

CAPITAL H Growth mindset

Cultivating resilience through a growth mindset

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Burt Rea: Hello, and welcome back to the Capital H podcast, where we explore the topics and trends that focus on putting humans at the center of work. I'm your host, Burt Rea, and I lead Deloitte Consulting's Human Capital Research & Sensing group. Today, we'll be talking about growth mindset—the idea that our basic qualities and abilities as humans can be cultivated through effort and persistence. In the workplace, a growth mindset can help create meaningful connections among individuals and groups, even if those individuals and groups appear to be inherently different. As organizations move

to adopt more ethical standards, cultivate human capabilities, and increase diversity, equity, and inclusion, fostering a growth mindset among employees is becoming an important capability for human capital leaders. To help us explore this concept further, I'd like to welcome Jim Guszcza and Aneeta Rattan. Jim is the former US chief data scientist for Deloitte Consulting and is currently a fellow at the Center for Advanced Study in Behavioral Sciences at Stanford. Dr. Aneeta Ratan is an associate professor of Organizational Behavior at London Business School. Jim, take it away!

Jim Guszcza: Hello, everyone. My name is Jim Guszcza, US chief data scientist at Deloitte Consulting. Today's guest is someone I've known for several years now, Professor Aneeta Rattan. Aneeta is an associate professor of Organizational Behavior at London Business School. Aneeta, welcome.

Aneeta Rattan: Thank you so much, and thank you for inviting me, Jim.

Jim: Yeah, it's great to have you here. Let's start real simple. Aneeta, what is a growth mindset? Can you define it for us?

Aneeta: I'm so glad that this is the starting question. It might seem silly to start out this way. But I have to tell you, the word mindset is so overused, both in the world and in organizations that we really start to run the risk of not knowing what we're talking about when we say a growth mindset.

A growth mindset refers to a very specific psychological construct. It has to do with whether you generally believe that a particular human characteristic or attribute is fixed, or whether you believe that it can change. So, if you think about different human attributes, think about intelligence, think about personality. You can even think about prejudice or bias. Do you think that these characteristics can grow and develop over time? If you do, you hold what we call a growth mindset. Or do you think that these different attributes—intelligence, personality, prejudice—are fixed and unchanging over time? If you believe that, then we would call you more of a fixed mindset holder.

I should mention that we use the terms growth and fixed mindset to refer to people who fall more toward one end or the other end of this dimension, of believing that these characteristics are fixed or can change over time. But they're not really types of people. They don't look different, they don't talk different. You wouldn't necessarily even know what mindset someone holds from a single conversation with them. We're really just characterizing this broad set of beliefs and where on this dimension of beliefs people fall. A lot of people fall toward the middle. And so a lot of people actually hold what we might think of as an undifferentiated or maybe a mixed mindset, where they don't hold strong views one way or the other, and so then the situation can push them around.

You mentioned both individual and organizational mindsets earlier. It could be that I personally believe that, let's say, ability, intelligence are very fixed or can grow, but if I'm someone who falls more toward the middle, maybe I also have a manager or a CEO who

really strongly communicates one of those things, and if that's the case, I might shift my outlook toward one direction or the other, depending upon which one they're endorsing.

Jim: That's so interesting. I was wondering, does mindset or growth mindset, does that relate to any of the big five personality types.

Aneeta: That's a great question. What I will say is that this is something that has been studied, but it was studied quite a few years ago. And so it might be interesting to study it again and get a kind of update on the state of the evidence. As far as we know right now, when we think about mindsets, we need to always, one, identify which domain of mindset we're thinking about. So, if we think about mindsets about intelligence, for example, we might think, well, if you think your intelligence can grow, you might be more open to new topics, or things that are different from what you've already experienced, so something that is more nontraditional, and that would fit that idea of openness to experience, the personality dimension that you referenced.

What we know is that growth and fixed mindsets have a small correlation with some of the big five personalities you mentioned—openness to experience being one of them. But we don't know about this whole other host of different mindsets people might hold, like mindsets about personality itself, mindsets about prejudice, mindsets about groups. And so I think there's more research to be done there. It's a small correlation, which means that they're definitely not the same thing.

Jim: Yeah, they are distinct constructs. That's a very good thing to point out. Another follow-up question I had sparked by what you were just saying was, some people are sort of in the middle and if someone doesn't really have a strong opinion one way or another, the situational factors might have influence whether they manifest more to growth or fixed mindset. I think that's what I heard. Would that apply to if someone

who's sort of in the middle goes to a very meritocratic organization, where this idea of meritocracy, like the best and the brightest rise to the top, and some people are the naturals, maybe that person can become more of a fixed mindset person. Is that a reasonable speculation?

Aneeta: One thing I should note is that we know from research that virtually anyone's mindset can be shifted temporarily by information that they're given or by something that they've listened to, something that they read. So it's not just the people in the middle who can be shifted around. But having said that, yeah, the people in the middle, we probably don't know enough about them from the research that we have to date. But there is some research by a wonderful scholar named Mary Murphy, which suggests that people can kind of absorb the mindsets of the people around them, whether that comes from their organization in general, whether that comes from a specific teacher. Some of my own research on mindsets also shows that leaders in a situation can communicate a mindset, their mindset, to others.

