

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.

You can listen to past episodes at www.TheFutureOrganization.com/future-work-podcast/. To learn more about Jacob and the work he is doing please visit www.TheFutureOrganization.com. You can also subscribe to Jacob's [YouTube](#) channel, follow him on [Twitter](#), or visit him on [Facebook](#).

Jacob 00:49

Hello everyone. Thanks for joining today's guests is Blair Sheppard, and he is the global leader of strategy leadership at PwC, also former dean at the Fuqua School of Business, former Duke corporate education CEO and author of a brand new book called 10 Years to Midnight: Four Urgent Global Crisis and their strategic solutions. Blair, thank you for joining me.

Blair 01:16

Jacob, happy to be here

Jacob 01:18

So you have done a lot of really cool stuff over the years, which I want to dive into. But why don't we go way, way back to how you got started with all this stuff? Becoming Dean, joining PwC Where did this all begin?

Blair 01:36

What actually began with me dropping out of university and debating what I want to do with the rest of my life and then realizing it actually, education was kind of the the thing I was most worried about at the time. And so I went back at a Ph. D joined the system and did all the things that we do through that and I've sort of been up until this role of PwC. I would think of myself mostly as an educational entity. Bear. This was a shifting were really, really fun shift. I wish I'd realized how much fun it could be being outside the mainstream education business.

Jacob 02:10

So you dropped out of university because you were not sure what you wanted to do.

Blair 02:14

Exactly. Yeah, I took a year was in honors physics. You don't want to know what my grades were in three of the courses. And then I will say, you know, I did this. I'm not serious. I bought figured out so when you were going to steel mill, and there's a guy I met there who said, um, we became really close friends, we work together and pretty nasty job and we would go drink every Friday. And he about halfway through the year he looked at me said, you know, I'm just sick and tired. I don't talk to me about what's going on vacation. I'm gonna go back and be part of the system and fix it. So I owe I owe him this career, actually.

Jacob 02:49

Wow. See? So I guess while you were working there, you had all these ideas of education and why it's broken when you were complaining about it and he's like, stop whining. Just go do it.

Blair 02:58

Go do something about exactly. And thus I am where I am.

Jacob 03:03

Very cool was that the first job you ever had?

Blair 03:07

No, I actually I worked. I paid my way through college. Right. So I was a lifeguard I picked a backhoe, I did all the thing. I did whatever I could do to pay my way through college. And actually, I started working at 16. You know, it was legal in Canada at the time. So I took my first job as a lifeguard at 16.

Jacob 03:24

Wow. And how did you go from all of that to joining the Fuqua School of Business?

Blair 03:30

So I did a PhD at University of Illinois, finished that met my wife went to McGill and taught at McGill for a year. It was the height of the anti English sentiment so she wasn't going to find a job in Montreal. So we looked at places to get a job and she got employed at university, North Carolina. And so I applied to Fuqua and they had gone through a round of people to hire and didn't like anybody So I was in the second round and got hired and been there the rest of my life except for the job at PwC.

Jacob 04:06

Very cool. Well, PwC is not a bad place to be not bad at all. So for people not familiar with PVC, maybe you can give us a little bit of background information about PwC as a company, and what what do you do there at PwC.

Blair 04:20

So, we are one of the world's largest professional services firm. networks, actually, we're a federated structure, you could sort of think of us as the corporate equivalent of the UN, where there's every country is its own entity, but we aggregate up. We're the largest collection of accountants in the world. We're the largest tax practice in the world, and then do a host of other advisory work that you'd expect a consulting firm to do. And when I left Fuqua, it was the chairman then who said, We need someone to put two things together for us, we need us to you just help us think about how to create a sharper global strategy, world's getting weirder, and we need some help. But then you got to help us think about how to build leaders to make that happen. And so it was a combination of those two together, which is you rarely get strategy and capability building at the same time. Oh, and so that's why I took the job. It's it. It's been a great job and a wonderful firm to work for just wonderful. people with serious integrity.

Jacob 05:26

Yep. And I've, we were talking before I push the record, I had the opportunity to do some work with PwC, big, big fan of the company as well and some of the work that you guys are doing. And so as

someone who is leading strategy and leadership, what does your responsibility entail is this internally or customer facing,

Blair 05:45

its internal, my job's internal. So it is ensuring that we have a it's really sort of stepping back and saying what's going on on the world. That's changing the nature of the context for our clients and for the societies we are part of and therefore what does that mean we needed to be doing as an organization to be more responsive. And then and then helping craft strategy. Now it turns out in a federated structure, no one creates a strategy, you, you kind of collectively agree on it really right and, and then ensure that we have the leaders who can actually execute on it. And we have the leaders that we need, we're building the leaders we need for five or 10 years from now rather than the leaders we need today are going to emerge it and so it's the forward looking piece is really an important part of the job.

Jacob 06:32

Okay. Well, obviously, there's a lot going on today with with COVID with black lives matter with the social and racial injustice that's going on. Can you talk a little bit about how that has impacted maybe some of the work that you're doing on leadership? Because I would imagine it's, I mean, it's like a big right hook that just came at you guys.

Blair 06:51

Actually, That was all knowable. Right? So, so all it did was an accelerant. Right, so we had been looking, since I've really around 2015 at sort of the, the kind of gritty, nasty things are going on in the world. And, and we identified a set of things that we said these are really pretty serious and, and they're getting more serious every day. So what really happened with COVID and sort of things like Black Lives Matters, Wall Street sit in me too, is is that they just accelerated something that we were already looking at. and made them more gave them more more teeth. And so people are listening to it more. It's easier to do my job because I have to persuade people to pay attention. It's a lot to get their attention today. But it's none of this is surprising. It was knowable. Well, before it happened.

