



Resilient: Confronting the COVID-19 crisis

Actionable insights to help businesses respond and recover

Episode 19: Enterprises and ecosystems: Fueling resilient recovery through innovation and collaboration

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Mike Kearney: Welcome to Resilient. My name is Mike Kearney, the Risk & Financial Advisory CMO. We are now approaching 20 episodes, which is just mind-boggling to me because it's been only just over the last few months, but in our Confronting the COVID-19 crisis areas, we've only scratched the surface. Organizations have faced tremendous disruption due to the crisis. And we've heard from many leaders from the corner office and their technology strategy, risks, talent, and

operations officers. And I have to say, I am growing increasingly optimistic about the human condition and how resilient all of us really are. And that's why this series is so important to me. The crisis has pushed the boundaries of technology and innovation. As leaders adapt and respond, how can technology ecosystems help us recover? What should technology leaders and CIOs even be thinking about today? How can they continue to foster leaps in innovation, and

what might put these advances in jeopardy, if an unstable economic environment continues to persist?

I'm joined by four Deloitte leaders: Nishita Henry, chief innovation officer and Deloitte Consulting's US CIO; Larry Quinlan, our global CIO at Deloitte; John Tweardy, Technology Strategy & Business Transformation partner; and Mike Rohrig, a good friend of mine and the advisory Ecosystems and Alliances leader

and partner. Each has spent the majority of their careers advising clients around technology and innovation. And today, now more than ever, leaders should be focusing on these two topics. So, let's hear what they have to say.

Larry, John, Nishita, and Mike, welcome to Resilient. We are almost 20 interviews in, in the last couple of months, which is amazing. And one of the common themes that I'm hearing from all of our guests is that they have hope for the future. And so, as a result of that, I love starting these conversations with a simple question, and that is—what gives you hope as we emerge from this crisis? So, Larry, I'm going to start with you. What gives you hope?

Larry Quinlan: You know, people give me hope. It really isn't a technology thing. Although I'm really encouraged about how technology has held up during this crisis, but the way people are adapting to it, the way people are helping each other, the way leaders rally around the way we think about the wellbeing of others, the resilience that I see in times of not only COVID-19 crisis, but the crisis we see in the country now around social injustice, all of this packed into sort of a short period of time, the way people react gives me hope.

Mike Kearney: John, how about you? What gives you hope?

John Tweardy: I agree with Larry, full-heartedly here. I think the number one thing we've seen from our CIO is the sort of reinvigoration of leadership. And so I think that's fundamentally, as Larry said, with people. Resiliency in terms of their ways of acting and working responsibly, technical and social, and then their leadership and sort of pushing the envelope with technology to respond to the crisis. And now I think everyone's head is moving past response into what do I do next? And so that gives me hope that they're thinking of the right things, that technology will be able to help us thrive on the backside of this. And so I think our leaders are really stepping up.

Mike Kearney: I love that. And the reason being is you said reinvigoration of leadership. And I think sometimes in a crisis,

a challenging time like this, we get back to what really matters. And I think that's probably why you're probably seeing this reinvigoration. Nishita, how about you? What gives you hope?

Nishita Henry: Yeah. I echo everything my colleagues said, and I'll add another one around the acceleration of innovation. You know, nothing drives change faster than necessity and disruption, right? And COVID, our social justice calls have all created disruption that we are all so ready for. And sometimes as humans, we talk ourselves into not doing. Right? There's always a reason why we can't change. There's always some risks that we might take by upsetting the status quo. Well, I think that's turned upside down, right? I think now we are ready to change and we are—

Mike Kearney: Yeah. Oh, I'm sorry Nishita, please keep going.

Nishita Henry: No, no, go ahead. It's a great, it's an exciting topic, right?

Mike Kearney: I was just going to say, we're going to get to talk about the acceleration of innovation. I think it is such an incredible thing to witness all the different industries, even within our own firm. My clients, it's a pretty exciting time if you look at it from that perspective. And, Mike, last but not least, and you're not always going to go at the end, what would you say? What gives you hope?

Mike Rohrig: Maybe I would add the amount of collaboration. I mean, I think in reality, this has been one big experiment, and our ability as society to really collaborate towards change and defeat COVID-19 and now we're collaborating towards change, as Larry mentioned, around social injustice. And so, I think when you flip that from a business perspective, you know, we've seen competitors in different industries and public and private collaboration, all towards common goals. And I think it's that, "how do we get through this through collaboration" mindset, that can't but help us thrive in whatever the new normal is.

Mike Kearney: This is becoming my favorite question of these conversations. Larry, I want to ask you a question as a technology

leader within Deloitte, but you interact with a lot of CIOs. What are you finding is challenging CIOs as they manage through this entire COVID-19 crisis?

