



# HOW TO CREATE δ **SCALE A CULTURE OF EXPERIMENTATION**

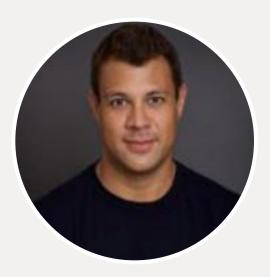
#### What is it & why is it important?



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OV - How do u do it well?	Summary & Next Steps



## **Session Reminder:** Why are we talking about this?

Whether we're working in an audit office or the R&D lab of a leading tech company, trying new things, taking risks and finding ways to learn from experiments (that aren't a risk to the whole organisation) is critical to thriving in the environments of extreme change, growth and disruption that we live in.

In organisations, the corporate immune system can, almost by design kill anything new. Experimentation cast off to a far flung department, perhaps in a different city, where there are different rules, processes and cultures.

And as humans, when we're faced with disruption and perpetual change, we have a

tendency to stick to what we know. Our brains follow tried and tested patterns of thinking that are designed to keep us safe, which in reality keep us stuck.

We know that finding the balance between executing well (based on what worked in the past) and trying new things isn't easy for leaders. If we want to embed experimentation into our mindset and culture, we must be intentional about how we ensure this learning survives.

We brought together leaders from around the world to discuss what are the barriers to experimentation, and how do we do it well?



# **Experimentation** isn't just about innovation. It's at the very heart of individual, team, project and organisation growth



## With special thanks to...



4

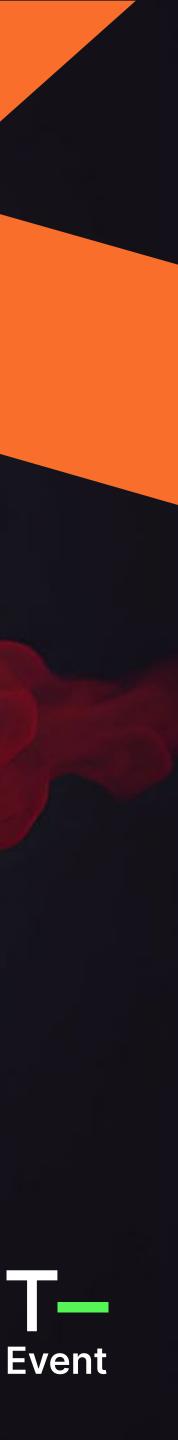
We're grateful for the input of all our guests who shared their questions, experience and expertise. A special shout out to Jane Boret and Rachel Stanford who shared their experience of embedding an experimentation mindset into the culture across Unilever globally.

The input from all involved allowed us to get stuck into the knotty problems to solve when it comes to embedding experimentation.

These event outtakes are the combination of the collective genius of the attendees, combined with the experience and insight of T- who live and breath creating cultures of experimentation, working shoulder to shoulder with leaders who are building the great companies of the future.



# AN EXPERIMENT IS A UNIT OF EFFORT



# What is a culture experimentation?

# FA culture that has continuous learning loops informing fast, progressive decisions that drive growth. 77-

Experimentation underpins change and is the fuel for growth, including growth from innovation. It is critical to how we learn as an individual, within a team, project or at the organisational level.

Change in the context of uncertainty requires iterative improvement based on data and therefore must follow an experimentation cycle of

### BUILD -> MEASURE -> LEARN



### Why is it so important

#### **EXPERIMENTS are the units of effort that fuel growth.**



**CONFIDENCE: Experimentation cultures** enable confidence and a proactive attitude to 'taking risks, developing original concepts and getting things done'. Forbes.



**BIG AMBITION: Confidence unlocks** ambition. When we choose an ambitious path, whether it's about our own personal development, or when Elon Musk decided to create Space X, we can't possibly know the path ahead, all we can do is experiment towards it.



**DIVERSITY OF THOUGHT:** evident. PW.C

7

In companies that experiment well, diversity of thinking is unlocked, with '3x more collaboration'



**GROWTH THROUGH INNOVATION:** Collectively, confidence, ambition and collaboration enable organisational growth through innovation. Over the last 3 years, leading innovators have grown at a rate of 16% higher than the least innovative. With '93% of companies anticipating that organic growth through innovation will drive greater proportion of revenue growth'.



PERSONAL AND ORGANISATIONAL **GROWTH:** Growth isn't limited to organisational growth. n an environment where individuals and teams are undaunted by the possibility of failure, curiosity is unlocked for learning in every part of the organisation.



### If kids can do it, why can't l?

As children, experiments are part of how we learn. They're crucial to how we grow and develop. We're a blank canvas learning our way into the world. We're trying things to find boundaries and what works, and doesn't. But from the age of 2-10 the brain goes As we get older, this pruning process creates our framework for living. What we believe becomes more entrenched through our lived experience and societal norms. We develop a fear of being judged, being left alone and isolated, and in response our brains develop 'rivers of thinking' that help to keep us 'safe'.