Jacob 07:49

Oh wow, even COVID

Blair 07:53

Yeah, I mean, it turns out if you if you look at some of the training, they do for the The head of the Joint Chiefs of Staff. One of the things they'll spend a lot of time on with that person is are we ready for the next pandemic? Right. And so yeah, that was knowable. That wasn't one of the things we focused on in the work we did. But but it, what it really did was accelerate all the other things we were talking about and made them much more urgent, much more, much more important.

Jacob 08:23

But how do you think things like COVID are changing the world of work, if at all?

Blair 08:29

So I think it's COVID doing two things. And then the economic decisions we took in response to COVID is doing a third. Right. So the first is it's accelerating, the things are already happening. So for example, we were already moving to a platform based world, right? I mean, the kind of conversation we're having now, right, that's being done on a platform that has massive ubiquity around the world. We're already moving to that COVID just made it sort of pushed it over a cliff and made it come way faster. Right. We're already worried about the institutions in our country and what wasn't working and COVID just made it worse, right? We already had massive disparity. COVID just made it worse. So, in some ways, what COVID did was accelerate trends that were already occurring, and made them more acute. The second thing, though, that happened is that it added a layer of its own problems, right. So think about kind of three examples of that. One of them is that unless you were lucky enough to be in the right kind of business, your balance sheet is probably pretty bloody right now. Right? Yeah. National debts ridiculous. So there's a set of people who we've really harmed. So think about the person who had two jobs and was barely subsisting or might have actually, you know, been someone who had an addiction and we're and we're solving it but they need to get the antidote every day. And that kind of person what happened is because the delay in the mail or because they lost their job, we just pushed them off a cliff. And so it's take it's take a created a whole new class of people who are really pretty desperate. And then I think the third thing it did was sort of just decimate small business and which is really a worrisome thing because it's, it's a key to the answer to many challenges we have in the future. So such a big deal.

Jacob 10:20

Yeah, small businesses have been completely just massacred, which is very, very unfortunate to see. So you mentioned that there are a couple, like, I think in 2015, you mentioned there were some things that you were paying attention to, what were those things that you were already looking at?

Blair 10:37

So we were it started actually with a conversation with with my then new boss, the new chairman, and he said, you know, the world's gotten gray. Let's go find out what's going on. So we interviewed people in about 60 countries, government leaders, head of business, just you know, people around a coffee table and I've listened to cab drivers and conversation coffee shops, and what we found was the whole world was worried about exactly the same things. Right? And so we then started researching it. And here's what came up. There's enough disparity in the world and there's enough people who are put at a disadvantage because of that, that what occurs as I say, I don't think my kids future My future is gonna be as good. So think about 50% of the retirees in the United States are going to retire with with basically no savings.

Jacob 11:26

That's crazy. I didn't know that number was that high.

Blair 11:29

kids graduating from college with you know, a trillion and a half in debt, with a huge tax obligation we just created for them, right. And then people have a job and a mortgage and the kid in school who could who are likely to lose that job right and have to transition. That group are now collectively saying I'm really worried about the future. And when people stop believing in the future, they stopped dreaming,

creating, developing, so we call that sort of a crisis of prosperity. The second one is essentially the because technology is everywhere, it's harms our population level problems. So two examples, right. One of them is the, the people who created social media never meant that the fastest growing cause of death among 16 year old males would be suicide. Or that girls would self harm way more than they were right. And because it's everywhere, it's not just a few kids that are doing that it's a whole population that is at risk of that of those issues. Right. The other one is that when we created the Industrial Revolution, we forgot that carbon was a byproduct, right? And that actually, because it's now in the atmosphere could completely undo the whole system. And so the issue we're describing there is the growing unintended consequences of ubiquitous technology. The third one is sort of sheer inability to lead because the world is so fractured, so polarized and then the final one If take those three and put them together, we just don't trust the institutions anymore. We don't trust the police force. We don't trust the tax system to be doing taxes fair. We don't believe we're graduating students we need. And that's the one that worries me the most, by the way, because as soon as you stop trusting the institutions that make our life work, it's sort of like a fish not trusting water. It just doesn't worked. And so the worry we have is that they're all pretty serious right now. But if we don't get our arms around them in a decade, they become really ugly, all four of them all a sudden become really ugly.

Jacob 13:35

So maybe we can talk about each of these for just for a few minutes. So why don't we start off with the prosperity one? You mentioned that one of the challenges that a lot of people who are retiring or retiring without savings, a lot of people who are in college have tons of debt. So okay, so that's kind of like a something that's macro that's impacting the world. How does this impact you as an organization or how does this impact other leaders and organizations who are leading employees?

Blair 14:02

Yeah, so so the there are a few ways that it has a significant impact. So one of them is that there's going to be much greater pressure on companies to sort of show that they are not creating those harms. Right? And And so, we're going to be, you're gonna have huge reporting on compensation and fairness and compensation, there's gonna be real pressure on are you creating social or you're harming social mobility or helping it right? Are you? Are you part of the problem or not? So one of them is just the public pressure. And actually, the reporting is going to be required of that. Right. One of the things we're gonna have to help our clients with is reporting on that. Second one, which I think is bigger is actually we're bifurcating the world. Right? And so there's a set of people who can buy really, really, really expensive, amazing things, who tend not to buy right the amount of money that a wealthy person spends consuming He wrote to their, their total wealth is way less than the same number of people to see the same amount of money distribute across a middle class, and then a host of people who have less and less and less capacity to consume. So essentially, business is eating its tail by creating that disparity, right. And then the other one is that we're going to have sort of people who aren't prepared. And so there's gonna be a really interesting thing, which is, we're going to have, we're gonna have huge needs for certain kinds of employees and a tremendous surfeit of others. So the ironic thing of large unemployment, but we won't have the people we need for work. And so we have to fix all three of those. There's a workforce issue, there's a consistent customer issue, and there's a societal pressure issue

Jacob 15:48

that comes from that one. So as a leader, and I've, you know, you're doing this internally. So what do you do as a result, this is just about the, you know, you pay your employees more and you treat them more fairly. You've Focus on upskilling and retraining your workforce, you just kind of put these programs in place, and then you can say that that's solved.

