

The Future of Work podcast is a weekly show where Jacob has in-depth conversations with senior level executives, business leaders, and bestselling authors around the world on the future of work and the future in general. Topics cover everything from AI and automation to the gig economy to big data to the future of learning and everything in between. Each episode explores a new topic and features a special guest.

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Jacob Morgan: Hello everyone. Welcome to another episode of the Future of Work Podcast. My guest today is Tim Ryan, the U.S. Chairman and senior partner of PwC. Tim, thanks for joining me.

Tim Ryan: Thanks Jacob. It's great to be here. Good evening everybody, good afternoon, morning.

Jacob Morgan: We had the opportunity to meet, I think it was last year at the event that you were hosting in Florida, and here we are a year later, talking on the podcast, so thanks for taking the time and joining me.

Tim Ryan: Thank you for having me. It's great to talk to your listeners, Jacob. [00:00:30] Thank you.

Jacob Morgan: Before we get into some of the fun topics, I'm really curious to learn a little bit about you. I read some stuff online. I know you came from a Irish immigrant family. I come from an immigrant family as well. They came from the Republic of Georgia. Maybe we can start with just how did you end up where you are?

Tim Ryan: Yeah, it's funny. It's a series of events that you don't realize at the time what are shaping you, and [00:01:00] then you realize, "Wow, had it not been for one move versus the other, he wouldn't be there." Just really quick, I was one of four children, we were taught to work really hard, we were taught that we had to provide for ourselves, and we were taught to respect people and care for people. Academics was not a huge area of focus in my house growing up. I was fortunate enough to have gotten into Babson College, and I met a professor who taught me the importance of people and treating people with respect in [00:01:30] how far that can get you if you're willing to inspire and have people understand that you have their best interests at heart.

He encouraged me to go into what was called then Public Accounting. I said to him, "I don't want to work for the government." He said, "Trust me, it's not working for the government." What he saw in me, Jacob, was that people matter, and he saw that I had pretty good people skills, and he encouraged me to give this profession a try, and that was 30 years ago. After that [00:02:00] the rest took care of itself, but through a combination of my parents teaching us the

basic around respecting, caring, and hard work, and then being lucky enough to go to Babson College and have a professor to push me in the right direction in a profession that he saw was going to be good for me because it matched my strengths around people and teamwork, and respect, and working together.

Jacob Morgan:

I heard that your father actually had two jobs. He worked as a lineman in a utility company, then he had the graveyard shift at the Boston Herald.  
[00:02:30] Your mom worked as a cashier at the Roche Bros. Grocery store, so you come from just a really, really hardworking family. I'm really curious, how much of, do you think, where you are now is due to just the gritty, just the hard work grinding it out, versus being smart or getting the right opportunities or networking?

Tim Ryan:

Yeah, it's funny. I often tell people I don't consider myself to be terribly smart. I [00:03:00] do consider myself a hard worker, but I think a big part of it is, is not necessarily hours per se, it's the willingness to be resilient because as I grew up, we had large paper routes. I worked in the supermarket for 10 years. What I learned from my parents is resiliency. I learned that when things don't go your way, you've gotta get back up and try again. I learned that things may not always work out the first time, so I would say a big part of why I'm here today is a combination [00:03:30] of A. A series of good breaks, and being humble enough to realize that, B. The ability to be resilient and then lean on others as well, and that's where, I think, not necessarily being the smartest person in the world, but leaning on others who have strengths in different areas has helped me quite a bit.

Jacob Morgan:

Do you think that some companies today, or maybe even some individuals, have gotten a little soft? I see my dad, you know, Russian immigrant parents, I mean, they worked like dogs, working [00:04:00] nonstop, and then you look at some companies today, and it's ... I don't know. I get this perception from some guests that I have on the podcast where they're just annoyed that some people today don't want to work as hard as they did, and I kind of get that impression a little bit too. It feels like some people are ... I don't know, they've gotten a little bit soft. They just want all these wonderful nice perks, and they just want to relax, and chill out. What's your take on [00:04:30] that?

Tim Ryan:

It's funny. I hear that quite often as well in my travels. What I would say is this. We should, first of all, be happy in our world where, and we'll talk about this later on, we do have technology and features today that make our lives easier. We should enjoy those. To be clear, I'm a big believer in that, and today, I'm a beneficiary of that in terms of the way that I run my life. Now, that being said, as I travel the country and the world, there are incredibly hard-working people still there [00:05:00] today that many would say they disagree with the knock that is out there for their generation, that they don't work hard.

If I had an ask or a wish, I would ask and hope that people are more constructive. In other words, it's less about the hours. It's when something doesn't go somebody's way, the willingness to say, "It didn't work out. How do I

make it better?" It's that resiliency and being constructive, and being an optimist. It's, to me, less about the hours. [00:05:30] It's when something isn't going somebody's way, what I would love of all generations is to say, "Look, okay. I'm not happy with something here." And to me, that's okay, Jacob. I welcome that at PwC, I welcome that in my household. It's okay to say it's not working out well. Just be constructive and say, "How do we make it better?" It's easy to be a pessimist. It's a lot harder to be what I call a constructive optimist.

Jacob Morgan: So, don't just whine and complain about things, but try to come up with solutions for how you can solve that problem.

Tim Ryan: Right, and therefore, that makes it easier for people like me. You don't have to be [00:06:00] the smartest person in the room. You just have to listen to really good ideas.

Jacob Morgan: Yeah. Hey, I like that approach. I'm also really curious. I don't know if this is true or not, but I read that you have a morning routine where you do 600 sit ups, 75 pushups, a three-mile run, and that to date, you've completed 26 marathons, and your best time was three hours and 51 minutes in Chicago a couple years ago. Was that all made up, or is this true?

Tim Ryan: Incredibly accurate. That's all accurate, and that morning routine is generally six days a [00:06:30] week, no matter where I am in the world. Mondays is generally a rest day, and I love to be active. I love to run. I'm blessed with good health. A big part of my morning routine is clearing my head and making sure that physically, I'm in a good spot, mentally, I'm in a good spot. The day is hectic, and which, by the way, I wouldn't have it any other way. I love it. I love bouncing around place to place, person to person, group to group, topic to topic, meeting to meeting, and the energy from the morning carries me through the day.