Larry Quinlan: Interestingly enough, the thing that challenges me the most is not what I thought it would be. You know, I lived a life where I was on a plane every day, rushing from meeting to meeting in country and city. And I assumed that shifting to home would just give me so much more time and that I would be way more effective. Actually, what I'm finding is completely the opposite and that my biggest challenge is managing time, that waking up early in the morning and just getting on call after call and video after video is actually not an effective way to manage and lead. So really thinking strategically about how time gets spent, but understanding that in this time, we've got to spend more time with people, that just staying in the office and doing the most strategic things won't get it done—that we actually have to divide time effectively.

Some of it absolutely has to be spent with people, just listening to them, understanding their fears, their concerns. It's not just about COVID-19, it's a fear of losing jobs as that rolls out through the country and through the world. It's a fear that projects they're working on that are accretive to their resumes are going to absolutely go away. It's a fear that their families won't be taken care of. It's a fear that whatever your aspiration is, is somehow going to be deferred. And that requires time. And then thinking about the enterprise itself and really ensuring we're spending the right amount of time putting in the right solutions so that we can come out of this stronger. So, for me, it's managing all of that in an effective way without just sitting at your desk, rolling through call after call. That's actually my biggest challenge.

Mike Kearney: Yeah, yeah. We are all in a lot of calls nowadays. I was going to ask you, what do you do to manage the time, but you actually brought up something I think is very interesting. And that is, you're getting a lot of calls. People are talking about their fears right now. How do you manage through that? Especially as a global CIO, do you have any guidance or perspective that may help others that are listening to this podcast?

Larry Quinlan: You know, I'm learning to listen. As a leader, you often want to just spring into action. You want to solve it. You want to posit that you've got answers, and I'm learning that listening is one of the most important tools. I'm learning to listen to the fear. I'm learning to listen to the challenge, to understand the situation that exists at home, to understand that it's a little different in India and a little different, inevitably, than it is in Florida, perhaps. And I'm learning to really understand the nuances of what people are telling me and what their concerns are, while understanding that they are putting their all into this. And then simply because we have the juxtaposition of the social unrest in the country, as a result of social injustice, it is a whole different ball game. Now the fears are different, and now the challenges are different. And now the listening sessions have become personal and palpable and emotionally draining, and listening to those sessions and those individuals as they go through it is educational. So, listening rather than just talking is what I'm really learning.

Mike Kearney: Yeah. Larry, one of the things that I've found is sometimes people just want to be heard, and they oftentimes recognize you may not have the answers. And I think that's one of the things that you're saying, because quite frankly, especially with all the disruption that's happening, we don't have all the answers, but people want to be heard, is what I've experienced.

Larry Quinlan: Absolutely.

Mike Kearney: Mike, let's pivot to you. How are organizations adjusting to the pandemic?

Mike Rohrig: Yeah, well, you know, when it comes to adapting or evolving, extreme changes in the environment are typically a great catalyst, and I'm not sure, I guess we'd be hard-pressed to maybe think of a more sudden onset of an extreme change in our collective environments than COVID-19. So, it's there, it's requiring adaptation, it's requiring businesses to evolve. And it's coming in the typical areas, right? Virtualization of work, virtual models of delivery, AI automation, right? Because bots don't get sick. And then, Larry mentioned

the fact that you've got to be smart around all the platforms that you're implementing to support all of this evolution that companies are trying to go through to deal with this amazing change in their environment. Now, I do think it's going to be telling over the next 12 months how much of this adaptation is going to lead to true transformation versus just being an implemented business continuity plan, right, that was needed to quickly get sped up. And it brings the question, right? We had to do this versus is it actually a better way of doing that? And so, I think there's a lot of organizations that are looking at this now and how they're trying to evolve and thinking, yes, we are laying a good foundation, but there's still a lot of uncertainty. And so that flips to the other thing that organizations are looking at, which is really keeping flexibility in mind, given the uncertainty. Nobody knows where we're going. Flexibility is gold. And so, the adaptation and the steps that are taken, underlying all of it is just being flexible, as things inevitably are going to change and nobody can tell. I will say that maybe the last thing relates to virtualization and the impact on innovation.

And there was a movement that working from home was a detriment to being able to innovate the right way. And as Nishita opened up, we're seeing an immense amount of innovation out there. And so, I think it's challenging this concept that, Oh, to innovate, you've got to do it inside your four walls and can't be outside or with other companies. And that's going to be an interesting dynamic that plays out as companies start tapping into different ecosystems to more enable their success. So that's a lot of what we're seeing from an evolving and adaptation standpoint, Mike.

Mike Kearney: Yeah. What's crazy. I think maybe 10 interviews ago, we talked to some of our leaders that focus on virtual close in the financial reporting area. And I was like, if you could close books in a virtual manner, you pretty much can do anything virtually because that has never, ever been something that's been done out of the office. So, I love your answer. And actually, Mike, you teed us up perfectly. Nishita, you talked about this at the beginning. And, John, I want to ask you about how the crisis or

how COVID-19 really has sped up technology adoption and innovation and any specific examples that you've got would be fantastic.