What we don't know is whether that fundamentally shapes people's own mindsets. What we do know is that those kinds of signals from the environment can shape the way people act. In some of Mary's work from a few years ago, she found even that people will describe themselves differently when they're applying for a student club or a job, they'll describe themselves differently to match the mindset of the context that they're trying to enter.

I think what you said about meritocracy there was really interesting because there's nothing about meritocracy itself, which is just the idea that systems should be fair, that ties directly to a fixed mindset. It's the way we tend to perform meritocracy that ends up tied to a fixed mindset. So, when we think about meritocracy, we think the system should be fair. That means that

people who perform better should then rise to the top. If we think about the idea of meritocracy as identifying those special few who have it, then we tie not just the fixed mindset to meritocracy, but also a different mindset, which I've studied, which has to do with our beliefs about whether the potential for high intelligence is constrained among a select few, which we describe as a non-universal mindset versus is widespread in the population, which we describe as a universal mindset.

So, the thing you said about meritocracy actually ties the fixed mindset and this non-universal mindset to meritocracy. And I think you're right that that's the way a lot of people think about it and it can have really problematic consequences.

Jim: This actually leads very organically to the big question here, which is growth mindset is about, are these capabilities kind of inherent or can they be changed? People's growth mindset themselves can be changed. In other words, can we design interventions, or can we design environmental tweaks that bring out growth mindsets in people?

Aneeta: There are actually two questions in your question. One is, can we change people's mindsets? And then the other that I think you're probably asking about is can we change people's mindsets in ways that have a big impact? So, can we have small shifts in mindset that actually have meaningful consequences that we can observe in the real world?

We have a fair amount of research looking at mindsets about intelligence or ability, and so I'll give you my answer in terms of that mindset particularly. What we know from that research is that it is possible to intervene and shift people's mindsets. To date, those interventions have not been as minimal as what we might think of as nudge intervention. To date, those interventions have really focused on describing this belief

to people, giving them vivid images that help them think about their abilities as something that can grow. So, for example, thinking about the brain as a muscle, even though of course the brain is not actually a muscle. If we think about it that way we can remember that the harder we work at it, maybe the better it gets. And so we know that it is possible to shift these mindsets in the short term, and actually in what I would think of as the more longer term. Not necessarily the long term as in years, but if research looks at what happens six months to a year later, we can actually observe benefits for performance for individuals who've been through a growth mindset intervention versus those who have not.

Now, the question that you asked about was, can we shift them around with more subtle signals? And do those more subtle signals have a real observable, meaningful impact? And that's really something that we still need to study. I think that many of us would love to study it, because it's not just, can we shift around mindsets with subtle signals? It's, can we shift around mindsets using subtle signals in the course of people's everyday work lives, when they have so much going on around them, when they have so many demands for their attention? And that is an incredibly important question. Anyone who is in an organization that's ready to study it, please give me a call. Give me an email. I'm ready to study it.

Jim: This is so interesting. Let's go back and unpack what you just said. Let's go back to the more intensive interventions. Correct me if I'm wrong, but those have been used a lot in primary and secondary school education, right? You mentioned this idea of the mind is like a muscle. Could you maybe just unpack that a little bit?

Aneeta: So, Carol Dweck, who really is the scholar who has identified, defined, and then rigorously studied mindsets for years, has conducted research, both in research labs, in very controlled settings, and out

there in the real world where there's a lot more complexity and a lot more going on in people's lives.

She's done these kinds of studies, both in person with students in schools, and online. And that work she's done with one of her former students, now a professor himself, David Yeager. And what they have found is that there are different types of trainings that can be given to students in schools that communicate this idea of the growth mindset, that use the analogy of the brain as a muscle, and that really challenge students to think about their abilities, and where and how they can generate growth in their own abilities. So, when you struggle with something, that gives you a signal of where you need to put more effort in. Now, what do you do? How do you put in that effort? Who do you go to to ask for help, to be able to make that effort really actionable and useful? What they found in their studies, which as I said, range from in-person interventions that can happen over a span of weeks, to online interventions, which can happen just within a single or multiple session of someone interacting with an online intervention, is that students who receive a growth mindset intervention do show observable benefits for their performance. Some research out there, like research by Susana Claro and Carol Dweck, show that this is particularly impactful on low-income students.

And one thing I want to highlight here is that, when I describe what the growth and fixed mindsets are, and I say they refer to people's beliefs about whether human characteristics, like intelligence, are fixed or unmalleable, it just sounds so simple. And so, when I tell you that we can shift people's mindsets, and then yield real results on something like grades, sometimes it sounds magical.

Jim: Yep.

Aneeta: Anytime something sounds magical, as I tell my MBA students, ask what's really going on. Sadly, for many of us in this world, there is no magic that we've seen or found yet. What you're really seeing when you see a shift in performance as a function of a mindset intervention is a complex set of psychological dynamics at play.