But from the age of 2-10 the brain goes through a process of synaptic pruning, reducing the number of synapses in our brains. Hebbs Law means that the connections we use the most we keep, anything else we lose. This means that our brains in early childhood are wired for peak experimentation time, creating our framework for how we live.

These repeated patterns of thinking and behaviour 'protect' us in a certain sense, but the knock on effect means that as we get older we **conform more and** or **experiment less.** 



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## What can we learn from embedding a culture of experimentation at Unilever?



For the last few years we've been ripping out an old waterfall approach to innovation and implementing new ways of working, a more empowered and collaborative mind-set, and sown the seeds for a culture which enables more experimentation through build-measurelearn cycles in every business group.

#### It's been a ride!!

Ultimately we've been trying to change a culture that has always been about proving. We used to lock concepts in the first 2-3 months and then spend the next It's been a huge change programme, 2-3 years proving and selling in the idea.

Unilever had started to become shortterm and deadline driven. Certainty driven. People would use second hand markets research to get the story they wanted, rather than build deep first hand understanding of your user.

The new way of working is about learning. We're encouraging project teams and investor boards to experiment. The result is more consumer-centric, more relevant innovation that reaches the markets faster.

and not straightforward – we still have pockets of resistance to change.

### **IT'S BEEN A RIDE....** ...TRYING TO CHANGE A CULTURE WHICH IS ABOUT PROVING... THE NEW WAY OF WORKING IS ABOUT LEARNING >>

#### SHIFTING MINDSET AND BUILDING THE CAPABILITY

The biggest shift is mindset. In partnership with T-we've rolled out a series of innovation leadership and coaching programmes supporting both the project teams and Investor Boards to make the shift.



The truth is that contrary to what we might believe, experimentation is about mindset, not process

If culture eats strategy for breakfast... mindset eats process & governance for lunch



# But changing mindsets is hard

To help us diagnose the problems to solve and explore solutions to creating a culture of experimentation, we used ACE, the T-leadership framework as lenses to look through.

### **EXECUTION &** EXPERIMENTATION

Leaders need to be comfortable in uncertainty, focused on continuous learning and enabling experimentation and execution to happen together.

Leaders need a **deep** awareness of themselves, how they show up, how they impact others and what drives them - including strengths, motivations, limitations and beliefs.



### **AWARENESS**

### AMBITION

Leaders need **blinding clarity** on their ambition, and how to galvanise others towards this goal in the context that they are operating in.

### COLLECTIVE BRILLIANCE

Leaders need to actively create the conditions of psychological safety and inclusivity for others around them to thrive.



## Looking through the lens of Awareness the key problem to solve is fear

#### What are the barriers & problems to solve?

Understanding yourself: First, we need to help leaders If it aint broke don't fix it. As our level of experience increases, so understand the problem to solve. To understand themselves does our resistance to change. So much so that subconsciously or maybe consciously, we don't see the burning platform and and the limitations we each have in regards to seeking safety need for experimentation - even when it's right in front of us. and avoiding experimentation.

It's scary, why should I? Once we've overcome this first hurdle, we're confronted with an even bigger challenge. We understand that there is a need for experimentation, but why me? Why should I care? What's in for me? What I'm doing feels safe, this feels scary, so the best thing I can do is keep well away.

**Regardless, it won't work.** Even if I'm bought in and up for it, I'm not convinced anyone will listen, or that it will work. Lets face it, even if I get things going, the corporate immune system will kill any efforts.

The fear of failure is debilitating. So we're facing a problem here. We're afraid and unmotivated to start and even if we can convince ourselves to start, our fear of failure is totally debilitating.

#### How do you do it well? What are the solutions?

Growth mindset: We need to create a an environment of trust which supports and enables a learning mindset, a growth mindset.

Take the first step: If we can focus on enabling the first step and celebrating this regardless of the outcome, the rest will follow.



# Looking through the lens of Ambition, the key problem to solve is the lack of clarity and engagement with the ambition itself

#### What are the barriers **& problems to solve?**

We don't know what we're aiming for! When it's not clear what **Context, not control:** Organisations who set clear ambitions a company's ambition is, it's impossible for employees to be focus on providing clear context above control, creating an engaged in it and for experimentation to happen. Whether we are environment where leaders co-create the ambition. talking about ambition for a project, department or organisational goal, what is the company's expected outcome? How will it be **Personal <> org purpose:** Going further, successful organisations measured? Is it really committed or will we just prioritise BAU connect leaders' intrinsic motivators, including their passions, when things get tough? And over what time frame do we have talents and values to the company's ambition. this ambition? Why are we doing this, what is the wider purpose?

So, how do we get there? Only when the above is in place, can we begin to think about how we might achieve the ambition. Who is involved? What resources will be committed? What are the constraints and redlines?