Blair 16:06

No, I mean, it turns out the the issue I just described as a societal level issue, we can't solve it ourselves. Right? So. So the first thing is we spent a lot of time asking, what's our purpose? And this really seriously right, so he sort of said, you know, given who we are, if you think about what I described as our core business, what should our purpose be? And we concluded, we've got two jobs, really one of them is to build trust in society. And the second one is to help people solve important problems. So if you think about the way we address it externally, it's it's sort of working with our clients with that purpose in mind, or working with our society with that purpose in mind, right. So for example, you mentioned Tim Ryan earlier. He's sort of brought together a host of CEOs from around the United States to focus on diversity. It did it before Black Lives Matter came out But it's really urgent now. And so work with our clientele and work with the other actors in the world to address those questions. And then we have to make sure we don't live in a glass house. Right. So to your point about if we really believe that technology is leaving people behind, we better be investing and make your own people technically capable, right? And we're spending billions of dollars on that question, just to bring people up to speed. And actually, we invited you to help us on that. As you just told me before, this started so so it's a pretty serious. So we have both an internal issue and a need to work with our clients and society at large. And we're doing all three, okay to facilitate because essentially, it's a big, big, big set of issues.

Jacob 17:45

So for those who are listening to this podcast, we're trying to figure out what they can be doing internally around prosperity. Are there some specific tips or action items that you recommend that leaders around the world start taking?

Blair 17:57

Yeah, so let me do the four Let me get the cause of the four issues and then come back to that for a minute. What really made it happen if you think about it is we built this very smart, simple model after the Second World War that created 70 years of prosperity, right? And it really was. Globalization is great. Technology is generally good for the for life. And let's have simple measures success, GDP and shareholder value. Those products, those fix the world, essentially as a thought process. They brought 2 billion people into poverty, and they allowed us to incorporate massive countries into the global economy. The problem is they're wrong and there's simplicity. So globalization stops working when you have enough places in the world that are too far behind, or enough people in the world that are too far behind. Now, it turns out the reason for that is globalization itself isn't bad. It's because we had a single measure of success GDP. We didn't see That West Virginia was falling behind, we didn't see that a whole bunch of people were dropping out the middle class because we saw the economic success that was happening United States, for example, right. And so, and we didn't know that technology was essentially a thing that left people behind, in particular in a global world. So the first thing we have to do

is step back and say, as we want to fix any of these for the prosperity in particular, we have to rethink that model and make it a little more complicated. So while we're focusing on being global competitors, we also have to help create thriving local communities. While we're measuring GDP, we have to look at economic dispersion, how well the whole economy is doing how well everyone's doing, and other measures of social well being not just financial, right. And while we're driving technology, we've got to say, have we thought about the unintended consequences the thing we're building, it's sort of like the way we do drug development, right, which is Yeah, doesn't really do what it says. And what are the side effects? So in part, we have to shift entirely the way we think about what we do and what it means to be successful. That's the biggest part of the story. Right? What I just described is a pretty serious exercise.

Jacob 20:15

Oh, yeah. Yeah, definitely not easy. Okay, so that's my prosperity piece. Let's jump to the tech piece because this is a huge topic of conversation, especially when it comes to artificial intelligence when it comes to robotic process automation. Although lately I think some of the conversations have died down around that as a result of COVID. And it's shifted quite a bit. But I fully expect that once we get through this, those conversations are gonna be right back front and center automation technology jobs. So what are what are you seeing in that space?

Blair 20:44

So So there's some clusters that matter, right, so one of them is what's it doing to work? Right and, and there's a huge debate. We even have an insight PwC about Are there going to be more jobs or fewer jobs in the future? What we all know is the truth transition is going to be really hard. Right. You think about the Industrial Revolution if we were great on the back end, but we had a pretty tough transition, same thing is going to occur, right? A lot of people losing jobs and having to find new ones. But the other piece is essentially the ways in which information aggregation at scale and AI, does things like violate privacy does things like put control in too few hands, does things like actually make decisions in a way that we can't understand? And therefore we don't know what what really is at the heart of that decision. Right. So you're getting about that as large scale analytics and AI. And then the other one is sort of the unintended side effects that I once I described earlier, like what it does for us as individuals, but two more that I think are important in this is we're polarizing our society. It was never intended, right. And the other sort of interesting piece is in some ways are getting dumber. Right. So our short term memory And our attention spans are shrinking. Here's the scary part about that one, by the way,

Blair 22:07

the part of the human brain that's least well advanced, are those two pieces and they're no better than a chimp. So so it kind of ironic way the the most important part of the brain for doing execution for making things happen is actually getting dumber than a champ.

Jacob 22:24

That's scaring me, Blair

Blair 22:26

Yeah, right. So so that's that's technology, right? I'm really, really we're good, but some pretty serious negative side effects.

Jacob 22:33

Yeah, no, I mean, it's funny, I sometimes I even noticed, like the impact of technology just has on my personal life, and I noticed them doing something just out of habit. I'm like, wait a minute, like, Why? Why am I even like you don't even understand sometimes like that it has to your attention. Like, how hard is it nowadays to just sit without a phone and sometimes my wife will call me out on it. She's like, why don't you just sit here and be bored with me like Doing chess puzzles put away your freaking phone stop reading like just be a frickin you know, just be here and I see people walking their dogs in my neighborhood with headphones on looking at their phones. It's It's insane.