The reason that mindset, and then therefore mindset interventions, can have such profound consequences on something so meaningful as performance is because mindsets are a fundamental belief. They're a core way in which we see the world. I sometimes like to use the analogy of a pair of glasses. So, if you have a strong growth mindset, you're looking at the world through the view that abilities can change in the context of intelligence.

Jim: It's a world view.

Aneeta: Absolutely. You're noticing opportunities for abilities to change. When you're struggling with something, you don't take it as personally and as defining as someone with a fixed mindset might. And that has an impact on the way you respond to challenge. It also has an impact on the way, for example, teachers may give advice to students, when teachers hold a growth versus a fixed mindset.

And so, one thing that I really try to emphasize when I talk about mindsets is that this research base comes from the world of schools. Comes from the world of academia. And by virtue of that, it's a world in which learning is prized and valued. And the setting is about both learning and performance.

And so, in some respects, when we start thinking about mindsets, about intelligence, when we start thinking about how reliable are their effects, do they replicate across situations? Across different age groups, for example. We really have to remember that this set of beliefs is something that absolutely exists across the life-span and across contexts, but it might work a little bit differently.

And so there is, I want to make sure I acknowledge, there is research out there that finds that mindsets do not predict the outcomes that I've just been talking about. And in science, we think about this as mixed evidence. So there's some evidence for this. There's some evidence against it.

What we see is that when we look across all the studies that are out there, there does seem to be a reliable effect of mindset on performance in academic contexts. But when we translate that into the world of organizations, we have to really have caution and be thoughtful because organizations are different from schools. We all know that. Sometimes when I'm talking to people about mindsets, I say, "How different is the place you work from the classroom you sat in when you were 14?" And people always laugh as you're doing right now. They always laugh because their first response is, "It's super different."

So, when we take this psychological construct that we've studied in schools, and we want to try and apply it and learn about it in organizations, we really need to do the research and do the work to get an evidence base together, and make sure that we understand how the theory applies, if what we want to do is maybe act on the mindsets that the people around us have in a way that would benefit them and the organization as a whole.

Jim: We're all still learning, right? This is still ongoing research. Maybe the exact interventions that have proved successful in academic settings, maybe they just have to be tweaked a little bit for organizations. And that's still experiments that we can do. Is that right?

Aneeta: Absolutely. Yeah. So I'm not saying at all that we need to start over in any way. What we have the incredible benefit of doing is building upon this profound and fantastic evidence base in the world of education, and saying, "Okay, where is it the same and where might it differ?"

Jim: You mentioned that in public school settings, these interventions are sometimes particularly effective with low-income students. Is it the case that cultural background affects one's mindset? Are fixed versus growth mindsets, are they characteristic of certain kinds of cultural backgrounds?

Aneeta: That's a great question. And it is absolutely the case that they are characteristic of certain kinds of cultural backgrounds, because we've studied that in certain kinds of cultural backgrounds. And until they have been studied in a really widespread way, we do need to make sure we think about them within the context where they have been most rigorously studied.

Aneeta: To date, what we know is that these beliefs about whether intelligence is fixed or malleable, these beliefs actually do seem to be fairly widespread. You can capture them across cultures, from the US and Europe, all the way over to, let's say, East Asia, China, and Japan, and South Asia, India, for example. So, we know that we can measure these beliefs almost anywhere in the context of intelligence. We also know that in some cultures, mindsets about intelligence are far less predictive of people's behaviors than in other cultures.

So, for example, a researcher named Steve Hina has found that while children in East Asia might vary in their mindsets about whether intelligence is fixed or can grow, they're much more likely to respond to a challenge or a setback by putting in more effort. And that has to do, he theorizes, with the types of schooling that is common there. With the kind of strategies and skills that they are trained in.

In some of my own research, I've found that mindsets about whether the potential for high intelligence is widespread or restricted to a select few, these mindsets are more predictive of outcomes within the US national context than within Indian national context. And so I think we always need to think about cultural context as a factor.

We have to always consider how culture is shaping the questions we ask and the things we study. And the foundational research on mindset has both found that these mindsets exist across a lot of places in the world, a lot of cultural context, and that it's really worthwhile and valuable to study how they work and what they predict in those contexts, because it might differ.

Within the United States, it is possible that in schools that have really adopted the language of a growth mindset, but let's imagine, might not have adopted a growth mindset in some of their practices, we might find different patterns than we would have 20 years ago before this concept was more widely publicized. I don't know. I think that's a really fascinating research question that's an open one, and one that relates to some of the trends we see in organizations, where more and more companies are starting to talk about mindsets, but not necessarily change the structures and policies within the organization to align with the mindset they seem to be talking more about, which is the growth mindset.

Jim: That's really interesting. Going back to the individual level, there's a lot of talk about automation and the future of work and how workplace is becoming more infused with technology. That implies that people are going to have to change jobs many times in their careers, people are living longer. And this idea of we're all going to be students for our whole lives, and we don't really know what the future holds for our careers. So, the journalist Tom Friedman in the US said, "The future of work is a little bit like comparing to the Olympics, but you don't know what sport you'll be competing in. You just have to be prepared." So, you can imagine the growth mindset and then kind of like black swan events like COVID, growth mindsets for both organizations and individuals are going to become more important than ever in an age when the world is changing really quickly in ways you can't anticipate.