Jacob Morgan: Wow, so this is literally six days a week, [00:07:00] you're doing 600 sit ups and 75 pushups, and a three-mile run.

Tim Ryan: I am. I am, and on the weekends, I'll generally run longer, because on the weekdays, I run inside, because I often have time zones and different cities and whatnot, but on the weekends, I run outside, and that's when I get to run with my buddy, my dog. We will do anywhere between three and six, depending on kids' activities and how much time I can squeeze in for a longer run.

Jacob Morgan: Wow. What time [00:07:30] do you wake up in the morning?

Tim Ryan: It depends, but I would say generally, I'm up by 4:30, 4:00. I'm an early riser. I've been blessed with a very high metabolism, and so I'm an early riser, and a big part of my responsibilities is outside the U.S., and that allows me to catch up with what's happening overseas, get my routine in, you know, my running and my calisthenics, and then hit the ground running. I am an early riser.

Jacob Morgan: What does a typical day look like for you? You're up at 4:00, you do this routine, probably have breakfast, and [00:08:00] then what does the rest of your day look like?

Tim Ryan: I smile because I'm not sure there ever is a routine day, but I'll give you a sense. One of the things, by choice ... And this goes a little bit around what's right for me isn't right for everybody else. By choice, I spend almost 100%, call it 90% of my time, on the road. That's by choice. I'm a big believer in being able to be out with our people, and also be out with our clients, and that gives me a sense as to what's really happening, and then [00:08:30] ultimately allows me to make better decisions. A typical day would be waking up in a city, could be Dallas, Texas, could be Orlando, where I was last week, could be Chicago, could be Beijing, where I'll be next week.

You wake up early in the morning, you do your routine, you do a couple of phone calls with different parts of the world to catch up, and my responsibilities carry quite a bit outside of the U.S. It would be a series of meetings. It could be anything from a series of clients' meetings where one second I'm meeting the CEO of a [00:09:00] major international bank, next meeting I'm meeting with the CEO of a high-tech company, next one might be a CEO of a nonprofit, could be the CEO of a healthcare company, and then also, intermittently meeting with our teams serving each of those clients. It could also be in those meetings sharing with them not only business topics, but topics that are important to us and them, like diversity and inclusion, but then also meet with our teams to get a sense how things are going with the firm.

My day would typically end with a series of night-time meetings that could include [00:09:30] dinner with a client, or a group of our people to get input, or a fundraising activity that I could be involved with, and then the day would end with catching up on making sure I've gotten back to everybody that needed something from me. I am very, very, very disciplined at getting back to people within 48 hours, if not 24 hours, because I believe that someone whose need is important enough to reach out to me, I ought to get back to them no matter who they are, so I'm very, very good at that.

Jacob Morgan: How do you balance [00:10:00] all the work with the life stuff? You mentioned that you're on the road so much. It seems that you're working from morning to night, and I'm sure a lot of other people who aren't necessarily CEOs of large organizations also work quite a bit, and maybe it's a challenge for them to balance work and life. How do you make it all work? Do you have any tips of strategies that you deploy?

Tim Ryan: Yeah, so first of all, one of the things that, in full disclosure, I have six children, or we have six children, and their ages are 18 [00:10:30] to 10, and that is what I would say ... I have the best job in the world. I absolutely love my job, but I also hate being away from my family. For my routine, it is, morning and evening, I make time to touch base with the kids, whether that be FaceTime for the younger ones, texting with the older ones, sometimes helping on a phone call to

help with homework assignments or college applications that we just went through our first this year. There is time in my calendar every [00:11:00] morning and every evening to take care of that, and make sure that I can be present.

When we get the beginning of the school year calendar, I will block out major dates to make it home for an important hockey game, a sports banquet, a graduation, and we choose. The kids understand that in many cases, for me and the kids, it's about the quantity of that time, but there is very disciplined marking the calendar to go do that. I am incredibly disciplined about getting back to [00:11:30] Boston, where I live, on Thursday evenings, so four out of five Fridays, I'm working from my Boston office, or from my home office, where I can then drive to the business stop, or drive kids to school, and have those chats. I'm very, very religious about that, and my weekends are mine with the children, and the kids, and family time. I would tell you all that, Jacob.

The analogy that I use is, it's like pushing a rock up a hill. The second you stop, work will overtake you. We're [00:12:00] obviously all going to work hard if we want to be successful, and I think we should be open and honest about that, but if we let work consume us, and we're not working hard on the family side, the rock will ultimately roll down the hill and run you over. The last thing I would just tell you is, I take five weeks of vacation every single year, and sometimes I'm taking more than that, and they're booked a year in advance. Sometimes it's staying home, sometimes it's traveling to great places, but I'm very, very disciplined around booking my vacation as well, and taking it, and going to [00:12:30] some tony places, or just resting with the kids.

Jacob Morgan: That's kind of the mentality of work hard, play hard, it sounds like.

Tim Ryan: Yup. Yup. We have a great time. I love it. I wouldn't change it for anything.

Jacob Morgan: No, I like it. Okay, so now I want to jump into some of the questions that I had planned up for you. I mentioned that I'm working on a new book on the future of leadership, and since I was fortunate enough to get you on the podcast, I want to ask you a couple questions that I've been asking a bunch of other CEOs around the world. [00:13:00] The book is going to look at leadership in the year 2025, and so I'm really curious. When you look out seven, eight, nine, 10 years, what trends do you think are going to impact the future of leadership?

Tim Ryan: I think when I look at our world today, I am not surprised by where we're going from protectionism. I have had the ability, when I was part of the firm, about seven or eight years ago, to really study global mega-trends, and when you look at the global mega-trends [00:13:30] that are driving our world, in my judgment, having studied those, it led us to more protectionism out there, and that trend of protectionism will not only be political, it'll also put a lot of pressure on business and the intersection of business and geopolitics. That trend is shaping leaders, because when you have protectionism, it puts pressure on trust and transparency, and the ability to handle multiple stakeholders, and understand

how things look from many different people's shoes, [00:14:00] and then ultimately making decisions.

