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Collaboration to Change the World

2020 CEOI WORKING GROUP REPORT

The power of collaboration has been vividly illustrated by the world's collective response to the COVID-19 pandemic. From efforts to develop a vaccine to repurposing manufacturing facilities for PPE needs, alliances between individual companies and between companies and governments have been instrumental in catalyzing bold innovations.

Indeed, finding new ways to work together may be one of the most positive outcomes of the pandemic, and the need for more effective approaches to collaboration was a refrain sounded often in all five CEO Initiative working groups. "When we look to partner, and make a difference, it doesn't matter if a company is big or small," noted one CEO. "It's the relative difference that you can make that matters."

As the world seeks to rebuild toward a successful and resilient future, convening strengths and capabilities across business, government, and nonprofits will be necessary to tackle complex issues no one company or entity could face or solve alone. This recognition led the Collaboration to Change the World working group to focus on crafting a framework of principles, best practices, and considerations to create unprecedented impact and change.

It's worth pointing out that the process by which this working group arrived at its collective recommendations was itself a brainstorming collaboration in itself: Our aim was to create a "How To" guide for collaborating at scale, organized around CEOI founding partner Salesforce's "V2MOM" framework—which helps partners align on their vision for the project, the values and methods that will guide them, the obstacles that may have to be overcome, and the measures that will be used to evaluate success. The hope is that this might serve as a living document, continually updated with new experiences and learnings, that might be used to help others engage in successful collaborations at scale in the future. (FORTUNE is in the process of producing this document, which will be shared first with our Working Group and then with the full membership of the FORTUNE CEO Initiative.)

THE UNDENIABLE POWER OF COLLABORATION

CEOs have a leadership role in society. They are expected to serve not only their customers and employees, but also their communities. This mindset is empowering today's corporate leaders to engage in ambitious collaborations—with direct competitors, across industries or borders, and/or with governments or nonprofits—that a generation ago might have seemed unlikely.

“Right now, people are looking to the CEOs much more than governments or social institutions. But they are looking to CEOs as people they can trust, have opinions that matter, and can step up to the opportunity to lead in a new way across public and private sector, and nonprofits,” said Polly Sumner, chief adoption officer at Salesforce and one of the working group co-chairs.

Accenture CEO Julie Sweet, working group co-chair, translated the idea of “stakeholder capitalism” into the more relatable concept of “shared success.” COVID has accelerated this revelation, she said. ***“It’s making sure that the great things we can do together and the innovations are for the benefit of all. And that is at the core, really, of stakeholder capitalism.”*** In Accenture’s case, Sweet said that means understanding what each partner brings to the table and ensuring that the shared premise is on a path to scale.

Co-chair HP Inc. CEO Enrique Lores observed that collaboration at scale requires CEO buy-in. He embraced the notion that C-suite members and other senior managers must lead differently from the way they did in past generations—they have to get closer to their employees, their customers, and their communities. ***“We need to put aside some of our own personal egos, our own personal or company objectives, to really go and focus on what is a common problem that we are addressing,”*** he said. ***“This is going to require also a new leadership style that we need to bring to our companies.”***

Novartis CEO Vas Narasimhan, our fourth co-chair, observed that COVID-19 has underscored the value of expanding alliances in the precompetitive space to avoid “duplicative” research, experimentation, and investments in new methods of production—not just to battle emerging infectious diseases, but to tackle climate change, poverty, and other deep-seated problems.

WHAT STANDS IN THE WAY?

Despite his optimism, Narasimhan suggested three things he learned this year that should be front-of-mind for future collaborations. The first is the importance of having a shared understanding of the objective, what metrics are appropriate to measure it, and what data are essential to make good decisions. Otherwise, companies risk wasting tremendous effort.

Second is the benefit of involving global institutions that can traverse parochial interests and help private-sector companies work with one another and with governments without having to navigate one geopolitical minefield after another. One example referenced by the group is the Living, Learning & Earning—an alliance to develop multigenerational workforce practices—that was brought together by AARP, the World Economic Forum, the OECD, and 50 employers ranging from Adecco to UnitedHealth.

It's also essential to uphold the importance of competition, even in the midst of genuine collaboration, noted Narasimhan and other working group participants. Competition drives innovation as companies think about both their long-term business objectives and their reputations—and that can hopefully raise the level of ambition, participation, and sense of urgency for all the companies involved in precompetitive collaborative effort.