Aneeta: Absolutely. And I know you were thinking about why companies have suddenly pivoted toward this great interest in the growth mindset when, in fact, the research has been ongoing for many decades in psychology. And I think what you're talking about is exactly the reason why I think that more and more companies who realize that they exist in an environment that demands constant learning and constant change. And that if they have created a culture in which their people are afraid to admit they need to learn something, if their people are unwilling to make changes because that might undermine their pay or their longevity at the company or their progress within it, they're actually hurting themselves. I also think that in addition to the global pandemic, the recent movement around black lives matter globally is really an opportunity for companies to take a growth mindset.

A lot of my research focuses on trying to understand how growth mindset about people in general and about prejudice, so how growth mindsets, not necessarily about intelligence specifically, how they relate to people's willingness to talk about the really hard stuff, which has to do with diversity, explicit bias, and then the overt consequences of implicit bias. In other words, the kind of negative impact of structural or interpersonal implicit biases on members of underrepresented groups. And again, this is a domain in which we desperately need the world to change, but if people fail to believe that others can change, they might actually hold themselves, hold those other people, and also hold organizations back from progressing toward a world that is more equal and that does represent the diversity that already exists within it.

Jim: Would it be fair to say that—or maybe I'll ask the question as another hypothesis—that embracing growth mindsets is perhaps a promising way to advance the agenda of diversity and inclusion. Because if someone

has a growth mindset about their colleagues, they're less likely to be anchored in an initial impression or an initial implicit bias. Maybe it's a way of breaking those implicit biases or explicit biases. Is that a fair paraphrase?

Aneeta: Yeah, I think that's a fair hypothesis. So, in some of my research, what I find is that when individuals who come from underrepresented backgrounds, so women and racial minorities, when they experienced explicit or overt verbal comments that are bias, they are actually more willing to confront those comments and they cope relatively less negatively afterwards when they hold the growth mindset. And so, the kind of bottom line of that research is not that we should view everyone who expresses bias through the lens of the growth mindset, because some people don't want to change. Some people actually have really thought through these beliefs and they hold very negatively biased beliefs toward outgroups, and they don't want to change. The bottom line of this research is instead to highlight that when we are able to view others through the lens of the growth mindset, we feel more able to speak out and to disagree with comments that are biased against the identities that we hold. And that's an empowering thing in and of itself. And we're relatively less negatively affected afterwards. Of course, everyone is negatively affected afterwards. What you were hypothesizing about was a little bit on the other side, which has to do perhaps with people's receptivity to talking about issues of diversity when one holds a growth or a fixed mindset.

We need to do much more research on that, of course. But we can draw some insights from research that's been done by Priyanka Carr, Kristin Pauker, along with Carol Dweck and then also by Jenessa Shapiro and Rebecca Neil. What this collection of scholars has found is that majority group members who view prejudice as changeable rather than fixed are more comfortable talking about bias, according to how they describe

themselves when they think about it. They are more willing to learn about black history. And when they're having a conversation with another student on a topic related to diversity, they exhibit fewer signals of stress, so they seem like they're more comfortable. Whether that translates to adults and to kinds of interactions that happen in a workplace, we don't yet know. It's something that many of us are actively studying.

Jim: This is fantastic. This is a great note to close our conversation on, Aneeta. Maybe going up a level, it seems like we've learned an incredible amount about how people's self-conceptions can affect their behavior and how we can actually design inventions to improve people's self-conceptions. We've learned a huge amount, especially in the fields of education, but there's still so much to learn about how we can apply this to the organizational level. But it's a very promising area to kind of take a scientific approach to culture change, to improve performance, to improve ethical behavior, to improve diversity and inclusion behaviors in organizations. So, I want to thank you for joining us and being so generous of your time and your insights.

Aneeta: Thank you so much. A final word. I would love to just underscore what you've said, which is that what we really need in the world of organizations are partnerships between researchers and organizations so that we can do the kind of rigorous empirical research that the world desperately needs to understand both what works and what doesn't work. So, if we do a mindset intervention and it doesn't yield the benefits we want for diversity inclusion, for performance, for teams, for culture, we need to let the world know that. And that's really why I talk about it as a partnership, because it's a partnership that helps us learn about these basic psychological dynamics, but it's also a partnership that helps organizations know what they can do versus what not to do in order to get reliable results.

Jim: Thank you, Aneeta. Thank you so much.

Aneeta: Thank you so much for inviting me. This is so fun.

Burt Rea: Thank you to Aneeta for joining us! It's fascinating to hear about your research and insights on growth mindset and the potential for people, teams, and organizational leaders to embrace and bring this concept to life. Next I'd like to welcome a few of my colleagues to build upon Jim and Aneeta's conversation by sharing perspectives on how applying a growth mindset can relate to organizational change, learning, and performance. I'd like to now welcome Julie Hiipakka, Ina Gantcheva, and Jim Guszczka. Julie is a vice president with our Research and Sensing group within Deloitte Human Capital. Julie leads our learning research team. Julie, please say hello.

Julie Hiipakka: Hi, Burt. Thanks for having me.