Blair 23:14

And accidents are going up as road pedestrian based accidents are going up as a result of that turns out because we have big trucks with large fronts, right and people with their head now we have a lot more pedestrian deaths happening. Yeah, I do think there's an important point what you said though, which is that a lot of the requirement The answer is good discipline in our part, right? We don't have to be dumber. We're just letting ourselves become that right. We don't have to fracture we just let ourselves become that. So it's, but it but it's scary if we don't do something about it.

Jacob 23:45

Internally, you mentioned that you guys keep having this debate around, will technology create more jobs or replace more jobs? Who's winning that debate so far? Is it job creation? Or

Blair 23:55

it's about 50/50? I mean, I do think that the we everyone agrees At the transition is going to be really hard. And, and for a couple of groups in particular, those who are been in a career for a long time, you know, in their late 40s, early 50s, and have to make a massive shift. And those who are already behind who just don't have aren't technically capable technology capable, those two groups are really gonna have a tough transition from

Jacob 24:24

So really quick one more time. So you said, people who are in their 40s

Blair 24:28

Well, people who have been doing the same kind of job for a long time and been really successful at it lose the job and have to transition because maybe your white collar career, yeah, blue collar, all the above. Its happening to white collar as much as blue collar. And then the other one is people who never were in the technology game and have to catch up.

Jacob 24:49

So what advice do you have because I know there are a lot of people who are listening to this who have been, you know, they're in their 40s. They've been at the same company for a while. You know, maybe they've been there for decades. More, or there are a lot of people actually even who are not as tech savvy as digitally fluent as they should be. And they're, you know, probably a little freaked out. Do you have any advice or suggestions for what they should be doing?

Blair 25:11

Yeah, there's some basic stuff. So one of them is stop thinking about a career as a vector as a single line. And think of it as actually jumping from platform to platform to platform. So find a job that's interesting that pays well but teaches you forward looking skills, and it has options on the back end, and then just go think about living your life in chapters rather than as a vector. You know, I was a PhD student, assistant professor, associate professor, Professor Dean, stop thinking that way, because the world's not going to work like that, right. second piece is find yourself in the place or adjacent to the people who do the thing you want to become. So what mistakes is people essentially retool themselves, but in a place where they're not interacting with the opportunity set, right. So So Get adjacent to the opportunity set, which is easier to do in electronic world by the way. The third one is actually be really smart. So what a lot of people are doing that I worry about is they're doing an incremental move in an industry that's probably in some real trouble in the long run. Make a move before it's too late.

Jacob 26:21

How do you know if you should make a move?

Blair 26:24

Think about forward looking trends, read our book. We just studied listen to you actually probably in in sort of think about for looking trends and then say, Okay, I kind of get that thing I'm doing is in some risk and maybe ought to be thinking about something different. And migrate before it's too late. The you know, the problem is it's sort of like parents looking for support for their kids. Right now. Just school is an opening up. Probably should have thought about it six months ago.

Jacob 26:52

Yeah. Yeah. It's funny because I think a lot of people don't do a good enough job of looking at their careers from that kind of future perspective. They're just kind of heads down what's right in front of us. He also mentioned an interesting point of being next to the opportunity set. Yeah. Because I think the other thing that a lot of people do is they're very good at surrounding themselves by people who are just like them. Yeah, same skill set, same mindset, same job, same role. I'm in marketing, I'm gonna hang out with other marketing people. I'm in sales, I hang out with other salespeople. And so by doing that, you're not actually necessarily helping yourself because you're just going to be in the same boat with everybody else when something bad.

Blair 27:30

Yeah, completely. So here's the thing that's that's important in this and it relates to one of our other crises, which is in times as stressful as these what happens is you tend to actually close in, right you you are more likely to hang out with people like yourself, and one of the challenges with being stuck at home. Is that You have, you're even more likely. So for example, we have a multi generational household right now. Four PhDs and one triple degree, that's a pretty bad thing for trying to understand how the whole world's working, right. And so I think you have to really work to get outside your own domain and understand the world better and get exposed to opportunities. Okay.

Jacob 30:25

Yeah, I think that's great advice. So surround yourself by people who are not like you broaden your and like you said, with technology. It's never been easier to do that.

Blair 30:33

Exactly. And then I think the other one is, is get curious and start learning.

Jacob 30:37

Yeah. Yep. And again, with technology that's never been easier because you can learn pretty much anything that you need nowadays. Okay, so we covered to the next one is more around kind of an inability to lead. Yes. Um, so what are you seeing there?

Blair 30:53

So there's really sort of two sides to the problem, right. One of them is It's harder to lead. So because of polarization, you have way more constituents you have to appeal to who tend to have conflicting views. And they just don't accept the other view very well, right? People don't trust leaders very much today, if you take a look, any of the surveys are trusting leadership is as low as it's been for a long, long time. And then the other piece is that the problems are more complicated. So you've got to solve a more complicated problem. It's more urgent, with a set of people who don't agree with each other. But you got to get all the points of view and they don't believe you in the first place. Right. So that's the problem is hard. And then on the other side, we've prepared the wrong kind of leader, right. So we have leaders, good for the world that we were in that I described earlier, but we actually need leaders for the world we're in today. And it's a very different kind of leader. They need it. The core difference is a leader today needs to figure out how to reconcile things that feel contradictory.

Jacob 31:58

Yeah, yeah. If only there was a book that was aimed at looking at the future leader, or listening. I was just joking. But that's exactly what it's a really good book. I mean, that's exactly why I wrote it right? Because a lot of people were asking the same question. The general consensus was like, we get kind of what's going on in the world now. But we want to know how things are changing. There's a lot of weird stuff happening, and we're not ready for it. I mean, internally, I think you guys are also doing some cool stuff on this, right? I mean, how are you preparing your leaders for this new world?

