertainty and in periods of business as usual.

**Oliver Tonby:** You guys make this sound very positive and optimistic. If I'm allowed to say so, I am sure that for the CEOs and the top teams, not everything has been rosy. There must have been some challenges. So, can you say a little bit about what are the some of the difficult things, too?

**Mary Meaney:** Of course, Oliver, and you're absolutely right. There have been huge challenges. Some sectors are literally struggling for survival. This is an enormous human cost and enormous economic crisis. And I would add that we've seen tremendous, amazing things happening, but they have sometimes come at a cost. They've come at a very real cost where a lot of the CEOs I'm talking to and senior leaders, frankly, they've been talking about sleeping at the office. It hasn't been sustainable. They treated this like a sprint, and they realized that it's now a marathon, but it's a marathon

that doesn't have an end. We don't know how long this is going to last. So, one of the big challenges is how do we make this more sustainable, especially for our senior leaders, where it can very easily be 24/7. We're seeing huge spikes and issues around mental health. So, I think there is a very real risk, challenge, and human cost, that has also come as we've weathered this extraordinary situation, and it's really important to spend enough time to make sure that leaders do put their own oxygen masks on first before they can help others and that there is enough focus and attention around the health, both of the individuals as well of the organizations.

**Hyejin Kang:** I would like to add one thing if it is okay. For the larger companies that we observed, they relatively reacted pretty well, versus their supply chain, the smaller medium-size companies who actually needed to supply the goods and services to those companies. They are often more impacted by the crisis because of the shortage of the practices, well-instituted practices or because of the shortage of the digital tools to support them to work under the remote working environment. So, when we look at recovery, I think we should make sure that we not only look at larger companies but also the full ecosystem they play on.

**David Pralong:** I'd like to come back to one of the points of Mary, you mentioned, is this notion of the aviation analogy about putting the oxygen mask on you first. I'll extend that analogy to the front end of the plane. Pilots are easily victim of mental overload, which I think is a bit what happened to too many leaders in organizations. Huge amount of uncertainty, a lot of decisions to be made quickly, very important decisions as well. And what we have tagged to this agile way of working is what pilots call load shedding. If you think through the different elements that we describe, focus on fewer things, have flat structures, plan more often, accept that not all your decisions will be good forever, have a much simpler access to people and how they combine to go after that.

All of that is effectively a search of simplicity. It's about having fewer priorities, it's about having teams that don't need to coordinate too much, it just it's very simple, we get one team per task, and that's it. It drastically simplifies the interaction inside. And also, a clarity of purpose for a period of time that correlates with huge efficiency. We know that multitasking is bad, it's bad individually, it's even worse when you apply to your organization. So, I like this analogy because it reminds me that the search,

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eventually to search for simplicity, and to make it easier to operate, which then translates into better products, more satisfied employees, and you just get more done.

**Oliver Tonby:** So, what I hear you're saying, I'm picking up the words 'focus, simplicity, speed,' can I just ask, I know that for large companies, are the systems in place, the IT systems, the processes they have? What happens to those? Because I assume that sometimes they are not in line with this new world, this new operating model that you're describing, David.

**David Pralong:** I think it's right. This is the art of the change. I should say up front that there is no one answer that fits all. Rather, it's very important to reflect on what has worked for us through this crisis and what are the elements that we want to retain from that. We think about that on a few dimensions. You mentioned a few of those. One, which is very important, is how many things do we want to pursue at any given point in time. That's a conscious decision and I think it's easiest to talk about that in the wake of having operated on just the most important things. The structural element of this is, there is a good thesis now that the classic functional hierarchies could work in some situations, but they're no longer the most effective in all situations. And probably the most important, you've mentioned capabilities in the form of tech, but how people get deployed.