Burt: Wonderful. Great to have you here. Ina is a principal with Deloitte Human Capital practice. Ina is joining the podcast today. Welcome.

Ina Gantcheva: Thanks for having me.

Burt: Absolutely, wonderful to have you here. And Jim is a former US chief data scientist for Deloitte Consulting and is currently on a fellowship with the Center for Advanced Study in the Behavioral Sciences department at Stanford University.

Jim: Thank you. Good to be here.

Burt: So, I'd like us to maybe build on the conversation that Jim and Aneeta just had by hearing perspectives on how growth mindset relates to organizational change, learning, and performance. And as we sort of think about that in terms of the current pandemic, in terms of the current business environment, the economic challenges that every organization, every business is dealing with, how does growth mindset apply? How

do we bring that perspective to thinking about resilience, both for individuals, for teams, and for organizations? And, Jim, let's start with you.

Jim: Thanks, Burt. So maybe we'll just review really quickly what a growth mindset is, and I'll say a few words about it. So, the idea of a growth mindset is a person has a growth mindset if he or she kind of generally believes that a certain human characteristic, like a capability or intelligence, or personality type is fixed. Or whether that person thinks it can change. Even level of happiness. So, if someone believes that those capabilities—intelligence, personality, happiness, even levels of bias or prejudice—if someone believes those are sort of malleable through effort, that person has a growth mindset. Otherwise, we say that person has a fixed mindset. And it has been a very influential body of thinking in public school education in particular. I think that right now, it's a pretty exciting area to investigate in the organizational context, especially when we're thinking about culture change and enabling organizations to be more nimble in times of change.

Burt: Jim, I love that contrast of growth mindset and fixed mindset. And I think that is really essential to the resilience that we need right now, to the creativity that we need right now. If any of us were to say we're in a fixed world, we would be living in a fantasy. Ina, I'd love to bring you into the conversation. How do we use this idea of growth mindset to attract and retain more than our fair share of the best talent?

Ina Gantcheva: This is an amazing question because as I was listening to you and Jim, the first thing that popped into my mind was future of work. And how much future of work requires the growth mindset and flexible, creative, innovative mindset from the organization and the way it operates and all the processes and all the elements that make us be productive at work. But also to what a large extent, it's also the mindset

of people and the mindset of leaders who allow for that fluidity and flexibility to happen. And this is, in a way, counter to what we have been working to an extent about creating stability and consistency and efficiency. And now we're talking about how can we be very nimble and look at doing work differently, working differently, building our professional journeys differently.

So, to me, it becomes like really an ecosystem solution. When we think about individuals becoming their most productive, most creative, and able to achieve their potential, and to organizations creating that flexibility for that to take place. So, I know in future of work we talk a lot about how we connect the dots between work, workforce, and workplace in a very agile way. So, I would call out that this thinking is going to enable us to think about, from an individual perspective, what kind of work I do and how am I building my growth mindset into it? What kind of career do I build for myself so it is satisfactory and lets me grow professionally? And how do I do my work in a way that is not static and really leverages the opportunities around me? And if I bring this to today, when we actually were faced with the pandemic and we all had to adjust all these three dimensions immediately, we would say that organizations also have shown that they can be much more flexible than we anticipated.

Burt: Right. It's almost like you don't know what you're capable of until you're truly challenged. And I think we're all experiencing that now. This concept of growth, this concept of new skills, this concept of change, Julie, turning to you, this all smacks of learning. How do we help people embrace the idea of learning new ways of thinking, of exploring this concept of growth mindset and what got us here, is it going to take us to the next level?

Julie: It's a great question. Part of a growth mindset is being able to recognize, at an individual level, that learning something new

requires, most likely, not being very good at something at first. And this is really hard for people. And it bumps up against a lot of the things in work that we've historically, and sometimes unintentionally, valued in organizations like being high-performing and achieving and doing things well.

We know that organizations that encourage some level of measured risk taking and learning from mistakes consistently outperform other organizations. And all the high-impact studies that we at Research & Sensing run, these two factors of encouraging risk taking and encouraging learning from mistakes show up in every area of HR as something that predicts organizational performance. But we also have to get individuals to be comfortable with it because we haven't taught them that that is okay.

So, people need to be—and I think, again, this pandemic has been wonderful evidence of how elastic and adaptable people really can be. But we need to continue to foster environments where people can experiment and perhaps not be perfect from the get-go. And organizations seem to get this. Most organizations recognize that folks want to learn and want to try new things. We just have to be very thoughtful in the work environments that we create, that we don't inadvertently punish people for trying to do something that maybe they don't have as much experience with and perhaps don't do it perfectly the first time.

Burt: Right. The anathema of learning is fear and fear of making a mistake or fear of being singled out or punished. So, Jim, in this concept of learning, in this concept of leadership, how do we help leaders strike the right balance between allowing for learning and mistakes, but at the same time, achieving superior performance? How do we strike that right balance?