Blair 32:37

So one of things we're trying to do, one of the things that we are really, really good at is bringing particular expertise to bear against a specific problem, right? It turns out the challenges that our clients problems are increasingly aggregated, right, they're more complicated and so we are doing a host of things but but a few in particular one is We're trying to help the people who are facing off against our clients to have a deeper and better appreciation of the larger world in which our clients paving and and then be able to have kind of a conversation around this. We're looking at a crystal ball and it's kind of fuzzy, how do we clarify that crystal ball? That's a very different conversation from what we're used to. And as an example, you would never have expected PwC to author the book I were talking about today. But it's trying to get us to understand where's the world going? And how do we do that? Second one is, we are trying to upskill everybody for a technology based world. The hardest of those is actually

getting the leaders ready because the people who are leading grew up into television generation, right and, and so working with them to what does it mean to lead a group like the ones we have today is the more difficult task. And then I think the final thing is the point I raised earlier, which is we're reminding everybody and getting Going to sort of think deeply about what our purpose is, and, and therefore go back to fundamentals. Because the thing that's interesting, if you want to innovate, you have to be sure you don't throw the baby out with the bathwater. Therefore, you better know what matters, what your core is, and then change everything else. Right? And so we're trying to get people to remember the core. And then think about how you innovate on all of the things but that.

Jacob 34:24

So you mentioned that you have some programs internally in place, and I think people would be really interested to learn about them. I know one of them is the digital accelerator program. Which maybe we can talk about briefly, because although I talked to Tim Ryan, about this, and also your chief, your chief digital officer, Joe, I forgot his last name. But he was your chief digital officer, but this was we talked about this like two years ago, so a lot of people might be familiar with it. So can you share some of the programs that you guys have going on internally like the digital accelerator program?

Blair 34:56

Yeah, actually. So think of them as layered. Right. So basically everyone in the organization is being asked to become more digitally capable. Right. And, and it starts with a pretty simple instrument, we basically, were all given an assessment, right. And in that assessment, you learn where you're strong and where you're weak and where you need to add capability. And and it gets updated, right. So it turns out that if you were good six months ago, you're probably not good today if you hadn't been investing. And so there's this continuous digital assessment. And we're all expected to do that. Then there's another layer, which is a set of people who actually are going to be the ones who help us get there faster, which is the program you were describing, right digital accelerators, and these are people who are taken off off stream for a period of time, give them some real intense learning, and then put back against client teams and client problems and help update our capacity there with a learning we've done with the prog group and then they're brought back in and They're taken out to the field and brought back in or taken out to the field. So they're continuously learning pieces of capability and then making it relevant. And what we've done since we've talked to you, I suspect is built a whole set of capacity around that. So one of the arguments that that Tim emphasizes a lot is a citizen LED. Well, it's hard to have our youngest and our most diverse people contributing, if we don't have a place to collect it, evaluate it and distribute it. Right. So we've essentially created our own marketplace and our own collection of materials that supports it. So we built the infrastructure to support the education at the same time. It's a massive investment and, and working really well.

Jacob 36:48

Yeah. So you say massive investment. Can you give people a context? Are we talking like a million dollars \$2 million?

Blair 36:54

Globally over a period of time into the billions.

Jacob 36:58

Wow. Okay, so you guys are Clearly putting a lot of time and effort and resources behind this.

Blair 37:03

Yeah, we're kind of betting the farm on digitizing the firm. Yes,

Jacob 37:06

yeah. Yeah. So I guess for your role, since you are leading a lot of the strategy and leadership stuff, do you work? Kind of like one on one with different leaders? Or do you create these programs for them to take or both?

Blair 37:20

Both. So the thing to think about is my job is global. Right. And so the real responsibility for developing the talent in the firm sits at a country level. And so Tim Ryan, who you described is actually the senior partner for the United States, right? And then we have a senior partner for 156 other countries in the world, right. And, and so the expectation is that the core development will be done by those territories and our job is to essentially ensure that the thought processes are in place and the architecture is in place to allow that to happen. What what what I spend the majority of my time time worrying about are the people who actually are going to be who have a job that has global responsibility. That doesn't mean they're in a global role. It could be the CFO in the United States, for example. But the decisions taken there matter to the whole world. Right? And, and so we worry about the Do we have the most senior leadership necessary to run the firm, but we also worry about do we have the thought processes in place so tdbc professional, which is kind of the, the architecture we use for describing what we're looking for in people, we were sort of essential in creating that making that get created in the first place. So it's thought leadership, and then a few people.

Jacob 38:39

Do you like when you're working with individuals, do you? Is it like a coaching relationship or how, how do you work with them? like, Well, hey, Blair, you know, I'm trying to, you know, become a better global leader, like, how does the relationship go?

Blair 38:56

So think of it from a couple of standpoints first. All you got to identify, right? So there's a there's an administrative function involved in it, right? Which is working with territory to say, what are the sorts of things, we're looking for forward looking leaders, who are they? You track them, you make sure that they're given interesting opportunities, you make sure that they're stretching the way they should stretch. So there's a job element to it, right? And then, and then there is sort of individual coaching and there's programmatic activity, both the most fun is actually working with the individuals one on one, the biggest impact is, is obviously the stuff we do programmatically. What's kind of nice, by the way now is you can do some pretty serious scale really fast. So give me an example. The most recent thing we did when we were thinking about it in January before COVID, we said, well, we'll probably do this in three months with a fair bit of money put behind it. We actually after COVID, put it together in three weeks and spent virtually nothing and it's probably better, by the way. So it's It the capacity to do impactful things quickly. Just went up a lot.