Our generation has grown up thinking that you belong to certain part of the organization, you are a marketing person within a certain product within a certain division. The future might be quite different. Maybe you are marketing people, a person, and you have access to a whole lot of opportunities across the organization depending on where your skills are needed. That fluidity requires a conscious decision to let people go after the opportunities they want to work on. It also has quite a few implications about how you think about who are my people as a manager are, but also if it continued, you'd need to

find a home under development, which is decoupled from their particular team function, and so on. But the most important message is that these choices have been canvassed quite extensively by many organizations in the past, it just needs to be put in front of the leadership and become the object of a conscious choice.

**Oliver Tonby:** Asia's standing in the world has changed and it's clear that where the focus once was on how quickly the region would rise, the reality is now all about how Asia will lead. Keep listening to the Future of Asia Podcast.

Thank you! I want to shift topics now. We've heard a lot of changes companies are experiencing. Many of those changes sound like they're things that we want to keep. So, let's start talking about how do companies actually retain these benefits when we're not going into the new normal? How do they retain those benefits? Who wants to take the first stab at that?

**Mary Meaney:** I'll take a crack at it, Oliver. It's interesting because we've talked about this incredible acceleration of the pace and speed of decision making. And a lot of the CEOs I talked to say, "Look. This is extraordinary, this is amazing, and I don't ever want to go back." And one of the big questions they have is, how do I bottle this magic? How do I hardwire some of the really positive things that I've seen during this crisis, so it actually becomes part of our next normal? And as we start to return to the workplace, we actually do a reset of the workplace. So, I think the first step is actually to take a little bit of time to pause and reflect, and to engage with, of course, leaders, the people across the organization, on what have we learned. This has been an unbelievable experiment. It hasn't been an experiment we've designed, it's certainly not an experiment we would have chosen, but it is an experiment that we can really learn from. So, a lot of the organizations that I'm working with, they're taking the time to sort of pause and reflect and get lots of input from across the organization about

what is working really well. What do we like? What are the strengths? What are the unexpected positive surprises that we've seen and how do we make sure that we actually hardwired that in?

And I'll just give one example around decision making. During this crisis, and we've all talked about this, things have moved incredibly fast by necessity. So, a lot of the organizations that I talked to are saying, "Okay. Let's actually take this crisis process, this crisis minimum that is so fast and often goes from global to local, and really cuts out a bunch of layers. Let's instead of going back to the old ways of doing things, let's say this is the new normal, but maybe we would have selectively added a few things back in. Maybe a process or a governance stuff, or a regulatory check. But the burden of proof is on adding anything back in." So, the idea is, how do we take some of the very positive things and make sure that we do a reset, that we use this unfreezing moment to actually reshape, reinvent, and reimagine the organization for the future? So, that would be one thing I would really encourage companies to do is to really pause and reflect and say, "What can we learn from this and how do we make sure that we embed the positives into the next normal?"

**David Pralong:** And this has a shelf life. I believe that some choices can be captured much more easily today than they will be only in a few weeks. In fact, Oliver, you and I were talking to the CHO of a large Asian company last week, I believe, and the reflection was that we have quite a few policies. One of them is an informal policy about how we dress. Now, of course, when we all been behind the screens talking to each other over Zoom or Teams, that kind of fell away. Now that people are going back to work, what do we do with this policy? There were three choices. The first one is, the policy gets back to what it used to be. The choice number two that someone suggests, maybe we need a different policy. And third choice, which I think it's exactly right is, why do we even need a policy? These are choices that will be available for only a few weeks before the assumption snaps back to what it used to be.

There's also a few decision path or decision structures. One example is a bank in Australia. All these credit decisions take typically a long process and a lot of committees, they resolve to effectively reduce into three senior executives in the room every morning at 8:00 to make these decisions. That's actually not a bad model. It probably beats in terms of effectiveness and efficiency the former process. Now, how much of that do they want to retain? I think if you wait a few months, the natural tendency would be for that to go back to what it used to be because it felt safe, it felt under control. So, I fully agree with you, Mary. There's a sense of before it freezes back, it's just "get the things out that we want to keep and cherish."