Those trends, in my mind, are shaping what leaders are going to need to have in 2025. Just to give you a sense, what do I mean by the trends? Shifting demographics. Parts of the world and parts of the country that have increasing aged populations, where minorities will become the majority, where income inequality demographics, those will shape leadership. Urbanization is shaping how leaders think, because you've got two billion people moving to cities in the next 20 years. [00:14:30] Technological advancements are changing the way that things get seen, and how transparent things are, and how long they stay out there in the public. Those things, those trends, are shaping the types of leaders we need before our very eyes.

Jacob Morgan: Those are all interesting perspectives. I hear those echoed quite a bit from the various interviews. What about mindsets for the future leader? Knowing that those are the main trends that you're paying attention to for the future of leadership, how should leaders think [00:15:00] in seven, eight, 10 years?

Tim Ryan: I think we're already seeing a shift that will only get bigger and bigger. The day and age of the dominant CEO is likely coming to an end, and I think we're entering the day and age of humble CEOs and humble leaders who need the true appreciation that they don't have all the answers, that they will make mistakes, that they'll be rewarded for acknowledging those mistakes, and learning from those mistakes, [00:15:30] as long as it's sincere and genuine. I actually think the day and age where the CEO needed to be perceived as the smartest person, generally man, in the room, where the CEO needed to be the strongest voice, that will become more and more the minority, and the majority, in my view, will be what I call servant-based, or humble-based, leadership, where people will be leaders because of their flaws, their humility, their ability to listen and truly act [00:16:00] on what other stakeholders are telling them. I think that's a shift that's actually happening before our eyes.

Jacob Morgan: It sounds like you're referring to a vulnerability mentality, like being okay to be vulnerable in front of your people, in front of the world, in front of your community.

Tim Ryan: Absolutely, and I would just say sincerely vulnerable, not, "Oh, I made a mistake, and I'm going to pretend like I care." It's actually to the core that you realize [00:16:30] you're truly going to try something, and say, "I did fail, and I'm adjusting," whether that be transforming a business model, implementing new systems, trying new technologies, entering new markets, trying a different way to report how your company and organization is doing. It's vulnerability and humility that underlie it.

Jacob Morgan: Okay. Two more questions for you for the book. The next one is, what skills do you think will be important [00:17:00] for leaders of the future? Again, looking

seven to 10 years out. Not so much how should leaders be thinking, but what do you think leaders actually need to know how to do in the coming years?

Tim Ryan: Without a doubt, I would tell you I think leaders in the coming years are going to have to be the best listeners in the world. I think they are going to need to have a high technology acumen. I think they're going to need to be very astute when it comes to political and geopolitical matters, because we're [00:17:30] going to see a further intersection of what I'll say business and society. I think leaders are going to have to be great people, understanders of people, and knowledgeable around people, and then I think lastly, be very good decision-makers, and have a high degree of business acumen when they make those decisions. What I mean by that last one is, it does come down to what outcomes are you trying to drive, whether that be a bottom line outcome, [00:18:00] or impact on a particular group of stakeholders, just being able to make decisions and drive outcomes.

Jacob Morgan: Do you think leadership is changing at all? If you look at leadership over the last, I don't know, 50, 100, 300 years, there have always been a similar set of characteristics or qualities that great leaders possess. Do you think that those will always be relevant in the future, or are there any kind of new skills, new mindsets, new [00:18:30] attitudes and values that we need to bring to be successful leaders in the coming years?

Tim Ryan: I think it's changing before our very eyes. I actually would submit that what made a great leader 50 years ago, or 25 years ago, will not likely make a great leader 10 years from now. I'll give you an example. I'm talking CEOs, to be clear. I would have said your old school CEOs, with all due respect to them, 25 [00:19:00] years ago, they had three major stakeholders. They had their investors, their customers, and their employees, and I actually put them in that order. Their investors, their customers, and their employees. It generally stood that if you did well for your investor, and you did well for your customers, the rest would take care of itself.

Some were more conscious to employees than others. That key to success is not going to work going forward. A CEO today can do wonders in the short term for the investors, but if they're not taking care of their employees, if [00:19:30] they're not relevant in their communities, if they're not relevant to our broader stakeholders, whether it be regulators, whether it be policy-makers, academics, if they're not understanding how they think, their tenure as CEO will not survive. I think the skillsets are truly changing. I'll just share with you a quick story that will make it real. About 12 months ago, I was with the chairman of the board [00:20:00] of a major bank, and they were going through their succession planning.

As they were going through succession planning, they had shared with me that they were still thinking about the same person, but they weren't sure he had kept up with how the bank's stakeholders were growing, and whether he had the skillset to really meet the expectations of stakeholders such as regulators, in this case, or how the general public viewed the bank. Now, they ended up going

with the person they were thinking about, [00:20:30] but I'll never forget hanging up the phone and saying, "Good for the board," because they were thinking about the right topics. They had realized the skillsets changed, whereas frankly, 25 years ago, some of them might not have respected a regulator as much, but it's very different today. Or what a community thought of them, but it's very different today. I don't know if that helps.

Jacob Morgan: Yeah, no, no, definitely. What about challenges? Obviously, there are a lot of challenges that leaders such as yourself are faced with. What do you think are going to be some of the greatest challenges in the seven- to 10- [00:21:00] year time period?

Tim Ryan: The single biggest challenge somebody's going to face, and while it's always existed, it's only going to increase, is the need to have thick skin. Why do I say that? The CEO of today has a lot of people looking at him or her. That will only increase in a ubiquitous world. I've seen so many people over my career hit a proverbial ceiling [00:21:30] because they couldn't get over the number of critics that they had, and what those critics were saying. The reality is, that skillset is only going to become more important, because while you'll never please everybody, it'll be important to listen to people's views and not get unraveled. Again, I'll get very, very pragmatic.

I've seen too many CEOs shut people out if they have a different point of view, or their people shut people out, or in some cases, yell at them, or [00:22:00] criticize them, or make them feel dumb. That skillset will be a barrier, and for your listeners, I can assure you, you can think of your companies that you work for today, and I guarantee you, you know somebody who is not open to criticism, even though they may say they are. They will hit a ceiling, inevitably, because your future leaders, or your best leaders, are going to be the ones who have thick, thick skin, who can not get unnerved and unraveled if there's criticism coming their way, but actually [00:22:30] have the strength to listen to it even though it comes from a place you may not like, or a point of view you may not like, and make you and the organization better.

