CEO Of Lumen Technologies Kate Johnson's Pioneering Leadership

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Hey, it's Jacob. Have you ever wondered how the world's top CEOs lead through change, unlock the potential of others drive business performance and create trust? Well, I wondered that very same thing, which is why I wrote my brand new book coming out October 3, called leading with vulnerability. Again, I interviewed over 100 CEOs and organizations around the world and surveyed 14,000 employees. And I started out with a very simple question. Is vulnerability for leaders the same as it is for everybody else? It turns out the answer to that question is no. So if you want to learn more, preorder a copy of the book and take advantage of some of the really cool bonuses that we have coming out, go to lead with vulnerability.com. Again, that's lead with vulnerability.com. And now let's get right into the show. I talk to a lot of CEOs and they always tell me that helps make them successful as they take on the hard job, complicated jobs, jobs with risk, the CEO can actually tell you what the adjectives are like, Hey, we got to be customer obsessed, we got to innovate, we have to rely on execute. We got to simplify things. And we need to transform our culture. And we need to go from a shift in mindset of playing not to lose to play to win thing. I like the way that you phrase that way to avoid losing versus playing the wind, you could be considered a winner by not losing. How do you change that mindset, you don't show up and be like, Okay, now we're winners, everybody get bold. We need clarity of mission, purpose, and priorities. Our job is not to be right. Our job is to get it right. That kind of mindset is probably a good thing to carry out. Those are the real measures of success.

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Hey, everyone, welcome to another episode of great leadership. My guest today is Kate Johnson, you may remember her from an episode I think we did a couple years ago now back when Kate was the president of Microsoft in the United States, which I believe at the time was a $45 billion company. Or you were responsible for $45 billion there. And now the CEO of lumen technologies, responsible for around $20 billion 30,000 employees. And you can correct me if I if I have my facts wrong there. And you're also a board member at UPS. So Kay, thank you for joining me. It's great to be here. Thanks for having me. So did I get those numbers right and looming? That's kind of the the recent stuff that I read $20 billion 30,000 employees? Yeah, I mean, we're, you know, we're in the middle of some divestiture. So depending on where they snap the chalk, yeah, take what they write about. But it's, you know, it's a fortune 500 company. Yeah, we've got, you know, a lot going on, and I'm excited to talk to you about it. And so one of the things that I read, or at least we're Europe hearing quite a bit as of late when it comes to media and new stuff is around changing the corporate culture. And there were a couple of headlines that I read, you know, Kate Johnson, changing the corporate culture, at Lumen or you know, she's going to transform XYZ. And I thought maybe we could take a step back first, and you can introduce lumen as an organization, what do you guys do? And maybe what? Well, even before we talked about cultural Why did you even take on this role? Because you were in a very comfortable position as the president of Microsoft United States, what is it about this role that drew you to it?

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Oh, so many things. So I'm a huge lover of change, leading change super complex problems.

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You know, I love this notion of putting people first. And all of those things represented the opportunity and lumen, lumen Technologies is a networking company, think about us as traditional traditional Telecom, meets tech. So we've got an incredible physical network where we run, you know, we basically digitally connect people data and applications quickly, securely and effortlessly. That is our mission statement, it describes about the physical network, but also this notion of to bring more value to customers. We're moving up the stack and creating more advanced services to help them secure it to create and bring edge cloud capabilities for them. So they can push their compute workloads wherever they need them to be able to consume the data. So that's, that's who the company is. But, you know, if you know anything about Telecom, super, duper amounts of pressure, the business models for you know, how do you get more value out of the physical network? And how do you stop the commoditization of that, you know, that value proposition? How do you address sort of voice customers who haven't yet moved to new technologies and are kind of, you know, lagging, but there's a slow churn and decline in the business model. Lots and lots of pressure there. And that's what made it complex and interesting. You wanted the pressure. I want, I wanted, I wanted the opportunity to transform and to disrupt and I think we are

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ripe for doing exactly that. Yeah. Well, it's funny, I talk to a lot of CEOs. And, you know, one of the things that they always telling me that helps make them successful is they take on the hard jobs that a lot of people sometimes shy away from the complicated jobs, jobs with risk, they get out of their comfort zone, they know they're in good spots. And I always ask them, Well, why did you leave you were doing so well, you didn't have to, like, well, you know, I needed to grow, I needed to learn I need. I remember, it was the CEO of

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AccorHotels, Sebastian, the Zen, and, and he said, Look, I'll be honest with you. And he's like, everybody on my team knows this. The second I stopped learning and growing at this company, I'm going to quit a CEO and I'm gonna go do something else. And I'm like, wow,

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you don't really hear a lot of people say that. These days, right? We want to be in our comfort zone so much.