**Hyejin Kang:** I would like to just add the anecdote that I see in the companies in Korea. The company CEO that I see, he basically asked his staff to codify what's called the crisis management playbook. By each decision, etc., he basically codifies what has happened to make us speed up our decisions, and basically cut and set the layers and decision-making steps to the level that they experienced during the COVID-19. The second thing that he has done is to basically reset the hardware, meaning the work hours, and as well as how many days you work from home. For example, he said that in one or two days a week, they basically let the people work at home. So, in a way, repeat the hardware and boundaries of the working conditions to make sure that the organizations begin to adjust to the next normal. And I think that's absolutely the right thing to do and a lot of other companies are now following. So, we see that the changes are happening.

**Mary Meaney:** Hyejin, I just want to maybe pick up on that point because I do think one of the things a lot of companies are thinking about right now is this whole remote working or hybrid working. One of the things I think a lot of organizations have been surprised at how well it has worked. But at the same time, one of the reasons it's worked well is because there has been social capital. We could pivot overnight to using technology being remote,

having virtual teams, because we knew each other, we had relationships, we had built up a culture and a way of working over many years. Actually, that was a lot more straightforward than many of us expected. But I think one of the questions is how do we want to set things up going forward? In all the surveys that we've done, the vast majority of people we interview and survey actually quite like some remote working. They don't necessarily want to pivot 100 percent. Typically, 65 percent to 70 percent actually would like some kind of hybrid working. I think that then requires a lot of thought around how do you maintain and build culture and social capital in a context where some of the teams may be remote, you may have hybrid situations.

What are the kinds of skills and capabilities that your leaders need to have in order to be really effective at leading a virtual team? How do you think about which types of activities may still need to be there in person because they are collaboration intensive or innovation intensive, or require real relationship building? So, I think there's a whole series of really fascinating questions that organizations are wrestling with especially around that remote working thing.

**Oliver Tonby:** I've heard each of you talking about decisions. How many decisions are we talking about in this new world? How many decisions need to be on the mind of a CEO and what are some of the examples of those decisions? David, do you want to take that one?

**David Pralong:** As companies decide on the new operating model, there are 30 decisions they have to make. Some are fairly straightforward, and everybody would agree that they need to be made. Mary mentioned it, one of the very important ones is purpose. Coming out of this, what is the purpose that we want to have? Most companies have one, is it still valid? These 30 decisions do not need to change from what they were. These just need to be reviewed in light of what we learned through the crisis and sharpen in some instances. It's very

important to mention that these decisions need to be debated. I'll give you one particular example. How often we plan and allocate resources, the default assumption is a yearly rhythm. Now, there's a lot of evidence to say that doing that more frequently, quarterly, typically is better. It's now the time to change that.

**David Pralong:** It's not a decision that just gets taken lightly by typically the CFO, it's a decision that needs to be evaluated for all its implications. Because once you do that, you need to be able to abandon some priorities over three months, you need to be willing to move people around every three months. The point being that these are not rocket science decisions, but they do represent a commitment, and therefore need to be debated and made by the collective of the management team.

**Mary Meaney:** Maybe just to build on what David said, I think one of the really important things for senior leaders to do is to decide on where they can have the highest and best impact. And that means actually focusing their decision making on the game-changing decisions, on the things that matter most that will most create value for the organization. And so, at least what I see is the best teams are really clear about what are the priorities where they should really be focusing their time. So, what is that relatively small number of decisions that genuinely drives the company's value agenda? In order to create time for that, it means clearing out decisions that can and should be made elsewhere, typically by people that are closer to the action.