Jacob Morgan: How do you actually build that? I know a lot of people listening to this are probably saying, "Yeah, I know a lot of managers in my company that are just like that," but how do they change? How do we get them to change? Do we just bring it up and ask them to change, or how do you bring in that mentality to the company?

Tim Ryan: Well, there's [00:23:00] two angles to that. First of all, I'll start with as an individual, because I'm sure many of your listeners, like folks here at PwC, and all of us, we want to do better and progress. The first thing I'm going to tell all of us is practice. Practice, practice, practice, and catch yourself in the moment. In the moment, if somebody's giving you feedback and you don't like it, or someone's raising a point of view, we're all human, and I even find myself some days, you've got to catch yourself, and practice in the moment. I would say to [00:23:30] all of your listeners, please really, really practice that skillset of taking



feedback around an idea, your performance, and truly becoming better by it and not unnerved. That's what I would say at the individual level.

If any of us have a boss, and I'm putting quotes on it, although you can't see me, if any of us have a boss or superior manager that is not practicing that environment, if it's really important to you, find the right time [00:24:00] to pull him or her aside. Not in the group, not in front of a group of 10 people, not in the middle of a meeting, but find a quiet moment. If you think they are generally open and want to get better, be that strong a person and put it in a constructive way. One of the techniques that I often use is I often reflect on myself first, and if you're giving your superior feedback on how they can do a better job, start with yourself. Talk about one of your vulnerabilities. Talk about how maybe sometimes [00:24:30] you struggle to take feedback, and then you notice sometimes that he or she may be struggling to take feedback, and always have a specific example in mind, because it helps make things concrete.

Jacob Morgan:

You've been at PwC for a while, and I know a lot of people, when they think of traditional accounting firms or consulting firms, they used to think of very conservative companies. I'm sure PwC, at some point, 30, 40 years ago was also a pretty conservative company. I'm curious, [00:25:00] if you're able to share, what was it like to work at PwC when you first started there, and have you seen this transformation or evolution inside of the company? Can you compare it, past and present?

Tim Ryan:

Yup. Next week, the 13th of June, it'll be my 30th year anniversary. It's hard to imagine, because I don't feel 30 years older. I feel more excited today than I was the day I walked in the door, but it is night and day from when I started. Night and day. When [00:25:30] I showed up, we all wore jackets and tie. While we had fun, it was way that environment that you describe, which is work, work, work, and we did have some fun, but it was very business, and not a lot on what was happening in the outside world, like from a society perspective, which I'll come back to. Today, it is very progressive, very progressive, whether it be [00:26:00] around what we stand for in the community, and we have a number of things that go on the community. The two big ones our firm stands for is we stand for access your potential, which is our \$350 million, five-year commitment to financial literacy and technology up-skilling in underserved communities.

We'll touch 10 million people in the next five years. We're already two years into it, so in the remaining three years, and it's CEO Action for Diversity and Inclusion, where we have led the business community in coming together to make America's [00:26:30] workplace the most inclusive on the planet. Those two things wouldn't have existed at PwC 30 years ago. Also, in terms of just the way we work. Today, we have a flexible dress policy. I'm wearing jeans as we speak, and our people, we trust them to dress for appropriateness. We have exercise equipment in our ... We have a flexibility culture. We have programs that enforce flexibility of technology that allows flexibility, and culturally, we are a flexible [00:27:00] organization. Our people get the work done, and we work hard, but it's done at a way that fits today's lifestyle. All of those are very, very

different. What's interesting is, 30 years ago, people cared for each other, and we care for each other today. I'll just tell you a quick story, if you'll bear with me, Jacob.

Jacob Morgan: No, please.

Tim Ryan: My first day at the firm, on June 13th, 1988, I had shown up and my mother helped me buy my [00:27:30] work clothes. We bought them at Sears and Roebuck's, and when I was at the room in Boston, it was not a very well air conditioned building, and as the day went on, it got hotter and hotter and hotter, and people were taking their jackets off. I noticed that everybody in the room had a long-sleeved shirt on, generally white. A couple of striped shirts, but generally white, long-sleeved, and I had a short-sleeved dress shirt underneath mine. I finally, [00:28:00] around 11:00, took my jacket off, and I felt like every eye in the room was on me. At lunch that day, one of the instructors took me down to Filene's Basement, a couple hundred yards away from the office, and bought me two long-sleeved white shirts. That act of kindness was existent 30 years ago at PwC, and it's existent today, and that's one of the things that hasn't changed.

Jacob Morgan: I like that story. That's a good story. [00:28:30] I'm kind of just running with that theme of 30 years ago. Were people smoking in the office 30 years ago? Obviously the internet wasn't at scale 30 years ago, no iPhones, none of this stuff. How did work actually get done? I know that might sound like a really weird question to ask, but when you compare all these technologies, and how we think about work, and like you said, diversity and inclusion and free food, [00:29:00] are there any other interesting stories or tidbits that you can share about what it was like at PwC 30 years ago?

Tim Ryan: It's funny. I almost had forgotten this until you asked the question. We had a daily call-in sheet, is how we used to do things, so if I was out at a manufacturing client in New Hampshire, a mutual fund client in downtown Boston, every day, we all had to call Janice, who was sitting on the 10th floor, [00:29:30] and her job was to put on a piece of paper, by alphabetical order, where we were and the number we could be reached at. Then every day, that sheet would get published, and somebody would pick it up from the office, and make sure we all had it, or if we couldn't get into the office and we had to get ahold of someone, we would call Janice. If we had to get ahold of one another, that's how it got done.

That's how quote-unquote "work" got done, and if people who were at client A needed to communicate with somebody at client B, we went through Janet, and she would get you a message and say, " [00:30:00] Can you call Tim up in New Hampshire, out in western Massachusetts?" And that's how we communicated. It worked. We didn't know what we were missing with texting and cell phones, and FaceTime and everything else. We didn't know what we were missing, and that's just one example of how we stayed in touch, but what was interesting is, that's how we collaborated, and we still collaborate today, so the mechanism by

which we collaborate is different, but the principle of collaborating [00:30:30] is still the same, it's just it's enabled by technologies that obviously didn't exist before.