John Tweardy: Yeah, you know, I don't know if technology has necessarily created a new frame of adoption, but what it's absolutely done, and COVID has pushed the needle, is it's moved it and accelerated it forward. So, it's taken everyone's, I think, general plan of where they wanted to go from technology, future-ready platform-centric, more digital, and, it's sort of a baseball reference here, moved it from the fifth to the ninth inning. And so, a question I think all technology leaders have to ask is, "What do I learn from this?" and "What do I do about it?" Right? There has to be a dramatic and courageous pause to say, this has to change how I think of portfolios, as an example, not everything in my discretionary spend portfolio is created equal. They likely prioritized the most important aspects of their portfolio during this crisis. I think I would suggest they likely indexed on business value and where the best impact is.

And so, they essentially triaged their portfolio. And so, what do they not do? What do they do going forward? And what did they learn about how to build a portfolio in a more agile way in the future, as one example. It's pushed the needle on, how do they have a broader sense of agility and not just the agility in the workforce. We talked about people, I think a bit, but agility at the enterprise, and that can be a function of agile and dev ops, but that can also be a function of your agile teaming and how elastic your systems are. And so, if I think about the agility to react the agility, to defend the agility, to grow the sensing function that comes within that agility, that's where I think adoption, which is likely already on their playbook, has increased. And so coming out of COVID, moving into the next normal, and thriving is going to require a different sort of core technology that has that enterprise agility. And hopefully there's some courageous moves around that.

Mike Kearney: Nishita, Mike, or even Larry. Do you guys have anything to add? Because I know that this was kind of a core thing when we did our introductions that you referenced.

Is there anything that you would add to this, this question about the crisis speeding up technology, adoption, and innovation?

Larry Quinlan: I will say that we have experienced a rapidity that sometimes isn't normal, that cuts through a lot of the conversations one would have about whether we should do something. And I find that refreshing. I'm hoping that's actually one of the things we learned, that we don't have to slowly go through these adoption and approval cycles in order to make something effective. And I think if we can figure out how to streamline, how to gain consensus around adoptions, how to move things across the world, that we would get the value out of it. Very often what you find with some technologies is they've got certain boosts and they'll happen, but slowly, and then you will find that 18 percent adoption has been achieved in a year, or maybe it's 36%, but getting to where you get the mass adoption necessary to really gain the return on that investment becomes very difficult, and people just get tired and they move on to the next thing. How we fix that, I hope, is one of the lessons we will learn from this as well.

John Tweardy: I was going to do a pile on, because you got me thinking of a couple of things. One of our clients said we're amazing project starters. We're just not amazing project finishers. And that got me thinking to your point, Larry, right? The energy around the new project, the esprit de corps that happens when you kick it off, and then we don't ever get to that ROI. Technology has a lot of glimmering, shiny objects. So, you know what? The adoption curve has increased. I think it will continue to increase for one of the key points that Larry said, which is that bureaucratic center, that decision framework, that overhead of process and analysis has been sort of broken down.

And because we had to do things, governance is streamlined. It's been democratized out to the edge. That's kind of my point of that agility. How do we make the financial decisions, the business decisions, with a certain level of grace and agility to speed adoption? It would likely free us up to do more innovation and others. And so that's what's been a big a-ha, the

governance and sort of the cooperation and some of the silos have been torn down, which I think is really refreshing. It'll be really interesting to see if it goes back to that because it is so ingrained in how some functions work or if that really becomes one of the benefits of the next normal.

Nishita Henry: I think the time this goes on forces real change and new behaviors, right? So, before all of this, this work from home thing was based on the culture of your team and not necessarily institutionally driven, right? There was still a distrust on people doing that on a regular basis, before all of this, and the use of even collaboration tools, right? Email was a collaboration tool. And the adoption of that was very low. You know, the use of even video conferencing and how we actually have adopted to doing that in very short order is just, it was necessitated by the environment. And I don't think there's a going back, right? I don't see us going back to 100 percent work in the office 100 percent of the time ever, right?

Because we've learned we don't have to. And frankly, a lot of things get better when we do things differently, we give our employees more time to manage their work/life balance. We give them more time to be creative. We give them a better platform to be more inclusive for people who might've had disabilities and couldn't be in the office and it's easier to work from home. So, it's a really interesting case study in how the future of work will adopt and stay that way because, quite frankly—and it was Larry who started the call on a plane every week, in different cities—I don't want to go back to that. And so, I think that people are generally shifting their mindset on, "What do I want that new normal to be? How do I take the good stuff that has come out of such a terrible crisis and keep that while going back to get the good stuff from prior and move forward," whether that's in the way we work, where we work, how we work, all of that will change drastically.

Mike Kearney: I love some of this stuff. Because I was laughing when I heard Larry talk about getting projects done and went from 18 to 36 percent because, I guess, as a global CIO, that just must be just infuriating.

So, I can totally see this, but I guess the question I have for you guys, and anybody could take, this is obviously the pandemic and all of us still at home has forced us to make these changes. Is there anything that you think can be done once things are somewhat back to normal so that you're not at that 18 percent, 36 percent adoption?

