



Becoming a 100-year-old start-up

Tips from Harley-Davidson, Hewlett Packard Enterprise and Plug and Play

No industry or organization today can survive without consistently scanning the market to understand the competitive landscape and how it's changing: new start-ups, new technologies, new market needs, new customer trends. The pace of change is accelerating, and organizations who've been around for decades cannot be complacent.

In an age where digital talent is highly sought after and up for grabs, blue chips have unique challenges when it comes to supporting product and process innovation and attracting the talent they need to be successful.

At the 2018 Willis Towers Watson HR Software and Solutions Conference, a distinctive panel comprised of forward-thinking HR professionals talked about the unique challenges they encounter in trying to stay relevant in the face of continuous change and how they adapt, lead and support their organizations in the drive for innovation.

- **Mark Gregory**, Partnerships Manager, Plug and Play
- **Tchernavia Rocker**, Chief HR Officer, Harley-Davidson, Inc.
- **Adrian Stevens**, Vice President, Learning & Professional Development, Hewlett Packard Enterprise

What are the major disruptors you are seeing in your industry?

Adrian Stevens: Hewlett Packard has been continuously innovating and evolving for more than 80 years. From its origins in a Palo Alto garage in 1939, to the execution of one of the largest corporate separations in history to create HP Inc, focused on personal computers and printing, and Hewlett Packard Enterprise (HPE), one of the world's leading enterprise technology companies. Today, HPE's software-defined IT infrastructure and services business focuses on helping customers use technology to turn their ideas into value, helping advance the way we live and work. HPE enables businesses to make the most of a disrupted, now hybrid, IT world, from traditional IT environments, to secure, cloud-enabled, mobile-friendly infrastructure and the emerging intelligent edge of computing.

Tchernavia Rocker: At Harley-Davidson, we see strong competitive pressure for consumer time and spend from outside of Powersports. Basically, we are now competing with life, technology and emerging mobility models. We are focused on keeping current riders engaged and inspiring new riders by extending our leadership in two-wheel mobility, unlocking new markets and customer segments and meeting customers where they are by providing a uniquely Harley-Davidson multi-channel retail experience.

Mark Gregory: Plug and Play is a global innovation platform with accelerator programs, corporate innovation services and an in-house VC to make technological advancement progress faster than ever. We seed two sides of innovation and technology disruption: 1) Our VC arm invested in 262 projects last year giving start-ups the necessary resources to succeed in Silicon Valley and beyond; and 2) through various levels of partnership, we provide corporate collaborators with exposure to our ecosystem and access to qualified and strategically aligned early-and-growth stage start-ups. In this way, we have an inside view into many corporate innovation functions globally.

What are some of the different approaches you are taking to drive entrepreneurialism and innovation at your organization?

Tchernavia Rocker: We seek ideas from employees at all levels to move our transformation forward and share ways to innovate. Our headquarters are just blocks from the original shed where the first Harley-Davidson® motorcycle was invented. We've turned that shed into an innovation lab focused on solving problems through design thinking.

Adrian Stevens: At HPE, we are developing a 3-5 year plan that focuses on the core and emerging capabilities we need to execute our strategy, along with the people and culture activation levers that ensure our people and leaders can thrive amidst this accelerating rate of change we are navigating. Key themes include how we ignite innovation and cultivate a culture that invites every employee to bring their ideas to the table; not only in product development, but also in how we innovate across process improvement and operations. Our leaders are supportive of a continuous focus on innovation and improvement along with the essential blend of empowerment and accountability. When it comes to emerging capabilities, such as Cloud computing or AI and Machine Learning, talent management questions abound. Do we invest and build the essential capabilities internally? Do we invest and bring talent and skills into HPE through hiring or strategic acquisitions? And from a people and culture perspective, how can we activate the right culture needed to succeed, through flexible workplaces practices, leadership quality and talent investment?

Mark Gregory: Creating cultures and environments where innovation is incentivized and risk tolerance is increased is paramount. Listen to customers and empower front line employees to aggregate information and organize trends. It's also important to create a connection between the vision holder (or key decision maker) and the feedback you are getting from the market (VC, potential customers etc.) and make sure you are tapping into existing social networks to drive the business forward.

It's been said that "bureaucracy is the enemy of innovation." How do you battle the bureaucracy that inevitably sets in a large organization? What are some of the techniques you've used to break it down?

Tchernavia Rocker: Failing fast is key. What can we learn from the failure and how do we quickly implement that learning into the next best thing? At Harley, we recently started employing a "black hat/white hat exercise" where we engage in healthy debates built on reliability and trust. Those who wear the black hat are the devil's advocates who try to tease out why something may not work. This debate allows us to surface real issues, resolve them and give us what we need to focus on creating the right infrastructure to support the innovation.

Adrian Stevens: I have two recommendations: 1) Simplify processes and avoid over-engineering everything and 2) Crowdsource ideas for how to breakthrough bureaucracy, better serve customers and get the work done. We have also taken a fresh look at our acquisition processes to improve how we are engaging new employees in the right way, so we don't lose the critical talent that we are acquiring.



Mark Gregory: It is important to ensure the corporate functions like Legal and Finance are engaged and supportive of the goal of innovation. I'll give you an example: One of the corporate teams we were working with asked one of our start-ups to review and sign a 40-page non-disclosure agreement. Something like this just isn't feasible for a small start-up from a cost perspective. Getting the legal team to reduce the NDA to just 2-3 pages made it viable for the start-up who couldn't pay to have a 40 page legal document reviewed. Communicating and engaging different functions and getting them on board to tackle innovation-specific problems is key.

How can HR lead and influence innovation?

Tchernavia Rocker: You can be a disruptor or be disrupted in my opinion, but your mind set is critical. Having a growth-oriented mindset is one of the keys to driving innovation. HR supports innovation through our people processes. From talent acquisition to empowering existing employees, innovative ideas and activities can take many forms. For example, at Harley, we partnered with our marketing team to create one of Harley's most successful recruiting campaigns for our *#FindYourFreedom internship program*. We received thousands of applications for just eight internship positions, as we sought to turn an often-mundane rite of passage, the summer internship, into the experience of a lifetime.

Adrian Stevens: This year, we reached an inflection point at HPE and, with CEO support and HR leadership, balanced our focus between our people strategy and business strategy. Our incremental people investments are allowing us to enable innovation through more modern workplace practices enabled by technology. For example, in the past year, we've launched a sophisticated learning experience platform (LXP) that leverages AI and Machine Learning to help personalize access to knowledge and learning for our people and people leaders. It is helping to surface the latent knowledge that exists across HPE, promote social learning and, with a blend of HR and business-led channels, accelerate knowledge sharing, inspire ideas and improve performance and innovation.

Mark Gregory: In my work with start-ups, we've seen a number of ways HR can influence innovation, from integrating video into the talent acquisition process to make a job more transparent, analyzing databases like Glassdoor to better understand employee feedback and experience, participating in innovation networks, conferences and hackathons to build credibility, or bringing customer-facing technology to the HR function. There is a lot of opportunity for 100-year-old companies to innovate in the HR space.

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