Jacob Morgan: There's always this analogy, right? If you put a frog in boiling water, it'll jump out, but if you put the frog in the water and slowly turn up the heat, it'll stay in there. Clearly, PwC 30 years ago versus PwC today, radically different company, but while you were at PwC, did you ever have a time or day when you showed up to work and you were like, "Oh my God, it's totally different?" [00:31:00] Or did the changes over the 30-year period not really become noticeable in the day-to-day, but now when you look back 30 years, you're like, "Oh my God, it's a totally different company"?

Tim Ryan: I would say without a doubt, it's been very gradual, and day in and day out, you don't notice any one major thing. I would say today, jumping a little bit to the present, I would tell you that our pace over the last couple years [00:31:30] has increased significantly, and you are seeing more day to day or month to month or quarter to quarter changes, but that's because what we're realizing is, we're really good at change. We're actually really good at it. Our people are adaptable, our people are eager for change, and so that slow buildup of confidence over many, many years has actually given us the kind of confidence to move faster, so we are now at a period [00:32:00] where you had many, many years of slow, incremental change that added up to a lot. We're now in much quicker and more frequent bursts of change that are more visible day in and day out.

Jacob Morgan: What is it like to work at PwC now? I know you guys are in the process of changing some office designs. I know you're very heavily invested in diversity and inclusion, but for people that have maybe never stepped foot into a PwC, how would you describe what it's like to work there now?

Tim Ryan: [00:32:30] What I would tell you is it's, from my perspective, the best place in the world. For all your listeners, I did not say perfect. I said the best place in the world. Let me start out with who we are before I get some anecdotes. We are what I call a purpose-led and values-driven organization, and what that means in straight talk, we stand for more than making a buck. Diversity and inclusion, giving back to our community, financial literacy, financial inclusion, and tech literacy are important, and we give back [00:33:00] to the community in a major way. In addition to that, purpose-led and values-driven means we care for our people. This weekend, I had one of our young partners undergo a liver transplant, and I was texting with his wife. Our partners rallied around him. We had hurricanes in this last fall. We had earthquakes in Mexico, and our people rallied one another. Somebody gets shot in a shooting in Vegas, and we're there for our people.

The level of care and attention for our people, from my perspective, is unprecedented, and the investment and [00:33:30] the time in looking after our people is something that we watch out for, and that's what I call purpose-led

and values-driven. When I go onto the next thing is, we are what I call an organization that's bringing strategy to life, meaning it's happening. At PwC, it's quick. Things are happening. We're an organization that's on the move, and the last thing is, we're an organization that invests and secures its future for its future generations. My job today, Jacob, is to make sure PwC's around 10, 20, 30, 40, [00:34:00] 50 years from now. I don't have to worry about satisfying an earnings or hitting numbers. That's important, but my job is to make the right investment decisions to make sure our people get the change to sit in my shoes, and those of my partners. That's who we are. We're purpose-led and values-driven, and we're bringing strategy to life, meaning making stuff happen, and we invest and secure for the future. What that means day in and day out is, it's exciting. We are investing in our people.

[00:34:30] We are the first major firm with a student loan investment program, where we help people pay back their student loans. We have family leave policies that are second to none. Our culture of flexibility is terrific, and we just launched a multi-hundred million dollar effort last year called Your Tomorrow, where we said to all 55,000 of our folks, "We will not leave you behind on this technology journey as long as you choose not to be left behind," meaning we're investing in digital up-skilling of our people, because we know [00:35:00] things like AI and machine-based learning worry people if they can't go along for the ride, and we are investing in digitally up-skilling the entire firm, so it's a very, very exciting place, where our people, when they come here, they are going to learn skills around technology, teamwork, around caring for one another, around society, that will make them better if they stay at PwC, and that will make them even more valuable when they enter into the marketplace, if they decide to leave PwC.

Jacob Morgan: I want to talk [00:35:30] about the ... It's called Your Tomorrow, you said, right?

Tim Ryan: Yes.

Jacob Morgan: Okay, so I'm really fascinated by that, and it's a good segue into the AI and automation debate. You probably have these conversations with a lot of other CEOs and companies that you're advising. There's a lot of tension and fear around AI and automation, and what this is going to mean for jobs. Why don't we just start very high level with what is your perspective, your thoughts on the entire AI automation debate? [00:36:00] Positive, negative, what's your outlook?

Tim Ryan: I'm going to take the opportunity to link back to something you opened up this podcast with. You asked me about leadership skills, and working hard, and I shared constructive optimism. This is a good example, just to tie those two discussions. We could sit there and complain about technology and how fast it's moving, how much we have to keep up. We can talk about how AI could disrupt jobs, or we could sit there and say we're going to be constructive. [00:36:30] I have chosen for PwC, and our people have chosen to be constructive, so just to link that first, because what I hear ... You said I'm sure I hear a lot of discussions.

I do, but to be honest with you, I hear them many times in the context of the downward spiral, right?

"Oh, everybody's going to lose jobs. It's going to be bad. I'm going to lose my job. We won't learn basic skillsets anymore." All of those are challenges, but I think the opportunity is bigger, so my general [00:37:00] view on AI and machine-based learning, internet of things, natural-language processing, three-day printing, drones, my view is let's embrace them and let's grab the opportunity that it gives all of us to do work differently, to add value to our clients, and how can we make our society more productive and better equipped to deal with some of the biggest challenges out there? I'm all in. I am all in. Does that mean that I'm naïve to the challenges out there? Heck no, which is why we're leading on our front foot with Your Tomorrow.

Jacob Morgan:

[00:37:30] I love that approach, because a lot of people always assume that technology's just kind of this thing that's coming to take over the world, but technology's a tool, and we can control the responses that we have and how we use the technologies. It sounds like at PwC, you guys have made this very conscious decision to up-skill with this program. Can we talk a little bit more about the program and how it works, how you take advantage of it, who it's for? Maybe some details [00:38:00] around it, in case any other people listening to this are wanting to do something similar for their companies.

Tim Ryan:

Yup, absolutely. Again, I'm going to take the opportunity to link. When you were asking earlier about leadership style, I shared that I believe leaders need to be humble, and leaders need to be accessible and listen, so let me tie that. What we heard from our people in spades over the last couple years was that some of our people were [00:38:30] eager to learn more about emerging technologies, so there was a demand from many of our people to learn more, to see the firm pivot and invest in them, so we could better serve our people and our clients. We heard that. The second thing we heard, among a lot of our people, was worry. "What does it mean to me? What does it mean to the way consulting work is done in the future? What does it mean to the way due diligence, or tax preparation, or auditing [00:39:00] is done in the future?"