Jim: I think even framing it as a balance might not be the best way to start. I think

that sometimes you can send the message that taking risks is the right way to perform. That's where we get innovations from. That's where we get nimble responses to, what John Seely Brown calls, changing a white water world. And so I think that sending that message, that taking risks is what we're all about, it's got to be performance, but taking risks is part of that performance. And maybe even holding up as exemplars people who have taken risks, even if it hasn't worked out so well, kind of like setting those kinds of cultural norms and giving recognition to people who have taken these risks. I think that can kind of go a long way.

Julie: So, it's interesting, Jim, that you bring that up because quite some time ago, we ran a high-impact learning culture study and analyzed what practices seem to predict what we refer to as a learning culture—the ability of the organization to evolve and adapt and encourage that kind of evolution in their workforce. And exactly what you're describing, talking about and to some degrees celebrating mistakes, leaders talking about their own learning journeys, the organization's storytelling around the learning moments that they've had, the ability of leaders to hear the bad news about a mistake being made, those are all the types of behaviors that manifest and contribute to a learning culture. And it's exactly how you would make the shift towards creating the space for more of this type of a growth mindset.

I also think organizations that are really leaning into this idea that work itself is so unpredictable, it's not routine, and because we can't prepare for it, there's a bit more notion of unpredictability in everything that we're doing. And to some extent, that's almost liberating. If you think about the events of this year, none of us could have predicted any of these things that have happened. Organizations have had to pivot on a dime and make remarkable shifts. And if we look at the landscape, a lot of interesting things have resulted from it. It's

also been really hard, but we can even look to some of the events of this year within our organizations as examples of evolving and adapting and experimenting.

Burt: So, Ina, I'd like to pivot and take a look at this from the lens of the workforce. A lot of work is repetitive. It is routine, highly predictable. In this current time of shift, of upheaval, of innovation forced upon us, how do you see organizations helping their employees flex and to embrace and welcome, or at least comply with, the changing work environment that we see ourselves in?

Ina: Right before the pandemic struck, we conducted actually a study with MIT and it was looking at this new emerging phenomena about opportunity marketplaces. And one of the findings of that study was that about a very high percentage of the employees, almost like 80%, actually find that they continue to grow in their current jobs. And I wonder the type of companies that they are and what do they do to create this opportunity to feel fresh and feel things that are constantly evolving. And they're almost stimulating the growth mindset and grooming it and nurturing it. And that's where we see the phenomena that is emerging about companies creating opportunity for people to step into different roles, take part-time work, take projects as part of their ongoing responsibilities, in addition to them, keeps the work both dynamic, but also helps people to build skills as they are in the flow of work.

Which I think is a very different mindset than we had before about I'm stepping out of my day so I'm going to go to learning and I'm going to the training and I'm going back and I'm going to work. Rather than I am learning and I'm growing and I'm stretching myself, including to areas I never thought were possible as I'm just going through my usual flow. We're probably a few years away from that becoming the norm, because again, companies are in a different place of growth

and the technology that enables it is in a different place of implementation. But to me, this is going to be the new normal, just in a couple of years for all of us.

Julie: Yeah, it's a great point. We're seeing organizations sort of evolve their approach on how they develop and nurture talent. There is this idea, and certainly we've all had to accelerate how do we help people learn new skills? And a good bit of that can be in the flow of work by learning through experience and learning through colleagues, mini apprenticeships and things of that nature. But we've also been looking at and we're seeing organizations start to recognize that there's these underlying attributes, resilience being one of them, things like creativity and empathy and imagination that really amplify our ability to pick up these other more, we'll call them hard skills. And because of this, nurturing those capabilities becomes more critical for organizations to do than maybe just teaching the skills themselves. So, when I think about this from a learning perspective, there definitely has been this trend in learning around teaching people how to learn to learn or learning to learn. At a certain point, if you're good at learning how to do things, you can learn and do anything.

And that's how these amplifiers, these human capabilities, really work. If we can help people get better at practicing and building the muscles around their problem solving, their adaptability, their empathy for others, their adaptive problem solving, they're going to be able to do whatever it is that we need them to do. A lot of organizations have, I think, indexed pretty heavily on re-skilling. We've obviously written about it quite a bit in our trends research, but if we just teach people those hard skills and don't do enough to nurture the underlying capabilities, we won't be setting people up to be as successful. And in the long run, focusing on those capabilities is also going to help really foster this growth mindset that's going to help people and organizations be successful no matter what our future holds.

Burt: You mentioned the Human Capital Trends report. The trend around re-skilling was beyond re-skilling in the sense that we need to teach people how to do what you just described. How to be problem solvers, how to learn to learn, to approach unprecedented situations with a framework, with a desire to move ambiguity to structure, a recognition of taxonomy and being able to describe problems in ways that lead us to solutions. I think it's fascinating to see how prevalent this is becoming.

Jim, let's talk more on growth mindset in the sense that growth implies change, growth implies learning, growth implies problem solving. Certainly in my experience, I've seen two kinds of problem solving—there's deductive, which assesses the situation, looks at the symptoms, searches for root cause, and develops a solution for the root cause problem, or inductive, where we pick up a piece of capability technology tool. We don't know what it's good for, but we back it into a situation and discover that it solves problems that we didn't even know we had. How would you compare-contrast deductive problem solving and inductive problem solving, and which do you favor or do you like both?