Larry Quinlan: I believe there are a few things that we will learn from this that will show us how it gets done. First, virtual collaboration. We don't have to get everybody in Europe into the same room for two days to get the training done. And I think we always thought that we did. You kind of knew you could do it virtually, but you didn't have the confidence because you wanted to sell them on the adoption. So, will we trust ourselves enough to really leverage virtual more in that internal selling process to get the adoption done? We all know we can have a video conference. We all know we can have a good video conference. Do we trust ourselves to work through a process together to get to the outcome you want?

So that will be a key one. The second around processes related to a legal, risk, analysis, and business risk, all of those things, which are tremendously important to us. Can we work through those as rapidly in the future, as we did for some of those items during the pandemic and understand how we can get to good results? We have to protect our firm, no doubt about it. Can we get to results faster in, as we did during the pandemic for certain projects, technologies and processes that we wanted to roll out.

And then the third thing is perhaps a bit of a note of caution. It might not be a third bullet point, but a counter bullet point. And that is, I tell my team, look, we transitioned to work from home. It doesn't mean that we've learned how to work from home. It means we learned the transition. Sustained work from home actually requires far more thought on which processes work the best, which ones will allow us to move the fastest, which ones will allow us to ensure that our people can be onboarded effectively. How do we ensure that we stay true to people values? How do we ensure that we bring new people in the door? Again, as I told

the team, we were working on projects we already had with people we already knew. What happens when that changes? What's the most effective way? So, thinking through all of those will help us really streamline our organization in the future.

Nishita Henry: How will change continue to be accelerated? I think, look, it's simple as this: give people a reason for why we should adopt the change, right? I think too often we push technology just for the sake of technology and not translate it to business value. And I think that that piece of our experience and our ability to communicate is actually going to get better. So how do we get more direct, acute, concise, with the communication that helps people understand the need for change and how we're going to move forward.

And some of this will just happen, not by just the communication, but by actual doing, showing, and getting hands-on.

Mike Kearney: Nishita, that's actually, I was going to go here earlier, but let's build on that. I know that you give a lot of thought about kind of the human experience and thinking about technology implementations. What do you think leaders should think about or should take into account as they think about the importance of the human experience of technology implementations?

Nishita Henry: Yeah, I mean, in this time, I think leaders are thinking through ensuring the health, safety, and productivity of their teams, right? How do they make sure that their employees are safe at home, are productive at home, are communicating their needs, and are utilizing technology to support the remote work and wellbeing, right? So there's that piece of it. And then the other piece will be just how do you get the element of human experience in when you're not physically in person. We talk a lot about different types of tools we have to help employees ensure that they are healthy and they're going back into work, they stay healthy and they can trace where they've been in case there are other outbreaks. We have tools like MyPath™ to Work that's been built on our ConvergeHealth™ platform

and is live in 22 countries. That's helping with new workplace health risks that are presented by COVID-19. How do we actually have visibility into risk factors, provide agile response to changing conditions, et cetera. So that's kind of that return to work piece. On the new ways of working, we've done things to implement an internal crowdsourcing platform called My Gigs that enables project teams connectivity to diverse and distributed talent. Because you don't have those networks all the time and you are virtual. How do you actually know of projects coming up? How do you actually break up the work in a way that you could disperse it across a greater set of resources? So, we're working to do that as well. And then on the human experience of how do you get that and how do you collect that when you're not in person in order to have successful implementations, right?

It's actually no different than if you're in person. It just takes a different level of engagement. Driving engagement over video is much more difficult than driving engagement in person. You have to consider things like leading questions. You have to consider driving breaks. You have to consider breakout sessions and working groups in a different way virtually than you do in person. But it's not that it can't be done. It's forcing us to up our game and be creative. And it may take more than a few conversations like that to actually get to that human experience, that user journey, that user story, because you can't be in person and do it all together. But I think we're going to have to exercise a little more patience and you're going to have to exercise some repeated conversations on the same topic because everyone's way of working is changing, because we haven't settled. So, what worked for somebody in week two of the crisis probably doesn't work for them. And now whatever week we're in, I can't even keep track, 20, of the crisis?

Mike Kearney: I don't 13, 14, 15, who knows?

Nishita Henry: Right. Exactly. So that continual adoption of that human experience will be different because we're still getting to the new normal. Whereas in the previous world we had a normal.

Mike Kearney: Hey, John, let me pivot to you. What are some of the technologies that are shaping how organizations are responding to crisis? Obviously, Nishita just shared some of them, but what are some that you're seeing?

John Tweardy: Yeah, that was a good riff, Nishita. I'll try to take it away from more of the human side and the people side, so that's becoming really, really important. Let's talk about sensing and sensing functions—they've always been out there. We're seeing an emergence of risk sensing and that has a people function as sense risk in where factories or supply chains might be impacted, but that also moves into risk into sort of critical materials. We're seeing that supply chains overnight got disrupted in a way they hadn't before in a really unpredictable way, factories sheltered because of risk supply chains, critical materials POs put risk in terms of receivables, and so this had balance sheet implications. And so, we're seeing a really nice opportunity for technology to kind of go across the aisle, if that analogy works outside of where core technology does, and into how technology enables the CFO side of the business. So how could risk and sensing be with the CFO to drive more control tower orientation and supply chain or reduce risk of receivables.