Worry and concern. We also heard, "We're already working pretty hard. How do we keep up with all these changes?" And we heard that. Lastly, we heard from our clients that they want us to be able to do everything cheaper, and they want us to add more value, and they want a digital experience. First, the way we got to the program is we listened to our stakeholders, which is a very different approach than going and saying, "Here's the answer." It was truly listening to our multiple stakeholders, and [00:39:30] that's how we developed the program. The program goes like this. What we said to our 55,000 people is, "We will, on an ongoing basis, invest in your digital up-skilling." We're doing that a couple of ways.

The first thing we're doing is we developed a world-class digital fitness app, and what it is is an app that has been deployed to all 55,000 people, and it gamifies

the quantification of your tech IQ. [00:40:00] Every PwC person has now a digital score that we all have. It's not evaluative. It is a benchmark, and we can take this digital fitness app, gamified, as many times as we want. We can take it three times a day, three times a month, three times a week, and what it does is it directs you to one of 600 online courses. Could be a podcast, could be a 10-minute piece about Blockchain. It could be a 10-minute piece on AI, and it directs you based [00:40:30] upon your role, your level, and the type of work you do.

Jacob Morgan: Really quick. It directs you to free content that's already out there.

Tim Ryan: Yes, some of which is developed by PwC, and some of which is sourced, and it's the person's investment in their own digital wellbeing. We have said part of being a PwC professional, and being part of PwC is we're all expected to go invest in our digital IQ and digital wellbeing. We're giving them a world-class [00:41:00] tool to do that. That's what I call the foundation of the program. We also, then, what we've done is we've trained 6,000 people through data academies, and that's going up by hundreds every months, but 6,000 to date, on tools like Alteryx and Tableau, that make them more valuable to each other, in the marketplace, and to our clients. That's taking on some tools that are commonly used in our firm at a more granular level.

We then [00:41:30] are providing our people with tools to do their work better, and when they're more comfortable with technology, we can give them tools. Like, for example, we have a tool called Data Sieve that allows our people to review any large amount of data more efficiently, but because we've invested in their foundational skills, when we give them a tool like Data Sieve, they know how to use it. Think of it as the first two elements, the digital fitness app and the academies, think of that as driving school, and then when we give [00:42:00] them a great tool like Data Sieve, they know how to drive it. They know how to drive the car. In addition to that, we opened up to all 55,000 people the opportunity to apply to go through what we call tech accelerators.

We have developed world-class tech accelerators in the eight essential technologies, so artificial intelligence, API, drones, machine-based learning, natural-language processing, et cetera, where we are putting, this year, a couple of thousand people through [00:42:30] tech accelerators to give them a even higher degree of comfort with certain technologies that then they come back into the business and use differently. At a high level, that's the technology part of Your Tomorrow. The other part of Your Tomorrow is a major investment in physical and mental wellbeing that we call Be Well Work Well. We've been encouraging our people, and we put tools and mechanisms in place to take energy audits, to practice physically [00:43:00] and mental wellbeing techniques on their jobs, and it's becoming culture at PwC, so we can keep up with the pace of the way the world is changing.

Jacob Morgan: Those are some amazing programs. Let me see if I understand correctly. Let's say I was an employee at PwC. I would be encouraged to download this app, so

maybe my manager would tell me about it, I would hear about it, and I would basically take a technical IQ assessment, [00:43:30] and it would ask me a bunch of questions around a variety of topics, whether it be Blockchain, I don't know, IOT, and based on that, it would help assess where my strengths and weaknesses are, and where my weaknesses are, it would say, "Hey, it looks like you don't know a lot about Blockchain. Maybe you should check out this talk, or listen to this podcast." Is that roughly how it would work?

Tim Ryan: Yup, and the only slight tweak I would take is, when you're taking this assessment, it's not only technical, it [00:44:00] measures your comfortability, and now comfortable you are. You'll talk about what do you read, how often do you read, your openness to new things. You'll get that dimension in addition to a technical dimension as well.

Jacob Morgan: Now, obviously some of this requires responsibility and accountability on behalf of the individual, so it's not just PwC saying, "Look, we're going to hold your hand. We're going to pay for everything for you, do it on company time." I'm assuming some of [00:44:30] this perpetual learning for PwC employees might have to happen on their own time. They need to step up and say, "Look, I want to become a better employee. I want to learn more. I'm going to do this." First, is that right?

Tim Ryan: Yes, it is.

Jacob Morgan: Okay, and so second is, how do you encourage that? Was the messaging sort of like, "Future-proof your job at PwC. Don't get [00:45:00] left behind"? How did you convey that level of accountability that's required?

Tim Ryan: Yup. What we've done is we've been very open, and to be clear, this is still in process. This is not like, you launch a program and you're done. This is cultural, and so it continues, but what we've said very openly is, "We listened, and many of you said you want to get on with the technology journey, and many of you said you were uncomfortable about your ability to keep up." What we've said is, "We understand [00:45:30] both perspectives, and after listening, we're going to do something about it. We're going to launch this exciting program, Your Tomorrow. The expectation we have is, we want you to opt in, and it doesn't matter where you are in the journey, as long as you opt in. It's what I call an opt in culture. After all the listening, all the feedback, let's all opt in together. That means you're going to need to find the time to invest in yourselves. You're going to want to access the tools and use them."

We [00:46:00] were very clear about this opt in. We will not leave you behind unless you choose to be left behind. The firm, given its responsibility, is going to do a big part of that. Then what we do is we try to use what I call as many carrots, and rarely use a stick. We talked about, "Well, how do you do it? Are you going to measure, do people do it or not do it?" We wanted this not to be intimidating. We want it to be constructive and fun, to the extent that it can be, so we implemented a number [00:46:30] of techniques. For example, one of the

techniques that we did is we asked everybody to log on and take the digital fitness initial assessment, and we asked everybody to take our energy audit, and we said if we all did that as a firm, we would shut the firm down this coming 4th of July week. We set some very low bars.