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So let's talk a little bit about the culture aspect. So transform the culture. So you you get to lumen. What is the culture like that? It needs transforming. I mean, it was like this terrible, toxic, you know, horrible environment, and you're like, Oh, my goodness, it's got to change. No, definitely not. I think you go to the first you go to the business problem. It's like, okay, we are in a declining market, and we're not

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executing well. And we're a collection of companies that have merged to try and get scale. We've been operational efficiency focus, trying to chase those disinter, geez, you know, when

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our chase the synergies and get rid of this synergy, when when we we conjoined the companies are merging them all. And that inward focus

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becomes a part of mindset and culture over time. If you're going to transform this company, if Lewin technology's going to pivot and get the growth, then what we need to do is start with the people and the mindset of who we can be. So it's not just okay, we're just gonna change a culture, and then I'm gonna move on to the next hard thing. It is a multifaceted, incredibly complex plan that required or is requiring so many things. But we started with

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spending the first 100 days around clarity, we clarified our mission, I said before, it's to digitally connect people data applications quickly, securely, effortlessly. The reason why I did that was because we've kind of lost our way on who we were, we were doing a little bit of everything. Are we a cloud company? Are we a telecom company? Are we a tech company? Are we, you know, a voice company like Who are we. And so that's the mission and everything we do should increase to that mission. The next thing is you got to get the right people in the right roles. And so we assembled a leadership team and executive leadership team, that's a combination of longer tenured people from lumen, and its various, you know, sort of Mother companies, with several executives from the technology space, because we're bringing technology and putting it on top of this telecom company to become disruptor in the marketplace. So

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we rolled out, you know, five core priorities for the company, but you wouldn't be surprised. It's like, Hey, we got to be customer obsessed. We got to innovate, we have to rely execute. You know, we got to simplify things. And we need to transform our culture. And you say, Well, why is it number five? I always sort of put it at the foundation. It's not that it's fifth, it's that if you look at our Northstar strategy, the summary of who we want to be, we have our culture at the bottom, we have our operating principles of Team trust and transparency. And we've got these five core beliefs of you know, clarity and courage and customer obsession and growth mindset. Together that that define our aspirational culture, and is the culture that can enable change. It's the culture that can enable our pivot from who we are today to who we want to be, which is a telecom company with a bunch of great tech that brings incredible value to customers.

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So you so how would you articulate kind of the current to the present? Like you're right, I mean, Satya Nadella was famous for saying we want to go from a learn at all culture to a I'm sorry, from a note all culture to learn it all culture. Yeah. So Lumina. How would you describe kind of like where you are now? Would you would you say that it's a little bit more fragmented and siloed and you want to get to something a little bit more cohesive and aligned or what's like the before and after? If you had to

summarize. If I were to do to be as eloquent as the great Satya Nadella. I would say we need to go from a shift in mindset of playing, not to lose,

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to play to win. Okay, and the shift is massive. If I'm playing not to lose, I'm reactive. I take time making

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decisions because I'm hoping the other people in the in the marketplace actually choose the wrong thing and give me an indication of where I can, you know, go, I spread my bets them across a bunch of different

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investments because I don't want to be too bold with one or the other, I'm afraid to lose, yeah, you're free to lose, you're not going to take risk. If you play to win, then you clarify your mission. And you say, these are the things that we need to do really, really well. And you reallocate your capital. And we did that we made a very difficult decision in November to eliminate our dividend. And to take all that capital and invest in a portfolio of change programs that will fundamentally change our business processes and infrastructure to provide enduring value for customers. That's massive. Yeah, that's, that's play to win. Okay, we're gonna build a growth company. And here are the collection of things we're going to do. Versus we're going to try and slow the decline as much as possible. Totally different mindsets.

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With hybrid work is the new normal, how are you collaborating securely and making sure your data is safe in the cloud AvePoint has your back. AvePoint provides the most advanced platform to optimize SAS operations and secure collaboration, no matter how big your business is, or what it does. AvePoint can help you modernize your digital workplace, over 17,000 companies trust AvePoint to rapidly reduce costs, improve productivity, and protect your data with the renowned confidence platform, visit AvePoint. today to get started and learn more, that's AvePoint AVPO i n t.com.