The second part of that is you need to push authority to employees to teams at the edges who have accountability for outcomes, especially the more routine day-to-day decisions, the more frequent decisions, the ones that may have less of that game-changing impact but are still important. That's where you want to empower and I think one of the things we've learned from this crisis is there has been a lot of empowerment, and a lot of CEOs are saying, "We have pushed decision making really close to the

front lines of the markets. And people, by and large, have made not only faster decisions, but often high-quality decisions. So, why would we ever change that again?" So, I think it's both about being really clear on what are the game-changing decisions that only the senior leadership can and should be focusing on and making sure they really are focusing their time on those. And in order to clear up their agenda so that they can do that, how do you then push authority and decision making to employees to teams at the edges and make sure that they've got the skills to do it, and that you can hold them accountable?

**David Pralong:** I would even go further than that. The transition that you described, Mary, has a lot to do with or is very similar to transition from a parent-child relationship where the senior leader is expected to know not only what needs to get done, but how to do it by when, and so on. The transition toward much more of an empowerment of the line. And the closer to the line, typically, the better the idea of how to make things work is a fundamental shift that we've seen through the crisis. So, fundamental shift as well, we've seen for organizations that have gone to this new operating model. I wouldn't like people to think that it's easy.

This has been the hardest single thing that they had to do as a leadership team, it's to provide guidance of such precision, that it forces trade-offs and face the fact that if we pointed the organization that way and we focused the organization on only these two or three choices you mentioned, Mary, it means that there are seven or 17 or 27 things that will not get done anymore. It's a degree of trade-off of explicit trade-off that is very hard for it is to make. In that sense, it has been quite hard. I wouldn't underestimate the courage that it takes to provide that level of direction to the organization.

**Oliver Tonby:** Can I ask one topic that we have not discussed, which I suspect is in the list of the 30 decisions, David? But what about external partnerships? That must be an important factor for

operating models for companies going forward in a world where there is more speed, more innovation, more creativity required? How do you think about external partnerships when it comes to the new operating model?

**David Pralong:** We've seen a lot of these partnerships emerge from the crisis, where suddenly the organization did not have the capabilities and reached out and said, "Can we work together on this?" Whether this was in the software, which in a lot of retailers that went straight to high tech companies in some instances that they would have considered their competitors, direct competitors, to complement that set of capabilities. Here again, it has a lot to do with the notion I think Mary mentioned, which is you assembled the team you need. I think, increasingly, that's not just the people who are around on the same payroll as you are. It implies partnerships, but also implies customers. The best way to design a product, arguably, is to bring one of our customers inside of the design team and really test it from the get-go and put it out there. That openness is difficult, it's not natural. Confidentiality is a barrier, degree of trust and ways of working, but it is part of that empowerment of we want to assemble the best team regardless of where that team sits.

**Hyejin Kang:** I would like to talk about one example from South Korea. We see two different types of decisions. One is at the corporate CEO level; they had to deal with challenges from competitors coming from overseas, global competitors like Netflix, and they had formed alliances with the different broadcasting companies—Korean broadcasting companies. So, broadcasting companies launched the OTT with those combined kinds of ecosystem partnership. The other partnership that I observed at the team level was that the team who is now dedicated to the customer mission specifically targeting one customer segment, such as the kids, now the team actually went out to strike up partnerships with other companies like Hypermart to actually generate a

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new offering that satisfy the customer needs in their specific segment. So, I think the ecosystem partnership happens not only at the corporate level, but also at the team level, especially with the dedication and delegation that the team can have under the new operating model.

**Mary Meaney:** I would agree with what David and Hyejin said. I think we’re seeing much more importance in really building a strong ecosystem. And there’s been a huge shift, right? Old thinking was you gain leverage and control, especially around supply chains, so you can win in the marketplace. You optimize for efficiency. I think the new thinking is, ecosystems, first of all, are much broader than that. But even with supply chain, optimizing for efficiency is important, but we also have to optimize for resilience, for effectiveness, etc. And in terms of this, this much broader definition of ecosystems, I think what we’re seeing is actually value is created in really fascinating new ways. You have partners coming together to share data, code, skills, communities creating value together, and those who play well together, actually create enormous value and really beneficial partnerships, and excel beyond those who just go it alone. I think we’re seeing increasingly blurring boundaries, quasi employees, collaborative relationships around the value chain that helps

scale up and help each organization contribute its unique value. I think the most successful companies are taking more expansive definitions of what is an employee and who is a partner, and more creative collaborations, and I think we’re going to continue to see more of that.

