

Sustainable Corporate Cultural Change in Asia-Pacific



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- Jean-Louis
Laurent
Josi, CEO AXA
Japan

When Culture Conflicts with Strategy, Culture Wins and Strategy Loses

How do you transform a company's culture from conservative and defensive to diverse, innovative, and collaborative? How do you enable leaders to understand how their individual actions impact others as well as the financial performance of an organization?

Since 2011, AXA Life Japan (AXA), a leading global insurance company, has been committed to a culture transformation initiative. Executives have devoted significant resources and time to change the way the company operates. Jean-Louis Laurent Josi, CEO AXA Life Japan, explained, "Cultural change will build the foundation upon which all the other strategic initiatives rest. If we succeed in changing our leaders' and managers' mindset, the rest should follow." Yet, by the summer of 2013, the pace of change was too slow. AXA decided to engage their leaders in a new way.

Experience as the Main Trigger of Behavioral Change

Most executives and corporate officers knew a lot about AXA's new cultural direction. They had been through a series of workshops, surveys and off-sites, and felt they knew what was expected of them. However, knowledge alone was not enough to drive new behaviors. A Corporate Officer put the problem simply, "I know very well what our new culture is, but I don't know how to do it. It's difficult for me."

To bridge the gap and translate knowledge into action, AXA partnered with BTS, a leading strategy implementation firm, to develop a high impact, experiential learning program. To ensure maximum applicability and impact, BTS consultants worked closely with the company's executive team to craft an interactive experience aligned to and reflective of the key strategic priorities. The customized initiative was designed to:

- Enable leaders to experience the impact that culture change can have on strategy execution
- Illustrate how leaders' individual behaviors trigger actions throughout the organization and directly impacts business metrics
- Strengthen understanding and sharing experiences of the cultural and business implications of decisions and trade-offs



A Safe Environment to Experience Business Performance in the New Corporate Culture

Immersed in a high-impact business simulation modeled after AXA, executives and corporate officers stepped outside of their traditional roles, collaborated in new ways, and worked together to deeply understand the culture transformation.

Stepping into the shoes of the Executive Committee, the leaders experienced the real-life trade-offs affecting business performance and company culture over three rounds of decision making. Each team was given an opportunity to clearly identify the benefits and drawbacks of assuming direct control as opposed to fostering collaboration and empowering others in decision-making and execution. Through first-hand experience, leaders translated the culture shift into specific behaviors and actions to take on the job, recognizing when to ask the right questions and when to give the right answers to their teams.

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- Executive and Participant

Following the simulation, leaders have the critical mindset and skills to drive performance by empowering frontline leaders, developing human capital capabilities, and improving collaboration across business functions. Now prepared to walk-the-talk, the leaders' mindset shift has accelerated the culture change at AXA. An executive confessed: "I am a strong ambassador of our global cultural change initiative. However, I realized during this workshop that I have been over-prioritizing short-term considerations and I have not consistently made decisions that would accelerate our cultural change and build the foundations for long-term success."

Build Confidence and Commitment to Strive for Small Wins and Big Results

Six months after the executive-level workshop and shortly after further programs for next-level managers, BTS conducted an assessment to capture the impact of the interventions on the way participants lead their teams.

More than 80% of leaders reported that the simulation-based experience has had a positive impact on the way they conducted business and how they engage others. Several reported measurable impact on business metrics. A department head shared that the workshop helped him commit to a radical change in the way he encourages innovation in his team. He said the new approach has started to trigger results that he would not have considered possible before he experienced the BTS program.

For AXA Japan, high expectations were exceeded. The experiential learning initiative built the capabilities and mindset critical to accelerating the culture shift and driving long-term growth. AXA has already recorded improvement on their annual internal survey measuring the cultural fit of their leaders and managers. The positive momentum is expected to continue.

About BTS

BTS focuses on the people side of strategy, working with leaders at all levels to help them make better decisions, convert those decisions to actions and deliver results. At our core, we believe people learn best by doing. For 30 years, we've been designing fun, powerful experiences™ that have profound and lasting impact on people and their careers. We inspire new ways of thinking, build critical capabilities and unleash business success. It's strategy made personal.

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