Jacob 40:07

Yeah, no, for sure. Okay, so for some for people listening to this who are thinking of how they can coach their leaders, do you, you said that process is also another critical aspect that you work on. So what, what kind of goes into that? How do you change that for leaders? Or do you have some leaders who don't get it? And you need to?

Blair 40:28

Yeah, so So I think there's a few pieces, right. One of them is what I was describing earlier about this job, which is in today's world, you can't sort of separate strategy from leadership or strategy from execution, right? And so you have to, you have to work with people to think about how they repair the damage COVID and rethink where they need to be in order to reposition the firm. And understand that a kind of firm wide level or a function level, whatever the responsibility is, But then say what does that mean for you? And really forced them? to pose the question, what are the requisites of a leader? If this is what we're trying to do as an organization? And then I think the other pieces sort of point out the paradoxes in that. All right, so I'll give you a couple of examples.

Blair 41:21

One of the things that we've been talking about with our with gird ourselves and all of our clients is the need to become way more technology savvy? Well, it turns out remember I said one of the one of the crises is the unintended consequence technology. So you've got to be technology savvy and a humanist at the same time. And so the issue is, you can't just focus on the one so you got to think about the compliment, right? You, you've got to figure out how to pick a bunch of very diverse people together, like we talked about before, but you got to do that in a way that actually reinforces your integrity makes you even more trustworthy and and more clear about your purpose. You've got to actually have the humility to seek a lot of input. But but actually the courage to take the decision, even though it's completely ambiguous what the right answer is, right? And so, it turns out that the issue you want to get people to reflect on is, which of those in my weak on, you know, am I am I weak on seeking input? Or am I weak on having courage? Well, we can actually recognize we used to say to leaders build on strengths. And I think that's still true. But now actually, you've got to, you've got to mitigate your weakness, because the other side of the paradox is just as important as the side that you're strong on.

Jacob 42:36

So one of the things that I talked about is the mindset of the chef, whereas the two ingredients that you balance are the technology and the humanity aspect.

Blair 42:44

Yes. Yeah.

Jacob 42:45

You have to balane it just right. Otherwise, the dish goes all out of whack.

Blair 42:48

Exactly. I mean, I think in a sense, you do a wonderful job of describing what I would call tech savvy humanist, right. There are five other paradoxes that you've got to resolve that was a tough one though. Because you know, in a sense, if you, if you're technically savvy, you probably have a W degree or computer science or math. And you probably didn't study psychology, sociology and history. If you studied psychology or sociology and history, you probably didn't take computer science. And so we actually need people who can put those things together. Because if they can't, we're, if you're just a humanist, and you don't have technical capability, you're irrelevant. Yeah. But you're, for technologists who don't understand people, you're going to create things that actually do harm, like I described earlier. So you got to put it together. Now I'm actually speaking to the master of that argument. So I probably don't need to go any further. People have heard this a lot from you. But let me just reinforce it's really important.

Jacob 43:39

Oh, yeah. No, I couldn't agree more. So we have maybe a couple minutes left, I think 15 minutes left. So let's jump to the next one really quick, which is around trust. Unless there's anything else that you want to touch on for inability to lead?

Blair 43:51

No, no, that that was so the trust issue is if you take three things I just described, right? You can understand why there's not trust. And so the scary data is that 4/5ths of the population in the world is surveyed by eight a month, which is a lot of the world essentially don't believe that the system is working for them.

Jacob 44:18

Four fifths?

Blair 44:19

Four fifths, that's a, that's a terrible number. That's 80%.

Jacob 44:24

Yeah, that's ridiculous.

Blair 44:25

That's a big number. And so it's predictable by the way that we had Wallstreet suit. And we had me too and we have black lives matter and this is a point I was saying was predictable, because essentially, a host of people that thing's not working for them. Right and it's across the board. So you know, people don't believe that the police are making them safer. People don't believe the legal system is fair. people worry about Am I in my pay my fair share of taxes people worry about is the education system creating the graduates we need? Am I am I gonna not have a job in the back end? And the thing that to me that's really important about this one and I guess the most important of the four and away is institutions of the kind of just described are like water to fish, right? You don't know you don't see them, you don't know them and actually want them to be invisible. But if they aren't working, you die, right. And if you're a fish, and if the institutions don't work, society starts to crumble. And so the fact that we don't trust our

institutions, if we don't take that one on in the next decade, it the heat that we're seeing right now just get hotter and hotter and hotter and hotter, and eventually, something pretty unhappy will happen.

Jacob 45:35

Yeah. And trust me, that's a that's a tough one. So when you're working with your leaders, is it? I mean, do you have leaders who are trying to do a better job of building trust with their teams?

Blair 45:48

Completely? Yeah. So I think the you know, I talked about institutional trust, right. But it starts with individuals. I mean, it turns out that you if you take the leadership problem I just described, you cannot fix an institution. You can't repair the impact of technology and you can't deal with a disparity issue. Unless you're trusted. And and there's a lot of things eroding trust right now, right? So, so a couple pieces of advice that that we apply ourselves, one of them is be consistent. And stay true to your values and know what they are. Right? And so use them use your purpose in your values. In every decision you take and explain that you're doing that. Right. be pretty transparent about why you're doing what you're doing. Be very self reflective and self aware and know who you are and the impact you're having on people. Right, and, and be transparent and pretty open.

Blair 46:47

That's hard. By the way, it's it showing that you're you're unsure is a tough thing for a leader to do.

Jacob 46:55

Yeah, I suppose most leaders are not trained to do that, right. I mean, you're supposed to have answers. Smart one that everybody turns to you can't, can't admit that you can't do something. Otherwise people are gonna think you're not a good leader.