The idea was to create the healthy peer pressure of, "Hey, let's do this. It's not only good for us, [00:47:00] but if we do it, we're going to get July 4th week off." That would have some of our newer staff really excited about it, pushing on maybe some of our more senior partners who may be less inclined to take the assessment, or less inclined to take an energy audit because they might be caught up in old school thinking, and we hit those goals. We are now shutting the firm down on 4th of July week, so PwC, outside of emergency client situations, will be shut down. That's cool that we get 4th of July week off. [00:47:30] What it does is it creates this momentum among thousands of people of, not only is this good for us, but we did some short-term visible, tangible benefits we can get by doing it. We're constantly looking for those ideas.

Jacob Morgan: How hard was it to deploy this? Was this many years in the making? Hundreds of millions of dollars for apps? Can you give us a sense of scale as far as how complex and hard was it to make this program a [00:48:00] reality?

Tim Ryan: Yeah, so, Jacob, one of the other things I should have mentioned is just to give it, we also launched what we call a PwC app store. Think of it as your iTunes store, and we have had over 120,000 downloads of that among our people, so we invested in that, and there's apps from how do you do work differently to how do you do yoga, to tools that can make personal banking better. It is world-class.

Jacob Morgan: These are all private apps, just for PwC people?

Tim Ryan: Yes, or some of them are third party [00:48:30] apps that we bought and made available to our people that had the right security, because anything we deploy to our people needs security, so it's a combination of PwC apps and third party apps that our people use to make life better, work or their personal life better, so that's another thing that was under Your Tomorrow I should have mentioned. All of that was very, very hard, but I would tell you, as we went on that journey, we realized that we were like most of our clients, and what I mean by [00:49:00] that is, innovation wasn't our challenge. It was scaling it across 55,000 people. As I reflect on my time with our clients, many CEOs will say to me [inaudible 00:49:13] not innovative, and I will respectfully challenge them and say, "I suspect you're highly innovative. It's how you get X thousands of folks to do it and feel good about it."

While we spent millions on those tools and programs that I mentioned, [00:49:30] the digital fitness app, the PwC app store, Be Well Work Well, Your Tomorrow, which is a multi-hundred million dollar commitment, the hard part was inspiring and leading 55,000 people to go on the journey, because if we had



only gotten 20,000, it wouldn't have mattered. It wouldn't have worked, and so this goes all the way back to the beginning of the podcast. Leadership's challenge is about inspiring people along a journey of change. I'd [00:50:00] be giving you half an answer or a fraction of an answer if I just told you the hard part was coming up with the money to go do that stuff. On a relative basis, that was the easy part. The hard part is inspiring and capturing the trust and the hearts and minds of 55,000 people, that this journey is good for them, and by the way, it happens to be good for the firm, and this is how we're going to get it done at what I call at scale.

Jacob Morgan:

Got it, and like you said, this is an ongoing, never ending thing, so once you make a decision that this is a forever project, so I like [00:50:30] that kind of mentality. The last two things, I definitely want to talk about diversity and inclusion, but right before we jump into that, you were talking about this earlier, as far as PwC is a company that's really focused on people and a lot of that stuff. How do you balance that with profits? Obviously, PwC, you guys are probably under a lot of pressure to continuously make sure shareholders are happy, your stock price is going up. Let's say you have a really, really bad [00:51:00] year or two years at PwC, and there's a lot of pressure to like ... We see this all the time, "We got to let go of 5,000 people." How do you balance those types of pressures with the commitment to people?

Tim Ryan:

I had mentioned earlier, and I'll go a little deeper. We're blessed with not being a public company. We're a private organization with roughly 3,500 partners, who are our shareholders. [00:51:30] Our partners culturally understand that while we do very well, we're not going to be the wealthiest people in the world. We don't have a stock price, but at the same time, we have the ability to invest in broader things. We have the ability not to worry about a quarter or a year, and invest in the long term. We take advantage of that. We know that over time, when you do well by your people, when you make the right investments, you not only secure your future, you secure their future [00:52:00] going forward for other people.

We have that luxury, so to speak, of not having to worry about every quarter. Now, having said that, that doesn't mean we don't have to make hard business decisions. You're generally guided by what is the best interest in your collective group of stakeholders, and the hardest part of being a leader, whether you're a public company or private company, is understanding all of your stakeholders and reaching the right decisions. In some cases, [00:52:30] that's going to be balancing to make sure there's something in it for everybody. Then you are going to hit some decisions in life where they're non-negotiable. Ethics is a good example. There's no balancing on ethics. It's, your ethical or you're not, right?

In other cases, you want to make sure you've got the right balance for your people, your communities, your stockholders or investors, whoever they are, and that is a constant balancing act, again, except where they're non-negotiable. This goes back to the humility [00:53:00] of being a leader, and open to saying, "Okay, how do different stakeholders look at it?" I will often, on a

whiteboard, lay out our stakeholders with our team, and say, "Okay, are we being fair to all of our stakeholders, or out of balance? Have we done the right things by the following?" At the end of the day, what I'm guided in is, what is it the best interest of the partnership, our people, and our clients, and that, for me, is the guiding light in terms of how we make decisions.

Jacob Morgan:

I like [00:53:30] that approach. All right, so I want to spend the last few minutes talking about a pretty big initiative that you've been working on for a while, the CEO Action for Diversity and Inclusion, which I understand has quite a few CEOs involved now. Can you talk a little bit about what that program is, and why you even bothered starting it?

Tim Ryan:

Thank you for giving me the opportunity to talk about it. In a couple of days, on June 12th, we will celebrate our one year anniversary of an effort that we call CEO Action for Diversity and [00:54:00] Inclusion. What it is, Jacob, is we, a year ago, pulled together a group of CEOs, and we asked them, notwithstanding where they are on their diversity and inclusion journey, we asked them to acknowledge that we can all do better, because we all can do better. We asked them also to come together and make three basic commitments. The first commitment was to make our workplaces truly safe, truly safe, to talk about issues such as race [00:54:30] or gender or LGBT, so people can begin to understand how we really feel. That's not a program, it's a mindset and a culture, and we asked CEOs to make that commitment.