And so now that connects the dots across the C suite with technology as kind of the great unifier. One example.

A second is in automation. The last peer circle we had—and that's just a function of having a lot of our CIOs get together—they said, what is the number one technology that's going to be on your mind? And it was broadly automation. Now I know that bucket is sort of like the Atlantic Ocean. It can be everything. And they picked on process-oriented automation first. Robotic-process automation or RPA is something that they've teased or played with, but how do they elevate that and could potentially create that as a COE and drive that again into the business and then get into the deeper automation. Now that the teams aren't coming together, you've now looked

at the process that's now distributed and you're starting to realize, wow, I could likely automate that process.

What you told me around assist admin, which you told me about alert management, what you told me around sort of deep code that's now, since I've moved everyone away, can be done quite remote, didn't have to be done at the center and is now a high candidate for automation. And so, things like machine learning, automation, and some deeper ansible automation, et cetera. So those are two things that we're seeing a lot of. Larry, I'm going to pass the mic a little because he's running a big shop on what he might think is the technology that's going to move the needle.

Larry Quinlan: Sure. I'll repeat the automation, automation, automation, automation, all right. In today's world, that's a big deal. Automating the cyber controls we implement, automating the testing, automating service management, automating the support of our customers, automating routine maintenance, automating application development constructs, all this stuff. In addition to the RPA, et cetera, all of that becomes critically important, not just because of a pandemic. It became truly important because of the worldwide ecosystems that we've been putting in place to build assets. You really just couldn't rely on people sitting in the same room to make it happen. And when you get to distributed, worldwide teams, automation actually becomes the only way you can truly enforce the framework with any reasonable expectation of quality. So that's been a key one for us. If you're in the people business, like I am, the whole notion of collaboration platforms becomes really important.

And, thank goodness we no longer have to have the debates about whether it should be in the cloud or not. People just realize that it just has to be, right. You can't live in a world like this, if you're going to completely do it on-prem. And yes, I know there's a use case somewhere that's going to prove me wrong, but in general, we have got to get past that debate, for sure. But if you go a little more granular on the collaboration

discussion, while it is true that there are certain collaboration platforms that might be appropriate for an entire enterprise, you've got to go below that and talk about use cases that make sense for certain personas, for certain work groups, for certain teams, and figure out the level of flexibility required to be able to run those. Run too many, you end up with institutional mediocrity, run too few and no one's happy and they're not getting the kind of productivity that they need.

So really understanding what collaboration means to a person, to a team, to an enterprise, to a country, and really intelligently navigating through those complexities. And that's enormously challenging. I want to get back to the whole issue of user centric design, of really ensuring that we re-dedicate ourselves to technology that actually helps an individual, not just helps an enterprise. Yes, we have to help an enterprise. I completely agree with Nishita around the notion of business value and not just pushing technology. But in order to help the enterprise, we gotta have design that actually helps the person who actually presses those buttons and want to get back to that. And then, of course, the whole communications platforms, that is just a big deal. We have to communicate instantly in video, in whiteboard, voice, we've got to show decks, we've got to do a million things. We've got to show polls and it's all got to be done seamlessly, instantly. And whenever you can't hear a single person on the line, people are complaining and that person could be in Mongolia, right? So that's the challenge we deal with.

Mike Kearney: I love these conversations because I learn so much, which I'm learning a lot right now. But, John, I love the fact that you actually brought up risk sensing. As a risk professional that has been talking to my clients for like the last, I don't know, maybe three to five years about the value of being able to predict where certain conversations are going or potential risks that are on the horizon. So, thank you for that. I'm going to actually have to send this all to my clients and say, "See, somebody else is talking about it." So that was great.

John Tweardy: The first thing that hits the cutting floor on a mega transformation in technology, or all the things we're talking about today, if you were talking three months ago, two years ago, since the dawn of time—I've been doing this a long time with my colleagues here—the first things that hit the floor were, well, let's have a different view of risk. Nah, we don't need that. We'll just do a raid log. Let's do the change management and organizational adoption. No, it's okay. We have someone and they'll train the trainer. Let's work on leadership and high-performance team development. No, we'll get into a room and we'll explore. Let's work around human-centered design. No, it's okay. Through Larry's point, it's at the enterprise, they'll like it eventually. All of those things that were classic supply-side orientations, and I think one of the thematics here is it has to move to the demand side. It has to move to the business, to the people, to the users. They're not together. You have to figure out all of the hard parts are in between the cracks of those big things. And now the cracks are much wider. I think there's just a re-imagining of how technology functions work with all of these, including risk for you and your team.

Mike Kearney: Thank you. I appreciate that. And we at Deloitte talk a lot about ecosystems. Maybe not a word that a lot of people use. So, Mike, I'm curious, can you talk about what an ecosystem is and then why it's important to an organization's strategy?