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Yeah, it's really interesting. I like the way that you phrase that play to avoid losing versus playing to win. And it feels like a lot of leaders honestly, inside of their roles are very much playing not to lose, you know, it's very, very defense, it's kind of like, I'm going to wait for the ball to come my way. And I'm just going to try to stop it from going in the net, as opposed to like, I'm going to go on offense, I'm going to be the one that's going to try to score.

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And you're right. I mean, that seems like a very difficult shift to make mentally. How do you? How do you go about doing that? How do you go? Well, first, how does that that mentality creep up inside of organizations? Is it complacency? Where at one point, you know, the company was doing well, and now all of a sudden, everyone's in their comfort zone? And they're kind of just like, you know, let's just coast? I think it's market conditions. Right? If the market is such that there's a great shrink is happening, and nobody's innovating, yeah, you can snap into that role really quickly. And frankly, you know, you could be considered a winner by by not losing. Yep. You know what I mean? There's a story

to be stuck in there. But it can't last forever. And that's what we had to sort of address was this existential need to pivot the company to start performing? And so that's kind of the first thing is like, but how do you how do you change that mindset, you don't show up and be like, Okay, now we're winners, everybody, you know, everybody get bold, you have to think about what the company needs to pivot, they need to know that people come first. That's why you see, when I'm outside the company talking, I'm talking about our people, because they're our number one asset. Don't get me wrong, the several 100 billion dollars that we invested in our physical network. I'm a huge fan of it, too. It's the ground rule. But it's nothing without the people who actually run it, and innovate against it and deliver the services to our customers. And those are the people that we have to figure out. How do we get all 29,000 plus of them marching in the same direction? First thing is we need clarity of mission and purpose and priorities. We've got that we need to change portfolio of programs that are funded. We've got that then we need to address this this thing called courage. Right? And the culture, how does it support people who are actually brave? Yeah, to support people who make courageous moves and decisions. And like most corporate cultures, where they're in sort of the same situation, declining market, super tough couple of years with respect to performance.

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It typically doesn't reward the bold or courageous human. In fact, that's oftentimes discouraged because you're in survival mode. Yeah. And so that's why, you know, I mean, I did that at Microsoft. I think we might have talked about it where I called up Brene Brown and I said, you know, you're a world renowned courage teacher. Could you cut among other things? Could you come and help me bring this courage to our 20,000 people, so we're rolling out her methodologies called dare to lead to everyone both

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You know, hourly and, and, you know, non exempt and, and basically training them on how to have really tough conversations, speak truth to power point to areas where things aren't working well and get them to rumble and figure out how to fix things, how to really understand how values play into teamwork, how to help each other build trust more quickly, because there's oftentimes a lack of trust in these cultures where you're playing to lose last and,

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and by the way, I remember trying to survive in in those cultures where the company revenues are declining every year, there's layoffs every single year. Yep. So you are literally playing a game of survivor. And if you put that, on top of everything that I'm talking about, it really does drive a lot of the behaviors. And then the last thing is resilience. You know, when you when you skinned your knee, or you fail, and you don't know how to get back up and get rid of the voice in your head and keep going. It can be very demotivating. And it basically precludes you from ever taking risks. So, so those are the skills that we're working on. We've trained the top 200 people, the company already, we're rolling it out to the director, communities, about 1400 people. And then we have a year long contract where we're cascading that, that work and training out to the entire company. Yeah, that's fascinating. Yeah, like that. You mentioned some of those things. Actually, I don't even know if I shared this with you. So I have a book coming out later this year called leading with vulnerability, which kind of builds builds on some of that stuff, too, which is a very, very important theme. And so I interviewed 100 CEOs and talk

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to $14 and surveyed 14,000 employees really looking at that kind of vulnerability aspect inside of organizations. So I love that you bring that up.