What's in for me? We still have some major hurdles to overcome. With clarity on the destination, how do we connect people to it? How do we get people co-creating and owning the vision as a collective? How do we connect individual leaders' ambition to the wider project or organisational goal? How will we reward them if we succeed?

#### How do you do it well? What are the solutions?

**Discretionary effort:** Aligning personal and organisational purpose unlocks discretionary effort.



## Looking through the lens of Collective Brilliance the key problem to solve is the mindset of leaders who aren't aware of the impact they have on their teams

# What are the barriers & problems to solve?

Leaders aren't aware of the conditions that they're creating for their teams. Leaders are either too in the detail which can hold back the creativity of others, or they're being too directive which can mean that others don't want to take risks or question decisions.

The behaviours required to unlock collective brilliance aren't rewarded. Organisations reward success rather than learning, and individuals rather than a collective. Whilst they might track certain behaviours, they don't tend to hold leaders accountable for creating the conditions for experimentation.

This creates a self-fulfilling cycle where the mindset of leaders and the appetite for risk is reinforced by the organisational culture to hinder experimentation. How do you do it well? What are the solutions?

Leaders need to create freedom within a framework for their teams to experiment within. Leaders need to provide air cover for their teams to fail (and learn!) whilst also taking full accountability.

Create shared targets to get everyone invested in experimentation. We need to break the current success model for leaders. Rather than rewarding individuals, create shared targets across functions to get teams collaborating and truly invested in each other's success together. Shared language and shared KPIs can help with this.

Make the day job quicker! This can give people more space to experiment, try new things and build a culture of change.



Event

1

### Looking through the lens of Execution & Experimentation the key problem to solve is it's simply not my job

#### What are the barriers & problems to solve?

15

**Legacy.** We've always done it like this, why do we need to change now? In a world where the burning platform is not lit, attitudes to change can remain stuck. Without communication, without the power of why, the required momentum for the business of tomorrow can be stuck in yesterday.

The fear of getting it wrong. We hear repeatedly that cultures reflect that it's not safe for individuals to fail; where failure is seen as failure rather than a required step to creating progress. In the worst cases, the fear of doing wrong and reputational damage reign. Legacy continues.

**Bottlenecks.** Investment. Lean teams. Capacity. Shared commitment. This quarter. Business as usual. All reasons why experiments remain ideas and never get traction. The number and range of blockages in the system can be significant.

#### How do you do it well? What are the solutions?

**Today AND Tomorrow.** Communicate the imperative, that to be commercially sustainable, we must execute on the scale of today's business whilst simultaneously building the scale of tomorrow's. Creating continual progress on the journey by experimenting ways of doing, thinking and being.

**Failure is Good.** Change the philosophy. Dial up the organisation's growth mindset and psychological safety. Create the guardrails by defining what successful failure is in your context and share it. Support this by introducing rituals that encourage the right kind of failure and make experimentation the norm!

**Belief drives progress:** Organisations who do this create momentum and get runs on the board early. Then they shout loudly and frequently about successes to the organisation. Reasons to believe are truly powerful. Remember, mindsets eat process and governance for breakfast!



# Where to from here? 4 big ideas to focus building a culture of innovation



AMBITION

the first

the strategy and why

COLLECTIVE BRILLIANCE

EXECUTION & EXPERIMENTATION

today and tomorrow

- **Every journey starts with a step. Help people take**
- **Ensure there is clarity and connection to vision**,
- Create the conditions for diversity of thinking and role model this from the top
- Make experimentation a team sport for both



#### About T-

Helping leaders evolve faster than the world around them.

Forged in the fires of startups and some of the most successful companies in the world, we specialise in developing leaders in environments of high change, growth and disruption.

We work with leaders at pioneering startups and corporates who are building the great businesses of the future and are thrilled to work with companies such as Unilever, Bacardi, Boots, Ordnance Survey, The Guardian, Baringa, BCB Group, Monzo, Outsystems, Checkout. com and Graphcore.

The T- Leadership Generator is a co-created power source of programmes, assessments, strategic offsites and coaching. Scalable. Constantly evolving. Smart fit.

Built and activated by the Change Makers, a diversely brilliant global network of 100+ thinkers and practitioners. Psychologists, neuroscientists, technologists, academics, founders and coaches.

And our passionate, committed team of expert practitioners, all of us having built and scaled businesses and been leaders and managers in our own right.

Evolving with you, our Leadership Community to share, learn together and help leaders and organisations grow, in change.

### T Event

# TIME TO RUN YOUR OWN EXPERIMENT?

We live and breath experimentation cultures; in high growth technology companies, large corporates and every day in our own organisation.

If you would like to explore how to start your own revolution; assessing the opportunity, aligning leaders, building capability at scale...

#### Let's talk info@wearetminus.com



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