Mike Rohrig: Yeah, Mike, it's when different entities are coming together in meaningful ways to solve shared concerns and meet shared objectives. And underlying all of that is a concept of collaborating and co-evolving. And, you know, Mike, it's not a new concept. It's been around long before the definition was coined. I mean, supply chain is a form of ecosystem. But what I will say is that I challenge that it's maybe never been more important than it is now, because when I think about companies surviving and then thriving, there's two things that come to mind—accelerators and flexibility. And that's exactly when you're in an ecosystem and you're orchestrating it and you're working, you're getting access to innovative capabilities that help you

transform and you're leveraging each other's collective wisdom. And those directly lead to those two outcomes—acceleration and flexibility—that right now in this day and age, I think are critical to thriving. Now, Mike, like you, I'm also part of our risk advisory practice. So, while it's an amazing and necessary time to be leveraging ecosystems, and we're seeing it all over the place, there's risks that come with that. And as we've seen by all of the disruption in supply chains and the various networks that businesses work in, the challenge of managing that risk has also never been more important. So, I'll give you the yin and yang. It is critical to tap in, to accelerate a lot of the change that companies are needing to get done now. But there's also the added risk that's come about as we've seen from the pandemic.

Mike Kearney: Nishita, I want to pivot to you, and I want to understand how this crisis is shaping ecosystems. What are your thoughts on that?

Nishita Henry: Absolutely. So, as we think about ecosystems and we think about many-to-many relationships, really, when you think about ecosystems and, for example, on Industry 4.0, we're working together across the life cycle, whether that is cloud partners, network providers, manufacturers, or even academia to research net new technologies and put together systems that together are more powerful than any one on their own and allow us to speed up things like automation, allow us to speed up the movement from brownfield to greenfield factories, and allow us to really disrupt markets and enable manufacturers and supply chains greater flexibility in adopting to the new world.

John Tweardy: A little pile on to Nishita is, I think the difference is at scale. I can't imagine an innovation in the future that doesn't have technology, but most companies can do innovative things on their own, in sort of random acts of digital or episodal or through sweat equity or hustle, but to do it at scale in a sustainable way, that makes a difference. You're going to have to bring in partners. You're going to have to enable many-to-many. You're going to have

to enable that ecosystem that Nishita just talked about. And so co-innovating and co-sourcing, and working within these partners, curating them into a consortium that makes the greater good and makes the problem bigger and solves a bigger problem, I think is where companies are going to have to go because they're not going to be able to outspend and out-think the bigger market.

Mike Kearney: And, John, this is probably especially true of even very large organizations as well. Is that right?

John Tweardy: It is. And, in fact, I'd argue large organizations are more fragmented at times. And so, the one side of an organization is driving some scale. The other side isn't. They can't organize across the single transformation storyline. And sometimes there's competing priorities within cyclical business units. And so, scale matters. And so, they should be able to put all the resources together, but if they can coordinate those, and it's almost an amplifying effect, I think when you bring in the right ecosystem partners and they often see across an organization even better than the own internal organization. So, the ecosystem is going to matter.

Mike Kearney: So, Larry, you're the CIO of a very large organization. What's your perspective on this?

Larry Quinlan: What's a welcome change in the world, our previous choices, or do it all yourself, outsource it all to somebody who's going to do it all for you. And you kind of sat there thinking, that's nuts. Even when you were in the religious arguments about outsource it all and make it better, you just fundamentally knew that's nuts. And what we've come to in the world is it's just a much better place where you can mix and match and still retain the kind of responsibility and incentives to innovate and work together. So quite frankly, no one in their right mind would actually think of just doing it all with internal people only. When I think about our teams that are working on something, there were internal people in it. There are people inside our enterprise who are not in IT. There are people who

are here on a contractor basis, the people who are here on a consulting basis, some people have brought skillsets. Some people have brought IP. Some people we've done a little bit of mini outsourcing of a process. And some people are actually doing some crowdsourcing of it. And it all comes together on a project that you still own. You didn't outsource it to someone, but now you have this ability to mix and match. So, for me, that's the definition of an ecosystem. It's when you can put all of these pieces together, utilizing all of those elements to create something much better than you could have done only using one model.

Mike Kearney: I want to ask the question around, and John, I'm going to direct this to you, but as I'm listening to this, it's almost like the question is different. It sounds like there's been a tremendous amount of innovation, especially from a technology perspective over the last several months, but are there some clients that you have where it's difficult for them to keep innovation alive? And if so, how do you focus on innovation, especially in the technology realm during this very difficult time where obviously businesses are working to stay afloat, they're trying to respond to kind of the new market dynamics. What would you recommend to them if, in fact, that is actually an issue?