Jim: Oh, I like both. But I think that in AI, we've had expert systems for a long time and they're really good at kind of if-then rules and kind of taking this sort of modal example, like here's the common thing that I treat as a doctor, here's the common syndrome. And if it's this, then do that. I think that machines—and now we have new AI, right? If we have a lot of data of common situations, machines can do that. So self-driving cars can drive in the very common scenarios, but the humans are needed for the edge cases. The humans are needed when it's an unusual patient or it's an ambiguous set of systems, or we're not really sure about the cultural context or the caller is calling with an unfamiliar question.

Those were all cases where humans really need to use inductive, even abductive reasoning. What's behind that comment? And those are things that machines are just really, really bad at. And doing this effectively means maybe talking a little bit longer with a customer, maybe going off script a little bit in the call center, maybe using your personality and your sense of humor. And these are all things that often are sort of punished or not really encouraged very much. But I think that if leaders really think through the implications of what machines are good at and what people are good at, they'll ask people to stretch themselves and to really tap into their kind of growth mindsets to try to handle these unusual situations that we're going to see more and more of.

Burt: I think what you've described is expert systems, automated tools are good at applying general principles, which generally apply until you reach an edge case. And then we need a human to step in to think about the particular exceptional circumstances and how do we bend the principle to apply, or how do we extend the principle to apply and solve a problem maybe that hasn't been presented to us before.

Jim: That's right. I mean, machines are good at, you hear about the phrase, big data, right? So if we train the algorithms in big data sets, then they can do a good job. They can often outperform humans. But the thing that's magical about human cognition is that we're really good at handling the new situation. And by definition, you don't have big data about a new situation. Yet somehow the human mind is capable of that. Like a baby's capable of learning language with very few examples or a human adult can learn a new bit of slang, even if you've never heard a new bit of slang before, you can kind of figure out what it means. And that is, there's just no machine in sight and on the horizon that's going to be capable of something like that. And that sort of thing is what humans are really good at. And it's not what we've traditionally been rewarded for.

Traditionally, I think we've been rewarded for how many calls can we handle within the fixed amount of time. And I think we need new management models, and we need a better cultures and ways of rewarding people for kind of handling the unexpected a little bit more.

Burt: I love that sort of edge-case scenario. So, Julie let's extend that thinking to learning and changing the vocabulary to talent development, people development. How are we thinking about these edge cases, these exceptional situations? We typically teach learning by starting with general principles. How do we take it beyond general principles to managing and solving exceptions?

Julie: Well, it's really essential. And I think it even starts prior to how we develop people with the choices we make about who we bring into our organizations as part of our talent ecosystems. So, a big part of growth mindset is recognizing that someone isn't going to walk in the door with every single skill and knowledge and experience having solved that problem when that problem doesn't necessarily exist.

And it's interesting because going back to trends, a little bit more than half of the trends respondents this year said that their strategy is to hire great learners who can develop for the future. So about half of organizations out there seem to already recognize that people can evolve and change and grow, and that they need to hire for that, even if they haven't explicitly framed it as a growth mindset. So that's definitely where we need to start.

Once folks are inside the organization, this is why nurturing these capabilities is so powerful, because if you give people opportunities to practice what humans can inherently do, and if that becomes the core of what we're asking them to do with their time, they're just going to get stronger and stronger and stronger at it. And one of the things I love about the idea of these

underlying attributes is that like muscles, they're present in just about all people, which really means that everyone has the potential to contribute. And this creates a much bigger, wider talent pool for us to draw from. And it eliminates some of the historical barriers to opportunity that have sometimes held people back.

Burt: What I'm hearing you say is it's about creating a toolkit, a portfolio of capabilities, skills, and experiences that allows me to draw upon complementary diverse skills, experiences to solve problems with that toolkit, and no one tool is sufficient. It's the concert of all the capabilities that people bring to their work. And in our job as leaders, as organizations, is to help our people develop that rich, comprehensive suite of experiences and capabilities to move forward.

Julie: Absolutely. We recently launched the high-impact workforce study. And one of the top findings of that study is that mature organizations empower workers to adapt and grow for this ever-changing unknown future, and that empowerment and that ability to adapt and grow has to include a whole bunch of stuff—the opportunity to explore internal opportunities, craft their own learning journeys, develop a common language around the work that the whole organization uses, and then using that in things like talent marketplaces to find the work and find new opportunities. But smart, mature organizations are really letting folks choose their own adventures, and the benefit of that is going to be exponential for organizations in the future, and for workers.

Burt: Well, I'd love to also reflect on your experience in thinking about structuring workforce and thinking about developing a workforce as a landscape, as a portfolio of talent. So many organizations get caught up in a fixed mindset of, "I've got this person in this box, I've got this person in this silo, I've got this person with this label, and now I just have to make those people do their jobs."

How do we help leaders and organizations step back from that, and think of their talent in a more holistic way, in a more open the aperture, flexible way, that people have more potential to do work than just their job today?