We also asked CEOs to make unconscious bias training available to all employees, not just executives, all employees. Then lastly, we asked CEOs to share their practices, their best practices and not so best practices, for everybody to [00:55:00] see, and the idea there was diversity and inclusion is not a competitive thing, it's a societal opportunity, and if PwC or Procter & Gamble invest in a good practice, let's share it with others. When we launched a year ago, we had 150 CEOs. Today, coming up on our year anniversary, we're at roughly 450, and on the website, which is [www.ceoaction.com](http://www.ceoaction.com), we have over 500 [00:55:30] best practices for any company in the world to leverage. I'm incredibly proud of the fact that we have almost 450 CEOs willing to make that pledge, and not only make diversity and inclusion in their organizations better, but to help society overall. Just a couple other things that we've accomplished in a year.

Last November, we had 72 CEOs come together in a closed door session in New York City to talk about what they're intimidated [00:56:00] as a leader around driving this in their organization, what their fears were, how they can get better, what techniques they use. It was a closed door session. It was remarkable. I was there. I learned a lot. Others learned as well. In January, we had almost 220 CHROs, Chief Human Capital Officers, or CDOs, Chief Diversity Officers, come together to share at a more granular level how they're making D&I a reality in their organizations, and this year, [00:56:30] we funded a mobile unit, which you can see on the website, and we've gone to 20 schools and businesses, and taken 4,000 people through gamified diversity and inclusion or unconscious bias

training, and it's been remarkable, and will only build off that success going forward into next year with the ultimate goal of having America's businesses the safest and most inclusive workplaces in the world.

Jacob Morgan: I know this might sound like kind of a weird and silly question, but why bother? Why did you do all of [00:57:00] this? What prompted this decision to build this out? As you know, diversity and inclusion is something that a lot of people always talk about, but very few organizations actually take a stand for and say, "You know what? We've been talking about this for a while. It's time to really do something about it." What prompted you to make this stand and say, "We're done talking. It's time to start doing"?

Tim Ryan: This is a perfect tie-in to everything we've talked about, and what do I mean by that? You asked me about my upbringing. [00:57:30] My parents taught me about respect, and that's been in my DNA since the day I can remember. At PwC, our purpose is to stand for more than making a buck. It's to build trust in society. My first week as Chairman and Senior Partner, in July of 2016, was the week where we woke up on that Friday morning and there were shootings in Dallas and police killed in conflict, and that was coming off of [00:58:00] heated incidences in Minneapolis and Louisiana. What I realized at that point in time was that I had a much bigger calling as Senior Partner.

What I realized was, even though PwC was amongst the most progressive organizations when it came to D&I, it taught me that we had a long way to go, and that we had a big responsibility to help society as well, and that's when I realized it was way more than profits. That's [00:58:30] when I realized that our purpose statement was actually way more than words on a piece of paper, that all those lessons my parents taught me about caring and respect, and that's ultimately what I hope my tenure as Senior Partner will be judged on, which is, "Did we move the dial in a material way on inclusivity, not only at PwC, in the business community?" It tied in everything that I've ever been taught, and every experience that I've had, and for me, it's not a side project, it is a cultural [00:59:00] mission, not just at PwC, but overall, and it ties every lesson and every meaning of what I believe this role is today, that I have the privilege of holding right now.

Jacob Morgan: I love that it ties back to how you were raised in your family, because that helps guide a lot of the decisions that you make, so I think that's definitely meaningful. Okay, I know we have one or two minutes left, so I'm just going to ask you a couple of fun, rapid-fire questions to wrap up, and then we're going to all be done. [00:59:30] First question for you. What's the most embarrassing moment you've had at work?

Tim Ryan: Oh my God. Wow, what is that? You asked about my daily routine. I actually shared this one on one of our staff webcasts recently. I was doing a very early morning webcast in the office with countries overseas, and it was 4:00 A.M. I didn't think anybody was there, and I was doing my sit ups and pushups while I was on the webcast, and I didn't realize everybody could see me.

Jacob Morgan: [01:00:00] All right. That's actually a good one. I like that one. If you were a superhero, who would you be?

Tim Ryan: Captain America.

Jacob Morgan: What is a book that you recommend? Could be business or non-business.

Tim Ryan: To Kill a Mockingbird, by Harper Lee. I think it's got a lot of lessons in there.

Jacob Morgan: If you were doing a different career, what do you think you would have ended up doing?

Tim Ryan: I wanted to be a veterinarian, but I wasn't smart enough.

Jacob Morgan: Oh, okay. If you could have dinner with anybody in the world, who would it be?

Tim Ryan: [01:00:30] I would have loved to meet Dr. Martin Luther King.

Jacob Morgan: Okay. If you could live anywhere in the world, where would it be?

Tim Ryan: Europe.

Jacob Morgan: Last two questions for you. If you could get rid of one workplace practice tomorrow, what would you get rid of across your company?

Tim Ryan: I would love for people not to talk over one another when they're together.

Jacob Morgan: [01:01:00] That's a simple one, but very common. Last question for you. If you could implement one workplace practice, what would you make sure was implemented at PwC tomorrow?

Tim Ryan: I would want everybody to avail themselves of all the great programs that we have, whether it be vacation policy, family leave policy, flexibility policies, because the tools are there. It's getting the culture to the place where everybody feels comfortable [01:01:30] grabbing them, and we're not there yet.

Jacob Morgan: Well, Tim, I think a lot of people, myself included, learned a lot from a lot of your insights, so thank you very much. Where can people go to learn more about you or PwC? I know you write stuff online on Medium and LinkedIn, so anything that you want to mention for people to connect with you or PwC?

Tim Ryan: I'm an active Twitter user, so I'd love for people to follow me on Twitter. Equally, my LinkedIn. I'd encourage people to go to ceoaction. [01:02:00] com for our diversity efforts that we're leading, and PwC's website overall, which you can find me there very easily.

Jacob Morgan: Well, Tim, thanks again for taking time out of your day. I really appreciate it.

Tim Ryan: Thanks, Jacob. Very nice talking to you, and I hope it was helpful to your listeners. Take care.

Jacob Morgan: Thanks, and thanks everyone for tuning into this week's episode of the podcast. My guest, again, has been Tim Ryan, U.S. Chairman and Senior Partner of PwC. I'll see you guys next week.