Blair 47:08

Yeah, that's the that's the dilemma. So you have to be able to exude confidence and create confidence but also show fragility. so tough. It's a tough it's a tough act. But that can paradox.

Jacob 47:20

Yeah, exactly. So I suppose the best piece of advice for leaders who want to do a better job of building trust is start by being or showing some humility and vulnerability with your teams and then kind of build that, that connection

Blair 47:32

and sincerity, humility, respond to your ability, empathy and sincerity. So think about just do COVID for a minute. Think about the leaders you trust in COVID. Right, and I'm willing to bet that they were highly empathic, but quite definitive at the same time. They were inclusive, what we would call humble, right? But they were courageous enough to take the decision when a decision needed to be taken. And that's a hard thing, because just save it for a minute. So one of the really good leaders is Angela Merkel, right? She sought input from all sorts of people from all walks of life to decide what to do. I'm sure when she got that input, she sat and said, there's no right answer here. I have no idea what the answer is.

But she took it anyway. Right and had the courage to take it. That's that. So be courageous at the same time that you're humble and you're inclusive and you're sincere.

Jacob 48:36

So from these four, so we have prosperity, tech, integrated lead and trust. I think in your book, you guys also have a framework, the adapt framework, right? Yes. So maybe we can go through that in the few minutes that we have left? Because that's something that I suppose can organizations apply that framework and individuals or is it

Blair 48:56

it what it is, it essentially was the way we got to those four crises, right was we interviewed people from all over the world and said, What are you worried about? Right? And the same five things came up again and again and again. And we summarize. I didn't adapt and so adapt are the worries that essentially were the harbinger of the crisis. So asymmetry, disruption, age, populism and trust, distrust, right. And so they were the, essentially the way to think about that is that a taxi driver is worried about the same things that the Prime Minister is worried about different levels of analysis. But it's the same five things and they're the heats gone up in them as well, but they are sort of the harbinger of the crisis. The other thing to think about is what's the solution, right?

Jacob 49:47

Yeah. What is the solution?

Blair 49:49

So let's because that's the second half of the book, right? So the key piece to it is if it's the case that the simple ideas of Globalization technology in simple measures what we call financialization, where the cause one half of the solution is to create institutions and a culture that supports Let's be really good locally before we worry about being strong globally local first, right? Let's actually worry about the unintended consequences of technology as we're designing it, and humanize technologies, designing it. And then let's actually ensure that we have broader, more comprehensive measures. So as we're looking at success, and we're strategizing, strategize to a more inclusive, more interdependent world. I just said a mouthful, by the way, because essentially what I said is you were asking it to start the conversation. You know, what got you into Fuca. It turned out at fuchal. We taught globalization, technology and financial ization for every year of my career.

Blair 50:51

So we're saying to people rethink the entire model and make it more balanced. The problem is, there's a second issues that are so urgent that we can't wait for that to get fixed, right. And there are two for me in particular, one of them is we've got to get our arms around climate facet. And we have, and we've got to create small business at scale really fast. And those two, I would say, we need a massive, fast solution for nice thing is Toby taught us how to do massive fat. So there's some simple principles we can apply.

Jacob 51:26

So what would be those principles? And also why so why should leaders listening to this care about climate change or small business, they might say, you know, that's not my responsibility. I just got to worry about my workforce, my p&l. I don't need to think about that stuff. That's like government stuff. That's somebody else's responsibility.

Blair 51:45

Exactly. So So let's do climate first. So the first thing is, you're going to be forced to get to net zero Like it or not, because the policy was going to make you go there and so you might as well do it. By the way, your investors care about it. So there was as met just before COVID occurred, there was this massive movement among the investor community to worry about sustainability as a factor in business, that's going to escalate every year that things get hotter and worse, that's going to escalate. The second point, though, is really practical, which is, there are physical risks associated with climate. So let's imagine you hold real estate in downtown Miami and the first the first floor is underwater. You kind of care about it now. Right? Let's imagine you're in California and your property sits in front of a mudslide, let's imagine you own timber, and it's under fire, let's imagine and so every business in the world has physical risks associated with climate, and every year they're going to get worse.

Blair 52:48

And so if you don't care about the long term future of your business as in one or two or three years, don't worry about it. If you don't care about your investor community, don't worry about it. If you don't care about actually The pressure is going to come on you anyway, don't worry about it. But I think we kind of it's here now and today, right. And it'll be forgotten a bit because balance sheets are pretty damaged, and we have to recover from it. But as soon as people can turn their attention away from COVID climate is going to come back with a vengeance. Now, the Small Business one is is important on two counts. The first is, for many businesses, small business is the first step in your supply chain. And if they're damaged your supply chain is that and by the way, you're going to be forced to localize your supply chain in many cases, because for national security and resilience reasons, we're going to force people to localize you're gonna have to rebuild that and it starts with your fourth tier supplier as a small business. The second one is that your customer in the end, if it turns out that the small business doesn't come back, employment doesn't come back and the people who buy your products come back and so your total opportunity is whatever number smaller values are is that take that percentage off your revenue stream on a forward looking basis?

Jacob 54:05

So will impact the bigger companies as well?

Blair 54:08

Completely?

Jacob 54:10

Yeah, most people I don't think about it from that perspective. They just think about kind of the, you know, the day to day aspects.

Blair 54:16

So, so part of the reason is that, that there's a difference between you know, for a long time what was happening is we were aggregating small businesses into bigger businesses, right. So there's half as many publicly traded companies today as there were 15 years ago. A large reason for that is scale. The other reason is it moved to private right but a large reason for that is the firm's are huge, right? We were talking about firms worth near trillions of dollars, right. That's, that's pretty big, and and they're massive and their impact. So I think the important point, though, is that eventually that runs its course and you've eaten your tail and you no longer have a customer. Right? Eventually that runs its course. And there are too many towns that don't have enough financial wherewithal and not enough people who can buy your product eventually that runs the course. And so it's back to my point, which is great idea for the first 70 years, the next 70 years not so good idea.