Ina: I'm very glad that you're asking this question because I think this is a really, really important topic about how to change the mindset of everybody—managers, individuals, organizations—that the resources are limited, and they're actually, we need to preserve them and we need to hold them, and we need to be very kind of stingy with them. And if you think about the example that you just mentioned about, "These are my people and these are the tasks I can accomplish with them. And I can't allow for any flexibility. I can't spare them. I can't let them do something different because it's not going to help us accomplish what we need to do, or this is the only thing I can get."

If we shift to, "There's so much potential when we let people use their capacity, their capability, their ambition, and their potential," and in the flow of work, that's why I'm excited about the conversation we're having about flow of work, how technology can help us accomplish more, how we can apply growth mindset by looking into assignments, opportunities, different ways of doing work, leveraging more our innate capabilities; it actually starts to create the land of plenty. It creates this opportunity of talent is limitless, and companies can start tapping into it by looking into how can we create projects, gig assignments, opportunities for people who are interested in trying something different, encouraging them to try something different, encouraging them to apply the skills that they had from other areas of their education or their prior professional experience outside the limitations or the boundaries of their current role or task. That actually starts to create the capacity and the potential and the land of complete opportunity. Very different way of thinking, rather than trying to kind of fit into a box.

Burt: Right. How do you overcome that natural human tendency of managers who have invested in developing their teams, and now this person is performing at an awesome level, and they raise their hand and say, "I want to go do that other thing over there." And the managers just go, "Whoa, whoa, wait, I just invested three years in making you awesome, and now you're going to leave me?"

Ina: Yes. A lot of people are afraid, both ways, both managers and employees, to raise their hand. Well, I'm going to point to an area that is probably not the immediate solution, but it is helping to break this, and it is access to data. Does the manager have access to data about people who have similar ambitions, similar potential, similar skillset, are interested? I think data is prevalent and we use it, but we have not fully built the skills in being extremely efficient with it, and what we see now as technology and AI, especially in the talent space, is starting to mature and provide the same information about what are the talent pools of people with similar skills? Who are the people who may be interested in this role? How close are they to being ready? Maybe somebody is 80%, 90% ready. Maybe somebody has 80% ready interest, 20% readiness with adjacent skills that will be so different.

It starts to create different solutions. And that's where we see managers also start to be able to come up with different options to address the needs, as well as employees have different options to explore what they can accomplish. A very win-win situation, where technology helps us scale a different solution.

Burt: That sounds exactly like growth mindset applied to organizations and teams. Wonderful. Well, I'd love to maybe get one last thought from each of you. What takeaway would you offer to our audience to really embrace this idea of growth mindset in very difficult times? How do we look ahead with optimism? Jim, I'll start with you.

Jim: Yeah, well, I think that definitely fundamentally the lesson about growth mindsets is that human capabilities, maybe they're not unlimited, but they're not fixed. It's almost an enlightenment idea. We can stretch ourselves and we can innovate to change with the changing times. Again, it's something that no machine on the horizon is going to be capable of doing, and so we need to kind of change our management models, change our incentive systems to really bring out those intrinsically human capabilities, like our ability to innovate and grow.

Burt: Wonderful. Julie?

Julie: Necessity is the mother of invention, as they say, and I think that if we look at what's happened this year, and how much people have had to do the unexpected, and how successful so many individuals and organizations have been, despite everything that's gone on. For me, that's the best argument that I could make for a growth mindset. We've sort of had to adopt a growth mindset this year, and look at what's come from it. Yes, it's been rough, it will probably be rough for a while, but there's been so much innovation, so much experimentation, and what if we just keep doing that? What opportunities does that create for our organizations and our workforce?

Burt: I totally agree. I've seen so many businesses thrive because they have broken their paradigms. They've re-thought their strategy or their operating model and responded to the current environment, as opposed to sitting down and saying, "Woe is me. I'll just get back in the game when this is over." Well, that doesn't work. Ina, your thoughts? What would you leave us with?

Ina: I'm going to leave us with one word, and it's going to be the word "potential," because growth mindset actually opens the opportunity for individuals and organizations to reach their potential. And sometimes what we're capable of doing will surprise us in a very positive way. So, let's reach for the stars, let's reach for our full potential.




Burt: I think that's a wonderful way to close. Some of the best leaders I've worked with have said to their teams, "You don't know how good you are. My job is to show you and to celebrate that." Well, with that, Jim, Julie, Ina, thank you so much for a really inspiring conversation, a really great discussion, lots of good takeaways for our audience, and I thank you for spending this time with us.

Thank you to Jim, Julie, and Ina for sharing your perspectives on how organizations can harness the concept of a growth mindset in their culture, learning and development programs, and talent strategy. And thank you again to Dr. Aneeta Rattan for sharing

your research and insights to help us understand what it means to have a growth mindset and how it can be cultivated and applied among individuals, teams, and organizations. Before we wrap up, I want to let you know that Aneeta and her colleague Raina Brands have started a free newsletter called Career Equally, whose mission is to educate and empower women to de-bias their careers. You can learn more and subscribe to their newsletter at careerequally.com. Thank you for listening, and stay tuned for our next episode of the Capital H podcast, where we will continue to explore the topics and trends that focus on putting humans at the center of work.



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