What else stands in the way of effective collaboration? Here are seven common challenges identified by the working group members that deserve leadership attention:

1. **Old Models of Success:** Many organizations are focused on the possibility of returning to pre-pandemic processes, relationships, and models—it's the “this isn't how we do it” mentality, noted one CEO. While emergency regulatory frameworks can boost collaborations during crisis, conventional frameworks must be challenged and broken for alliances to scale and survive.
2. **Redundancy:** Partners could inevitably overlap in strengths, capabilities, and intentions.
3. **Recognition and Control:** Parochial instincts, concerns over proprietary information, and internal motivations may fuel possessiveness that hinders collaboration.
4. **Prioritization:** Important individual and corporate priorities may endanger the ability to uphold commitments to the collective.
5. **Ability to Execute:** Gaps in capabilities and resources may be tough to overcome. Collaborations must balance ambition with scope.
6. **Inertia:** Gaining and maintaining consistent energy may be difficult.
7. **Alignment:** Even with common intent, partners may be unable to align on time horizons and other vital factors (company reputation, cultures, skills).

ESSENTIAL INGREDIENTS FOR SUSTAINED SUCCESS

While the objective of every collaboration is unique, the working group observed the most effective ones demonstrate a strong sense of shared vision and purpose. Goals are specific and the value of combining resources is clear—with each partner bringing its own strengths to the combination. A fundamental question that must be asked at the beginning: Can this desired result be achieved by any one of these organizations alone? “The biggest challenge is to land on a specific outcome that you want to achieve,” noted one participant.

Setting an appropriate level of ambition is also critical. A collaboration should result in an outcome that is richer and broader than what's otherwise possible. Scale is important: if the goal isn't big enough, the individuals responsible for delivering on commitments might not be inspired to prioritize them. After all, "you're serving something that goes beyond yourself or your brand," another participant noted. Start with a mission that is bold, but also remember that the ambition needs to match the capacity of the collective, cautioned another.

Establishing a culture of trust and inclusion is fundamental, so participants can count on each to deliver on promises and to freely share ideas. Reflect on who's not at the table and who should be invited to participate, aside from the usual suspects. "The more ambitious the project, the more likely that we aren't going to know everything," said one working group member.

Several working group members also spoke about the importance of stamina, of providing a framework of measurement and discipline that helps partnerships flourish over time. Without it, a promising collaboration is destined to flounder after the initial enthusiasm subsides. "If we let these kinds of issues fade when there is not a crisis in front of us, then we're going to continue to face these kinds of issues over and over again," said one CEO.

That makes institutionalizing the goals of a collaboration—with each collaborator setting expectations within their own operations—critically important. With that in mind, here are five high-level recommendations and related measures advanced by the working group, which should serve as the foundation for every collaboration:

1. **Begin with Bold, Scalable Ambition:** Start with an audacious goal and vision for the greater good. Take collective responsibility for an outcome at scale that no one entity could accomplish. MEASURES: A shared declaration of purpose, specifics about the potential for community impact, and a roadmap for scale that isn't profit-based.
2. **Foster Inclusiveness, Diversity, and Equity:** Seek out diverse and unexpected partners who can shed new light on the challenge. Create an environment of equality to empower people at every level. MEASURES: Full and transparent profiles of participants, and the role they play (governments, institutions, educators, private sector); participation by beneficiaries.
3. **Build for Speed to Value:** Work openly, sharing data and knowledge, and focusing on tangible outcomes and speed to value. MEASURES: Sprint-driven pilots that include a formal listening engine to fuel impact and innovation; track outcomes and time to progress; be transparent about shared success.
4. **Operationalize for Continued Impact:** Begin with scale and longevity in mind to guide participation and investment. Establish continuity through institutional support.

MEASURES: Set short-, mid- and long-term milestones, be clear about resource commitments, communicate and meet on a regular cadence.

5. **Develop a Common Language:** Create a shared language around operating principles, mission, goals, and case studies to bring everyone together. Establish clear criteria for shared data, swift decision making, and project timelines, as well as clear roles and responsibility for each participant. MEASURES: Celebrate progress and shared wins, create shared case studies, be clear about accountability and responsibility.

Putting operational discipline around any collaborative initiative is essential, observed Sweet. “Shared success is a mentality, but as CEOs, institutionalizing collaboration and scale as part of our decision making is, I think, really important if we want to practically make a commitment real in a shorter amount of time.”

“Without strong institutions, private sector companies inevitably end up having to go with the system in place.” — Vas Narasimhan, CEO, Novartis

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The Fortune CEO Initiative, launched after an extraordinary 2016 meeting at the Vatican, was created to convene, engage, and reflect the purpose-driven missions of corporate leaders who are committed to addressing societal challenges as part of their core businesses. Our CEO members believe in a simple proposition: that companies can and should do well by doing good in the world.

And today, Fortune CEOI members challenge all corporate leaders to adopt the following actions in four key areas: making technology a force for good, addressing the urgency of climate change and human impact on the environment, ensuring a more equitable society, and preparing our global workforces for the challenges of the future. Core to all of these efforts is collaboration—across the spectrum of business, with governments and nonprofit groups, and even with industry competitors. And so, as part of this year’s CEOI goals, we are committed to providing a guide and resource for helping companies collaborate at scale.