So maybe kind of taking a step back to culture? How do you know, and I suppose a lot of leaders are probably wondering this as well. How do you know when it's time to change a culture, because you're in it, and I suppose for you, you came from a different company, you know, you were outside, and it was maybe easier for you to identify the change needed to happen. But sometimes no leaders of teams, or leaders, the functions and even organizations, they're in that culture so much that they probably don't even realize that anything needs to change, they probably assume that everything's fine, because there there are there some kind of, I don't know, a warning signs or red flags that pay attention to when you take a step back and say, Hey, wait a minute, you know, we probably need to make some cultural changes here, because the direction that we're going in is not the best one. I so I'm a huge fan of third party assessments of where you are best gonna start with your performance. Right? So so I'm not investing in changing our culture just to deliver a great employee experience. My job is to deliver return to shareholders, yeah. And that's going to require customers who are really, really happy to with us and loyal to us, which can only be achieved by employees who are happy with their jobs. So it's like third derivative, but you actually start there. Because that's how you drive great performance is you get the culture, right. So anywhere where you have gaps in performance, I would suggest, take a look at the culture and seek help from the outside. Because if you look, go to the outside, go to any one of these, you know, fishbowl, Glassdoor, et cetera, what adjectives are used to describe your company? Yeah, because what those people are saying, if you're a CEO, and you say, that's not true, you're wrong. That's their perception, and they're living it. And so that's your reality that you sort of have to deal with. I think that's kind of a way to think about it, you want performance, you got to have the right culture. There are some, there are some companies that are just growth rockets, right, that they have a founder who came up with an incredible idea as the one in a million. And it's hugely successful, and it takes off, but they have a toxic culture over time. It almost always catches up with them. I can't think of any exceptions to that rule. And then they have this thing where they're like, remember when we used to be great? What happened? Oh, well, we now we have fear. We had to be the smartest person in the room. You know, we had bullies, we had this, we had that. And they gotta go back and fix that. Yeah. So I guess part of it is paying attention to signs that you might notice part of it is getting other people's perspectives, third parties. And part of it seems like also is reliant on having a little bit of self reflection where maybe as a leader, you periodically I don't know if you do it every month or every quarter, I just kind of take a step back and say, Are we doing things? You know, do we have the right culture that we need now to, you know, go through the next year or two years or three years?

So probably three of those things together would would would be useful. Anything else you would add to that?

Yeah, the CEO can actually tell you what the adjectives are. That's one thing that I've learned and senior people, because they're not the ones seeing the behaviors, right? Everybody shows up in the boardroom in a completely different fashion than one or two, or three or eight layers down. And so the

people with the answers, the people with the truth, are not at the top of the company, those are the people that are setting the behaviors. And unless they're the most self aware people on the planet, you have to describe what the culture is for the people who are living.

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Okay, so well, that adds, I guess, another challenge to that. So then. So then what do you do there? If you as leader can't be the one to give the adjectives I guess you need to create that space where people can have that conversation, and you just listen and observe instead of tell?

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Yeah, I mean, there's lots of different, you know, approaches. The third party is super helpful what we did at lumen, which I'm, I'm excited about, because it really seems to be giving us transparency. And truth is this notion of, here's who I think we need to be the common denominators of successful digital transformations with respect to culture, growth, mindset, courage, clarity of mission and purpose. Every company that's done really well has had those as I key attributes of the culture. So I didn't just invent them and say, This is who we're going to be. I was like, Okay, what did we have at Microsoft? What did we not have a GE, what did we have, you know, other companies, let's look outside, you know, what a bunch of books, their books dedicated to this, you're writing one, you know, leaving with vulnerability is this key. If you're not vulnerable, you're not going to be open to getting it right, you're going to show up and think you're right every time and that's just not work, right. But but the leadership team can bring the aspired culture description to the people. And the people can say, you know, we're close or not close. But you have to have this open dialogue. And one of the things that I did at lumen, which was an incredible learning experience for me is I would host

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five to six people a couple times a week in the VP community. So VP, plus, we've got about 150 175 of them, five or six for an hour. And I would just say, what do you wanna talk about in a virtual call. And

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at first, everybody was like Zipit, and then once we launched the strategy, they would start poking on it, and like, observing it, sort of reflecting on it, talking about it as if it wasn't theirs. And over the course of a couple of months, when we rolled it out, and asked them to roll it out to their people, the questions went from, you know, asking about the strategy about the culture and all those things, to more of owning it and saying, Hey, I'm trying to roll this out to my people. What do you think about this? What do you think about that, I started doing the same kind of casual meetings, this time with larger groups, 2020 people at a time with the director plus community. And I could see the gap in between our aspirations versus our live reality. Because they told me, they were comfortable. They're like, we know you're not going to fire us for telling you the truth. It sucks. You gotta help us. Here's the gap. And I'm like, thank you so much. I'll go work on it with my team. Come back when we do check. So you gotta be ready to hear the god awful truth, though. Yeah. Which can be, you know, oftentimes discouraging. Yeah, I remember, actually, when we talked a couple years ago, you told me that. And I think I asked you what separates mid level leaders who are stuck. And actually I'm going to ask you see if you remember what you told me.