Jacob 55:17

Yeah. And that's when it becomes even worse. Um, so maybe before we wrap up, we can talk about some some tips that leaders might be able to implement maybe right after they're done listening to this podcast or watching it. So let's say they just finished or they're like some, some tips, maybe three to five things that leaders can start to put into place some actions that they can start doing to kind of move things forward.

Blair 55:43

Yeah, so the first is look at the direct implications for your company of a of climate risk and I need to get to net zero look at the direct application of your company have can you actually complete gnuplot company platform based world are you ready to compete? And if so, do you understand what you might be doing? He didn't mean to do take a look at whether or not you're prepared for the pressures toward localization we're going to see. And then and then if you dealt with the workforce issues associated with those three things, there's the kind of strategic issues that's part one right?

Blair 56:19

Part two is look at yourself and your leadership team, and are you ready for what I just described. And as you made the investment, you need to to deal with it, and and be able to compose a team, probably people who are very different from you and respect that difference. So one of the ways to resolve the paradox so if you're a great technologist, hire somebody who actually gets how human systems work. If you're really good at people, make sure you got a technologist talking in your ear but respect them. They usually don't respect the thing we're not good at right? So that's a second piece to make.

Blair 56:51

The third piece is pick a place you care about and make it better. Pick something That is really important in the firm and change it faster you've ever done before. So one of the cool things that COVID is done is it's taught us we can do things overnight. And what's kind of nice is if you say, I'm going to solve this problem in the next two weeks, all the bureaucracy disappears. Right? all the reasons you stopped doing something disappear, because you just blow through it right? Now, it better really matter. It better be something that really, really matters, you better be willing to bet the farm on it, you better be willing to do all the things necessary to make it happen, but do it and then the other piece I was describing is step outside the firm. Find a place you care about and make it better.

Jacob 57:41

So when you say find a place you care about

Blair 57:44

the city, the town and village, the county,

Jacob 57:46

So actually like a location,

Blair 57:47

location, I mean location you care about making better and you can say, Blair, why does that matter for business? The answer is, if you are working on making something in the world that's physical geography better. It will force you To think about all the things you're not thinking about today that are important for your business. And then when someone comes back and says you're the bad guy, you're not. Right, because you're actually working the issue. Right. And so it has two positive benefits you actually are helping. And so if I go back to your question, you know, one of our leaders who said, I'm going to worry about Black Lives Matters in diversity. And they did did it before it was a big issue. Right. And I think that taught a lot to us as a firm. And it actually puts us in a position where we're kind of on the right side of the balance sheet when people start judging how you're doing. Right. And everyone should do that.

Jacob 58:41

It's a very unconventional tip. I haven't heard anybody say that before. So find something that you care about, or a place you care about and try to make it better whether it's, I guess, this could be anything, right. Whether it's volunteering, whether it's

Blair 58:53

but really make it better. Don't fake it. Right? go after it. Yeah, like so that's why I say a place You care about if you care about it, make it better. And go after it because too many people play at doing something that matters. And and if you work on doing something that matters, what happens is you'll see all the ways in which you're missing things in your business, right? So it teaches you a ton of life lessons.

Jacob 59:20

So what's an example of finding a place and trying to make it better? Like, maybe somebody listening to this? They're like, okay, I really like San Francisco. I really like Alameda. How do I how do I make it better?

Blair 59:32

So So find the thing in the place that's not working. Right. So give you a specific example from the book. Right. So the town I live in, when we first got here was really in desperate need out, right it Durham, North Carolina, we downtown was hollowed out. We had two school systems, the city system that was primarily African American, the county system, and the school system was not very good. We'd had this really successful set of middle class blacks and black businesses. But they had this

community we paved over with a highway, we just sort of tore it apart. And, and so it was a pretty unhappy place. And then what occurred is a guy from Raleigh actually said I care about the city in any went back and said, What are the bad things? What are the things we think about are the problems so the tobacco business had built her right and, and we had a movie that we were famous for, but a pretty lousy baseball team, right? So he said, Let's take the things we think about as bad and turn them into a positive narrative.

Blair 1:00:38

So we took the tobacco warehouse, the Duke family started the business in, completely remade, it's one of the coolest places you've ever seen. And it connected the downtown with with the wealthy west side of Canvas, west side of the town, and then we built a baseball stadium and upgraded the baseball team. And so the two things that were kind of the negative narratives that we thought of with ourselves and others became kind of rallying cries it's a positive story we, we brought them into the 21st century, right? And so find what's not working, find a negative narrative and figure out how to turn that into a positive story for the place you care about.

Jacob 1:01:15

I love it. That's I think that's really cool advice. Well, Blair, where can people go to learn more about you and grab your book?

Blair 1:01:24

Well, uh, they can go to any of the sites that sell books. If they go to the PwC global website, right on that website, they there is a book and if they want to look at Blair Shepherd 10 years to midnight, it will send them to a PwC site that describes it and probably a place to go by the book. There's a bunch of other stuff we've written and and it you'll find it when you go to those same locations.

Jacob 1:01:51

Very cool. Well, Blair, thank you so much for taking time out of your day to speak with me.

Blair 1:01:56

Thanks for talking and I'm sorry for the whatever happened in the computer that stopped.

Jacob 1:02:02

Hey, It happens it happens. Well, thanks again and thank you everyone for tuning in. Again. My guest has been Blair Shepherd make sure to check out his book is called 10 years to midnight for urgent global crises and their strategic solutions and I will see all of you next time.

Blair 1:02:20

Thanks a lot.