**Oliver Tonby:** I’m going to double click. I heard you say, Mary, they create enormous value. So, this, let me call it the new modern organization, the new operating model that we’re talking about here, does it create value? Talk to me a little bit about what’s the prize here? What is the prize for success? I don’t know who wants to take a stab at that.

**David Pralong:** Oliver, this shift to a new operating model creates value in a number of ways. First of all, it’s very productive. We’ve all heard and discussed the fact that focusing on the right decisions, making the decision fast saves a lot of time and money to the organization. So, that typically translates to a productivity gain of anywhere between 20 percent and 40 percent. That number has been steady across geographies across sectors, sizes of companies. That’s what you would expect from that, but I think the magic of this new operating model goes beyond that. About 30 points of customer satisfaction, that is huge, and it makes sense if

you simplify streamline. If you are faster to market, of course your customers are going to be more satisfied. But perhaps more importantly, employee satisfaction measured on ENPS basis is typically between 20 percent and 40 percent higher.

And when you step back a little bit, you think there are very few things that a senior leader can do that is good for the productivity, for customer satisfaction, and results in higher engagement for employees. We have been used to think there's an implicit trade-off between these different objectives. The removal of complexity from organization is the one thing that benefits all his objectives at the same time.

**Mary Meaney:** I would agree with that. I think you all know Noah Harari, he had a wonderful comment. He says it's the nature of emergencies that they fast forward historical processes. I think what we're seeing is actually this new operating model and this emergency, it's fast forwarding what would otherwise have taken years or even decades. But I think what we're seeing is that, with this fast forward, we aren't going to have a whole new generation of winners and losers across industries, we are going to see further gaps widening up between the companies that really embrace some of these new approaches and are able to capture all these benefits that David just talked about versus the others. So, this is a question not just about how you survive, but how do you succeed and thrive, and how do you really take advantage of this unfreezing moment.

**Oliver Tonby:** That's great to hear. What I hear you saying is, listen, at the end of the day, there is very real value at stake here. Very real value across a number of dimensions, undoubtedly, I've also heard you saying throughout this conversation that this is not easy, this is a new way of working, this is a new operating model that needs to be in place. I heard you talking about 30 different discrete decisions

that need to be made by the top team. So, this is not easy, but there's real value at stake. So, let me just round us out by asking each of you. If you were the CEO or you're the senior executive, what is that one piece of advice that you have for the senior executives listening to this podcast? Hyejin, why don't you go first?

**Hyejin Kang:** I'll ask or advise them to first go and see the problem cases of the companies who have already gone through the transformation and had a success or have an experience of how to deal with the difficulties.

**David Pralong:** My advice to senior leaders is to take the time to challenge all these orthodoxies we have acquired over the years and to reflect, "Given the opportunity to design for simplicity, how would we set up the business?" and answer that question before that window closes.

**Mary Meaney:** My one piece of advice is in this world where there's so much change and so much uncertainty, it's really important to take the time to focus on learning both individually and organizationally. I genuinely think that actually learning and a real focus on lifelong learning mindset is going to be essential to survival and a key to success.

**Oliver Tonby:** Thank you. Listen Hyejin, Mary, David, thank you so much for being such an engaging panel on this podcast. And dear listeners, thank you so much for tuning in and we will see and hear you next time. Take care.

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**Oliver Tonby** is the chairman of McKinsey Asia and a senior partner in the Singapore office; **David Pralong** is a senior partner in the Auckland office; **Mary Meaney** is a senior partner in the Paris office; and **Hyejin Kang** is a partner in the Seoul office.

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