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I said, What What's the number one thing that separates mid level leaders who are stuck in their careers, from leaders who are able to move on to that next step, and to grow and really make an impact? I don't know if you remember what you told me. But it was something that I share all the time. Maybe owner versus executor, owner versus implementer, their mindset, mentor, okay, so if you really believe in the mission of the company, you know, you're out there and you're leading the people to go help deliver those results. If you're just plodding along, and implementing or executing against a set of orders that will keep told us we had to do this. That's a different leadership. Driver, one's a passenger, and you need both. But the truth is people want their leaders to be inspiring they want their their leaders to believe in the mission. And that's that's an important part of how you activate a group of people is you talk about the why the why is in the heart, your heart. Here's why we're doing this. Here's what

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We believe, do you believe or not? Because if you do, to heck of a lot easier to sign up? Yeah, no, I couldn't agree more.

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Well, can you share a little bit about what what your transformation has been like so far? So how long have you been CEO of lumen?

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Five months, five months. Okay, so, yeah. So let's say it's day one. Do you remember sort of what your first day was? Like? I mean, so you you knew going in? Okay, part of what I want to do is change the corporate culture at lumen. What did day one look like for you? week, one month one, because, you know, for a lot of leaders, and again, not everybody listening to this is the CEO of a multi billion dollar company, but maybe they're leading a team of even like three to five people, right? Something small. Sure. And they probably get to that point where like, Okay, we want to change our corporate culture. We want to move from this to this. Tomorrow is the first day what do I do? Do I just come into work and start talking about it? Do I do listening? Like, what what is the process? The steps for the strategy look like? And what did it look like for you? So I'll tell you what it looked like for me, although I'm, I'm super sensitive to the fact that it probably doesn't help the three to five person team leader, but I'll get to that in just a second. So when you're when you're interviewing for a CEO role,

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that the amount of time it takes for a board to select somebody is like six to eight months? Wow. Is that how long you were interviewing? Therefore?

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Yes. And you event depending on what the process is, and who's running the process and how they've decided to do it, it oftentimes requires a white paper from the candidate on strategy in the company, the word changes, the org alignment, the you know, the culture change, and all the things that you're you're looking at, and you're talking about during the interview process. That's just like a half a dozen little conversations. It is a deep dive. Actually, I'm very I'm very curious now, because I've never asked anybody this before.

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So you mentioned and this is a little tangent, but you brought it up? And I don't know, I'm very curious what that interview process was like, because most people who are listening to this, they know what the interview process is like, for normal job. Sure. I mean, you you you apply for a job posting, you have a couple of conversations, and then you know, you, you go down the usual route? Yeah. How is it different for a CEO? So six to eight months? Did you submit a cover letter? Did you submit a resume like everyone else? So first of all, you know, I've had a couple of positions that have been visible in the market. And I was known as a growth leader, right, a person who builds growth engines in on the commercial side. And they were looking for someone like that. So they developed a list, by the way, I, you know, having been through it. And now knowing the board, I'm actually really impressed with their process, how thorough it was, it wasn't fun as a candidate. But knowing how they do it. Like as we start to think about new board members, as I hire new executives, I really trust this board, you know, for how they think about assessing talent. But basically, they they call together a list. They call you, sir, are you interested in this, I was seeking, you know, a CEO role. And so I said, Sure, put me on the list. I'll skip all the gory details. But you go through, it's a funnel, and you go, you know, you got 2025 candidates, and you're getting down to the final four that go in person with the board and do like multi hour long presentations and inspection of your strategy paper. And if you're like me, you say, Well, I am not an expert in every single function of a company. So I assembled a team and

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hired people to help me. And we looked at the debt structure, we looked at, you know, the equity valuations, I looked at the competitive landscape by, you know, I went deep, and I learned a lot about the company. And so to answer your original question was when I was so fortunate to get selected and I'm incredibly grateful to this moment. And even on the hardest of hard and hard, hard days. This is a privilege to lead this company. And

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you know, when when I got to the company, remember I had this white paper, that was basically the strategy for how we would pivot to growth, but you're not going to be like Okay, everybody, here's your copy. Yeah, everyone, everyone read it. Come back tomorrow. It will be good to go.

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Page two over there. No, you you can't I kept that in the wings. I've never shown anybody that paper actually and

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I went on a listening tour. And I spent time with my leadership team. And we did these multi hour functional reviews where they brought in their team and their teams teams. To start to get to know people, I started these forums to talk to the VPS. But I think the most important thing I did, and it was kind of born out of this,

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this interaction that I had, it was my fourth day, and they did an all company Townhall. Right? So a couple 1000 people in person, the rest of everybody's online. And,

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you know, we did a normal earnings, you know, release readout and a couple different functional reviews. And then they introduce the new CEO and I came on, and I talked for 20 minutes about cultural aspiration, because that's the one thing I said, Hey, common denominators of successful companies. You know, that's what we need to be. I told them my favorite books, I said, Hey, I'm a huge fan of their lead. I'm huge fan of Growth Mindset by Carol Dweck. I'm a huge fan of new debate by David kidder. And everybody went in and bought the books and started reading them and sending me emails, which was cool, because it gave us something to sink our teeth in. Yeah. But there was a woman in the audience, Jacob that raised her hand during q&a. And she said, Can you please tell me what this company looks like in five years?