John Tweardy: Well, innovation can be an intimidating and overwhelming word and concept, right? It's sort of like transformation, easy to say, and it's difficult to admit that you're not innovative, right? So, no company is going to say, I'm not doing innovation. It's not important for me. I'm not innovative. I sometimes change the word for my clients and call it incubation. It's a little less intimidating, continue to drive ideas, build them, incubate them, sort of continuous improvement as a function of incubation innovation. It doesn't have to be the big thing. It can be lots of small things continually and better optimizing, automating, automating, automating, improving. So, I guess the first is how do you make it approachable? Not all companies can take on an innovation initiative and fund it in the same way, but all companies

absolutely need to have a forward leaning, sensing function to try to drive and adopt change and technology to their advantage.

So, I guess that's where I'd start. But COVID has a bit of balance and trade. I think everyone has responded, but not everyone has recovered. And so, there was an expression that I sometimes use that is that this year is a bit of a pick and shovel year in the sense that you're going to have to get some dirt under your nails. You're going to have to go and fix some things. You might have to do some hard jobs and some dirty jobs that feel less innovative for, frankly, survival. You might have to reverse some technical debt, drive some core modernization. Those aren't going to feel particularly innovative, upgrade your network, move to software, defined, drive automation. Those things eventually will give you a platform to innovate, but those might not feel like the most innovative things that you were doing pre-COVID. Some of those skunkworks innovation projects might've been defunded because of the economic climate.

So, sort of my suggestion to clients is sort of stay the course, right? It doesn't all have to be sort of far right, top "magic quadrant" innovation. It could be core innovation. It can be adjacent. It doesn't all have to be transformative, if you will. And kind of stay the course and then innovation. And I think I'd make sure that Nishita agrees with this, that it's more than just technology, right? It's a lot about people. It's a lot about mindset. It's a lot about access. And so how are you stimulating sort of at the molecular level, a real innovative and collaborative and incubation mentality, to continue to have that mentality to go forward, whether it's funded or not.

Mike Kearney: Nishita, do you want to respond. He just gave you that opening.

Nishita Henry: I love it. No, I agree. Right. I think I love the movement from innovation to incubation. Because it's more action oriented. What are you actually creating? What are you experiencing with? What are you testing? Because that's how innovation

works, right? You can't plan and analyze forever. At some point you have to do, you have to learn, you have to fail, and you have to do it. And I 100 percent agree. It's not just the technology, it's the people too. And how do you stimulate your teams and your workforce to be more innovative, to take risks, to be more creative. And I think we all need to focus on, first and foremost, is, are you creating and building diverse teams? It has been proven over and over again that diversity actually creates better, longer-lasting organizations, as well as creates the ideas that are needed that people don't normally think about if you all think alike. It's all about instigating with different questions, with challenging the status quo and bringing people together from different backgrounds, whether they be racial or gender or economic or educational. All of those things help us to create that type of innovation. So, it starts with diversity. And then it starts with creating environments where people feel that they can experiment, and they can fail in a productive way, and they can still continue to grow as opposed to being punished. And so, it's all about creating that culture. And then it's really about figuring out how do you prioritize the ones that are working. You give them the fuel to scale and be successful while you take the ones that aren't working and actually cut them off. No, don't let them fester. Don't let them keep going. At some point, give people a chance and let it pivot and let it adopt and see if they can get there. But let's call a spade a spade when we need to cut it off and put that energy into something else that's more worthwhile.

Mike Kearney: I could literally do this all day long, but I need to let you guys go at some point in time. So, I'm going to do what I call a lightning round. I've got three questions. I'm going to ask each question of all four of you. What I ask is that you just respond in maybe 10 seconds or less; otherwise, we'll be here for another 20 minutes. Mike, I'm going to start with you, and I'll just rotate it around. So, Mike, the question is, what can leaders be doing to pause and reflect on all that's occurred and really shape what's next?

Mike Rohrig: I think the leaders have a tendency in crisis to really shut down, close

ranks, and be very internally focused. And external focus is key right now.

Mike Kearney: Nishita?

Nishita Henry: Have a growth mindset. Think about, what am I going to need to do now to invest in our people, our technology, our business, in order to be ready for the future, whatever that future might bring, and not just be ready based on the future we think is going to occur, ready to create that future.

Mike Kearney: And John?

John Tweardy: So, I'd say leaders need to listen, particularly in these times, the expression of two ears, one mouth. So, listen to what their people are saying. Listen to the market, listen and learn on how to use technology. I think this is a time for our best leaders to listen and then have the courageous move.

Mike Kearney: Yeah. Larry, that's a perfect tee-up for you because you talked about that earlier, but what's your thoughts on this question?

Larry Quinlan: Completely agree. And in addition to listening, leaders have to inspire leaders, have to remember that they have a responsibility for the mood of the organization, for the future of the organization, for helping to move people one place to another. What they say, what they do, and the way they do it really matters.

Mike Kearney: Awesome. And if this question borders on what we just asked, that's okay. There's obviously a tremendous amount that I think each of us individually have learned. You guys talked a lot about folks in it, leaders, and Larry, I'm gonna start with you this time. As you can see, I'm just going back and forth. What are you hearing from leaders, especially as it relates to specifically what they may do differently as we head out of this pandemic?