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And I said, it's my fourth day.

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No, I cannot. But I will tell you that we're going to run a process where together, we figure out what this company is going to look like, in five years. Yeah, I can tell you the one thing I know for sure is we're going to win like hell. And everybody got excited about winning. And this idea of you know, that's the goal is how do we pivot to growth to win. And right after that, I went back in and met with, you know, the senior leadership team, the SLT, and I basically said, Okay, we have to assemble a North Star team, I want each of you to give me your best performers, we're going to put them in a room for five, six weeks, and they're going to build out our strategy, our mission, you know, the cultural aspirations, dive deep into customer problems, interview customers, we partners, interview other employees, and get them involved. And that Northstar strategy deck became the foundation for our turnaround for our reset. And if you compare it to my white paper, it is not one for one. But what I know is the white paper helped me ask the right questions. And the people of lumen know what we need to do. Yeah, donation was very powerful. And by the way, what you said there that's. So when I talk about leading with a vulnerability, that's actually I think you gave a perfect example of that. And so I think one of the challenges and it's, you know,

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I guess I haven't really shared this before, since the books not coming out till October, but I don't think we need more vulnerability inside of organizations, I think we need more leading with vulnerability. And so to me vulnerability is this idea. For example, if somebody asks you, can you share where the company is going to be in five years? If you would have said, No, I can't, I'm sorry. Like that's vulnerable. But that's not leadership. So the big difference is to say, What you said is, no, I can't, but what I can tell you is we're going to win like hell, I can tell you that we will come together to figure it out. And so that, to me, is the difference between being vulnerable versus leading with vulnerability. And oftentimes, I think what leaders forget, is that you need vulnerability plus leadership, not just the vulnerability piece. So I love that example that that you mentioned and right up there. Do you remember

where you were when you found out that you got the CEO role? Did you just get a phone call randomly that says, hey, pack your bags?

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I do remember where I was because it's a it's a bit of a moment. And I was, you know, happy time for me. I was drinking coffee, and I picked up the phone and I with my husband, he was sitting next to me. And I did not tell them who it was. And I just said, Hi, this is Kate. And it was recruiter and he said, Well, I have some good news. Are you ready for it? And I ran into recruiter, a recruiter called you and told you got the CEO role. Yeah, retained search firm. Oh, oh, yeah. Like the CEO or like, the Executive Board member or somebody would have been like, Hey, Kate. Hey, Kate. They want to remember what you got the job but now you got to go through this conversation around all the details and before there's you know, any champagne, uncorked. You have to go through that grind. And then and then you you have a really nice handshake and high five with the board members and the and the chairman and everything and it was the recruiter that calls first That's fascinating.

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Alright, so getting getting back to the the culture piece and sorry, I digress there. I'm just very fascinated and kind of at any time what that looks like. So we were originally talking about where to begin and you mentioned doing listening, you mentioned you did this white paper

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And so what, what's the next step after that? And by the way, I think that's also very relevant. Even if you have three to five people, right? As you sit down, you go grab coffee with them, and you say, hey, you know, tell me what's going on? What are your challenges and frustrations? I'm not gonna fire you. Right? I'm not waiting you out here. Yeah. And then what's next? You tell them what you learned. So that's the most important part is the closed loop. Here's, here's, here's where to hurt. The problem is when you have 20,000 people, you have to a do it a bunch of different ways people consume information in different ways. So whether it's email or videos, or live calls, everybody has their, their preference. So you have to do them all. And so I, after 30 days, I filmed a short video that basically said, Here's what I learned from listening to all of you, here's what we're going to do about it. Here's what you can expect from me in the first 100 days, and I listed five deliverables. And then from day 30, today, 90, which day 90 was my first earnings call, I basically dropped video updates as regularly as possible. And, you know, spent as much time doing pop up town halls and meetings, to tell them where I was against the five deliverables that we had agreed to, to assemble as as a team. And there was a, I think, a fair amount of gratitude, also frustration, because you can't stick the landing on all the details. And so they were like, Well, that's nice, but you're still up here. And then you know, as I tried to get closer and closer and closer to enough detail for people to consume, and by the way, we're still on that journey, because we're in the second 100 days. But you know, we, we've got a lot of work to do, to bring our vision to reality. But communication is the essence, it's that closed loop, you can tell me anything. And I'm going to synthesize it and process it and vetted against other things that I'm hearing. And then we're going to come up with a plan, and I'm going to tell you about it. And then you're going to tell me how we're doing against that plan. And then I'm going to tell you what I heard Yeah, feedback loop. How do you create that environment where people can tell you anything? Because, as you know, obviously, your new CEO people like, you know, who is this person? And what is she doing here?

She's telling me, she wants to know everything like what? Yeah, that's weird. I create that space where people can actually

do that. And they can trust you to do that. You build a container to say, here are the boundaries, in bounds out bounds. You can tell me anything, but you're not going to believe that until you tell me something bad. And I react in a way that makes you feel like it's safe. And I guess we've all agreed that the word safe spaces is a terrible phrase. It's like brave spaces. We're going to create brave spaces where you're going to actually tell me things and tell my leadership team things. By the way, I'm not suggesting that we have this perfect, right? Like, there's lots of layers of management, and we have to figure this out. But modeling it to prove to people that you can tell me anything we're gonna get through it is really, really important. And in the beginning, there's confusion. Well, are you saying we're not accountable for anything, because if I could say anything or anything, then I'm not accountable? Absolutely not. There's respect, there's professionalism there, you know, but you gotta you can't fix what you can't see. So you got to be able to see it, which is where the transparency, you know, part of our culture comes into play, once you start to really see those things. And by the way, you can't see it unless you have proximity. So what I'm trying to teach my leaders is get close, get supersonically, close, touch it, see it, feel it. I did my first quantum fiber installation in Denver a couple of weeks ago, you can't imagine what I learned by sitting in a truck with this amazing technician who taught me how he gets his dispatch orders. We drove to the side we interacted with a customer we drilled holes into brick we fed the the wires through we measured it, like I learned a ton about our reality of how hard it is to do our job to please customers with that proximate. They start to believe you when you show up when you ask questions when you learn. And then there's just got to be somebody somewhere along the way, who is just simply applauded for telling the truth in a public forum. And you hold them up. You hold them up and you celebrate them. Yeah. Then one more person follows and then another person follows and then this money follow and then you start getting those points of lights everywhere. Again, we don't have the whole thing solved. Yeah, we're starting to get momentum and you can feel it. We can see it in our

our surveys. We can see it in the applications. We have a 352% increase in job applicants for lunch.

Wow. Which is kind of amazing, we've got a pretty significant reduction in attrition in the past six month period. And our survey results, it's 91% of people believe in the operating principles and the belief system that we rolled out. And 87% of them believe that their managers are operating in that construct. So we've got momentum right now we got a all the other things too, but it's a nice start, I'm pleased with where we are.

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It's a kind of a two part question for you. One, how long does it take to change a culture? And are there some common mistakes and pitfalls that?

41:15

Are there some common mistakes and pitfalls that either you have run into, or that you see other leaders run into when they try to change a corporate culture and it ends up just kind of blowing up or not going the way that it's supposed to be going?

41:29

It takes okay, it's the same thing answers the same, I think, I think it takes as long to change a culture as it does to teach critical mass new skills. So let me let me be specific, there's no way I'm going to change the culture at lumen without teaching people. Courage skills, yeah, had difficult conversations, how to live up to your values, how to build trust, and how to be resilient, we need those four things in order to drive our magnificent reset and transformation of this company, we have the methodology, we are doing skills building, it's going to take us at least a year to hit everybody. And it's going to take us even more time to sort of tweak and sand and polish and refine. So I'm gonna say it's 18 months before we could actually measure it. And I think the most common mistake that leaders make is they think that if they put their values on a wall, and say that's, that's us, that's who we are, live it breathe and go, but they don't teach them the skills to go from wherever they are to that place of behaviors that exhibit those values, then they're, they're not going to get there, you can't dig up, you can't tell people to go some of the mountain without giving them granola bars, oxygen, you know, clever coat gloves, spikes, hiking boots, Poles, right? Same thing. If we're going to change our culture, you got to kick out everybody to do it. And that comes in the form of skills. What are those skills? And there's probably a lot of them, maybe you can just list a couple of them? What are the skills that are required for this journey? Or maybe what are the skills that you're teaching your team? Well, it's it's the dare to lead courage skills, and like the four things that I talked about all like rumbling, for example, is is one of those skills. So you say like, What the heck are you talking about? Having the ability to have a difficult conversation where you disagree with your manager, your peer, your subordinate, whomever, it's got to be absolutely devoid of emotion, that doesn't mean can't show up and be like, Well, I really liked my idea, but that's fine. But you have to be able to be deeply factual, you have to assume great intent, you have to be a good listener. So you can receive the facts, the counter facts, and you have to be good at synthesizing and positioning, you know, the two opinions against each other and observing what the gaps are. And then you've got great at building a plan to go forward. Now in instances where a manager and a subordinate disagree a manager or a team member, they vehemently disagree. The team member has the courage to say, Yeah, you know, Hey, Kate, I think you're wrong about this, you know, we need to do these five things, not those three things. And, and here's why. As a manager, I have a fiduciary responsibility to deeply listen to understand the gap. But if I actually spend that time, received the information, exercise, all the things that I just, you know, talked about and assuming good intent, and really deeply listening and understanding and synthesizing the facts. And I'm like, No, actually, we are going to go with the you know, my three points, not your five points. There's also got to be a snap to the grid and move on from the from the employee. No, right. It's sort of like okay, I had my shot. What happens in culture, especially where you have a play, not to