Larry Quinlan: I think the thing I hear the most relates to work from home and virtual, and from as radical as "we're going to shut

down all of our real estate and all work from home," to something relatively close to that. So, I hear that a lot, and I believe that we really have to think through what our approach is. Is it prescriptive or is it simply a range of options that will come out of a work from home experience?

Mike Kearney: So, Nishita, you talk to a lot of leaders, folks in it. What do you think that they're going to do differently as we come out of the crisis?

Nishita Henry: I think they're going to do three things differently. One, they're going to reimagine how they do work, who does it, where they do it, how we do it is going to change for the better, because I think it's going to create more space for people to be more creative, to upskill themselves, and to create new pathways for their careers. Two, I think they're going to invest differently. I think they're going to think more proactively about what is going to create growth for them in the future, how do they move to these new technologies that allow more flexibility and adaptability so that when the next crisis occurs, they're more prepared. And three, I think they are really right for thinking about, how do we bring in a more diverse workforce to solve these problems, because that's the way we're going to create innovations for our frontline in the future.

Mike Kearney: John, what are you hearing from leaders? What are they going to do differently?

John Tweardy: So, I think leaders are gonna do a couple things differently, and I agree with Nishita, so I'll try to be additive. I think the first is they're going to break down the silos. COVID has forced them to do that. And so, they're going to keep those silos down, and that's going to create new ways of working with governance. The knock-on effect is they're going to have to organize differently, not as siloed, not as domain centric, more process orientated, more business functional. And last, that's going to move technology to what we call thin or borderless technology. It's going to move technology closer to the business where they can cocreate value, where they can

innovate closer to the business, where they can focus on growth.

Mike Kearney: Mike, what are leaders going to do differently?

Mike Rohrig: I think the leaders are going to drive all this change that Nishita, John, and Larry laid out, but they are going to do it in a much quicker time frame. I think what the last three months has shown is that organizations have the ability to consume change in a much shorter period than most leaders believed possible. And so, I think that's going to be a key change that we'll see.

Mike Kearney: Awesome. Last question. Let's say 10 seconds or less. We're almost done. And that is, Mike, I'm going to start with you. What is the most interesting incubation—I've learned not to call it innovation—that you've seen during this crisis?

Mike Rohrig: Ability to record a loop of yourself to play while you're on a call that you're not really interested in.

Mike Kearney: I like it!

Mike Rohrig: On a serious note, I think that we've seen some amazing convergence of technology that's helping to address really kind of some of those short-term situations we're finding ourselves in. An easy one is the combination of AI with cameras so that you really have touchless checkout, that's an amazing item that's popped up. I think we're seeing things when you're laying over geospatial intelligence with risk sensing to be able to get to specific areas of flare-ups to help you manage those risks. So, the convergence of things I think has been really impressive.

Mike Kearney: Nishita, what are your thoughts?

Nishita Henry: Most interesting innovation I've seen is the use of digital tracking platforms. That helps to figure out where something is in the supply chain and the use of IoT and 5G to enable that. I don't think we would have moved as fast on those technologies without this crisis.

Mike Kearney: That's great. John?

John Tweardy: Yeah. I think the number one thing that I've seen just goes with ways of working, how people have figured out how to work remote, use the technology of choice to try to drive collaboration, workshops, greenhouses, virtual whiteboard sessions. There's been a lot of incubation on that access because work still has to get done. And I think that'll carry forward.

Larry, take us home. We started with you. Take us home. What innovation are you excited about?

Larry Quinlan: I don't know that it's a single technology, and it's more of a consumer response, but it's how we've really put these technologies together or my appreciation of them, the ability to go online and buy something and knowing immediately when it's coming and get a text that it has arrived and know that it's on the way up to your door, too. To buy food and have it be contactless and know exactly when it's going to be ready and get a text that it is, or pick up something from a stall number because you can't go inside the supermarket anymore. It's those kinds of things stitching together the technology to create an experience for a customer that I find fascinating.

Mike Kearney: I love it. All right, well, let's end it there. Larry, John, Nishita, Mike, thank you for your time. This has been awesome. Like I said, I learned so many new things, so thank you.

Thank you, Nishita, Larry, John, and Mike, for sharing your technology and innovation insights and wisdom. Our conversation really hit home. The idea of how together we can all make a difference for the greater good, communities, businesses, and even one another.

We have covered a lot of topics over the last few months and what's cool is we have a great backlog of guests that we're going to continue to bring to you as long as there's insights that you need. But I will say if you have anything that you think we should be talking about or somebody you think

we should be speaking with, hit me up on LinkedIn or Twitter. I've been getting a lot of feedback, which is really, really helpful as we prioritize which topics we're going to continue to bring to you.

For more insights across all aspects of COVID-19, just go to deloitte.com on our [COVID page](#). You can also listen to the Resilient podcast on [Apple Podcasts](#), [SoundCloud](#), [Stitcher](#), [Google Play](#), and even [Spotify](#). Until next time, stay safe and remain resilient.

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