Lose mindset, you don't even bring it up. You're like, you know that you have a whole bunch of other things that happen to like the pocket veto. Like you go to a meeting you hear you hear what everybody agrees, and then you leave and you don't do it because there's no record. There's there's no accountability. There's no you know, anybody following this, are you actually going to execute on that? Rumbling skills, address all of those things. We have rolled it out to the top 200. We have the same language now for okay, we need to rumble on this. That's code word for I disagree. And I probably wasn't able to tell you that six weeks ago, but no, I have the skills to do. So we have frameworks for how we come to that rumble with with the data, we have a process to share it back and forth. And we have roleplays, where we practice doing this at scale. And it's it's really powerful. That kind of courage, says okay, as we roll out, and we're building edge cloud, and we're introducing new capabilities to customers, when the customer comes in, says I object. And here are the three reasons why you have a whole framework for how to figure out how to get to the truth. Because you're not just rumbling with your teammates or your boss or whatever. Difficult Conversations, you know, are everywhere. And so this is a skill that applies both inside and outside of your work life, which is why it's so powerful, which is why it's kind of becoming very popular inside the company as to, you know, hey, this training is going to help us. Yeah, and I love that. It's the last

15 minutes or so, I like to focus on a very specific tangible piece of leadership advice that people can apply in their leadership journeys. And we kind of touched on this a little bit, but it was more from a culture perspective, I thought it would be interesting to dive in specifically from a leadership perspective. And that is for for people who just get put into a leadership role. Yeah, for the first time, I thought maybe we could look at what should they be doing for the first 30 days. And if you even want to go beyond 30 days that we can do that as well. And I don't know if you remember the first time you were put into a leadership role. But it seems to me that a lot of people are probably wondering, Well, today's my first day as a leader, what do I do?

It's my first week as a leader, what should I do? I've been a leader for a month, what what should I be doing? Any advice on maybe starting with the first day? So I was promoted yesterday? I'm showing up today, day one. I'm a leader, you know, people are looking at me differently. I have that better parking spot. What should you be doing on day one, as a leader to, you know, have a good impact from the very beginning.

My conversation with Kate Johnson continues in an episode of the leaders Toolkit, which is again, only available for paid subscribers, and that is at Great leadership.substack.com You can go ahead and subscribe over there. It's less than the cost of two lattes a month, it'll be the best investment you can make. And starting with this bonus episode that you're gonna get with Kay Johnson, where she actually talks about what to do your first 30 days as a leader. So we go in depth, and we break things down a little bit. And she shares some of her insights, being both an executive at Microsoft and now the CEO of a large organization as well. We also touch on how to know if you're moving in the right direction. So

what are the signs that you should be paying attention to? I think this is invaluable advice either for current leaders who are looking to move up or for aspiring leaders who are looking to get into leadership for the first time. Remember to preorder your copy of a leading with vulnerability to get access to some really amazing bonuses, head over to lead with vulnerability.com and I want to read you a another endorsement that I received this one from the CEO of Panera Bread and Panera brands. He says leading with vulnerability is a superpower that many leaders struggle with. It creates human connection, trust and unlocks the potential of those around you. This excellent book teaches leaders how to do just that. filled with stories and research. This is a must read for any leader. So I hope you decide to preorder your copy at lead with vulnerability.com