

0:00:02.2 Julie Walker: Frankly, any consumer, but moms have been inventors forever out of desperation. And it's usually a hack that they've created that informs what's really wrong with the category. And again, I feel like entrepreneurs are fast to move on those, and big companies often are prone to say all the reasons why that wouldn't work.

[background conversation]

0:00:35.8 Intro: Five, four, three, two, one, zero. Forty seconds and we're go. Never in the field of human conflict. How do you measure such an astonishing moment in history.

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0:00:48.3 Ben Ortlip: You're listening to the bigQUEST Podcast with Andy Murray. In a high-stakes unpredictable world, every day is right with Blue Ocean Adventures just waiting to be discovered. You need the mindset, the methods, and the motivation to lead with confidence into the unknown. Come along as we talk to today's top leaders, known for simplifying challenges, outsmarting variables and inspiring greatness.

0:01:14.8 Andy Murray: We need to act like owners, take more risks, be more entrepreneurial. I don't know how many times I've heard that in the conference room or executive suite of big companies, but what does that actually mean? And what has changed so much in business that the ordinary employee executing their objectives carefully crafted from on high is now being compelled to become something they've only read about, and we're certainly never taught in business school. But those are the questions we're going to explore today on this episode of the bigQUEST Podcast.

0:01:45.6 Andy Murray: And who better to have a conversation with on those questions than my very special guest and long-time dear friend, Julie Walker. Julie's career has covered both successful senior leadership roles in big Fortune 50 companies, and she's also lived the life of an entrepreneur. So Julie, welcome to the show.

0:02:01.7 Julie Walker: Thanks, Andy. It's a pleasure to be here.

0:02:04.7 Andy Murray: You know, you have done the entrepreneurship side and the big corporate side, and those are such different worlds. But take me to that moment when you decided to not go back into that corporate world and go into the entrepreneurial space.

0:02:21.1 Julie Walker: You know, Andy, it's interesting 'cause when I first joined Procter & Gamble 30 years ago, I said I'll be there for three to five years. I'm very entrepreneurial. That company is gonna be too rigid for me, and I spent 24 years there. So I can't wait to circle back and talk about what they did to create an environment that allowed an entrepreneur to stay. When I retired from P&G and I joined another company to... Completely opposite of P&G, very PE oriented, I wanted to learn and I had a lot of freedom to make decisions, maybe more so than I ever had experienced before.

0:03:02.3 Julie Walker: But what I felt like was missing in either a corporate place was the opportunity personally to take the risk, personally to own the risk and be responsible for the journey. And I felt like at this point in my life, it was time for me to get uncomfortable, get out of

my... Which is something I tell people all the time is a big part of becoming more entrepreneurial is to make yourself uncomfortable and take risks. And so this felt like this was finally practicing what I've been preaching.

0:03:41.2 Andy Murray: Excellent, outstanding. You know, a lot of people haven't lived both sides of that, either they've been in corporate jobs for their whole career or perhaps they started working in a small company and been entrepreneurial their whole career. So it's not easy to draw a contrast between what an employee-centric idea is about versus an entrepreneur-centric approach. So it's probably helpful for us to take a few minutes and just talk about you 'cause unless you've seen it, both sides, it's really hard to just imagine it in your head if you haven't. And so I think maybe we just start with talking about some of the differences in an entrepreneurial mindset versus what you might be in a corporate environment and how those two are so different.

0:04:30.9 Julie Walker: It's interesting that you went to mindset, Andy, 'cause that's exactly where my head was going as you were talking about the difference between an employee in a corporate culture and an entrepreneur. And it really comes down to risk, reward, one, and the tolerance, your tolerance for risk. I see a lot of employees who have a very low tolerance for risk. I see companies with a very low tolerance for risk. And that mindset to be more incremental in the way that you think, more iterative, seeking inspiration from competition and sort of a narrower world view that is focused on operational efficiency, more so than inspiration, discontinuous ideas. And I think that that mindset difference between an employee who comes in and they've got their head down and they're working hard on the system, and an entrepreneur who's heads up and they're always learning and looking for inspiration, and frankly just an opportunity, some good luck in any place, they can find it.

0:05:51.8 Andy Murray: Yeah, yeah, I couldn't agree more. I do think that that's definitely a key element of that, and I think also that they're looking at the problems differently. I think when you're in an employee environment, corporate-wise, when you're faced with a problem, you immediately look for how have we solved this in the past. And you're drawing from that experience, which is a good thing because it lets you achieve things quickly and move forward and you're relying a lot on precedent.

0:06:21.8 Andy Murray: An entrepreneur doesn't have precedent. And so every problem is faced with a different approach, which you're really trying to dig into and say, "What can this problem teach me? What can I learn from this problem? Is there an opportunity for innovation buried inside this problem," versus having a history bank of the things you could pull out of your memory to go solve that. And that takes a bit more of a right brain, slow it down a little bit, see these problems as something that could reveal the gold.

0:06:54.5 Julie Walker: Yeah, Andy. It's really interesting that you talk about that both in the right brain area 'cause it's a bit of a dream. It takes a dream and lots of energy towards your dream, but also this notion of not drawing on past success, that that's not the best path forward and there's all kinds of wonderful quotes related to that. But I do think that this notion of intense curiosity exists in an entrepreneur and in any intrapreneur, more so than the typical employee who is wanting to optimize what already worked in the past and just make it better, do it faster, cheaper. But it's definitely drawing from experiences in the past.

0:07:42.8 Andy Murray: Yeah, yeah, I couldn't agree more. And one of the things that I think is a

bit of a watch out is that this desire to bring more entrepreneurial pieces in, where the entrepreneur gets hung up is when you are trying to scale and do things operationally that... Like let's say like your experience in CPG as well as mine, a minimum viable product, right? That's a very entrepreneurial thing to do, and if it's not right, you pivot. Well, you get that label wrong on a package and misprint that the amount of cost involved in that is not... That's no simple MVP that you're gonna fix in a two-week sprint, right?

0:08:23.9 Julie Walker: For sure. I think for many of the companies and the bigger they are, the harder in some cases this is to do. It is to get to rapid prototyping, is to have a culture that's a little more VC-oriented inside the big company and separate innovation, especially discontinuous innovation from the annual planning cycle. And you and I have talked about that quite a bit because it is really something that we've experienced in our corporate career as a barrier to innovation, is this corporate annual planning cycle that is 100% designed with incrementality involved.

0:09:09.4 Andy Murray: Yup, yeah.

0:09:11.6 Julie Walker: So that's just been my experience there.

0:09:13.9 Andy Murray: 100%. And I think an idea doesn't necessarily wait for an annual budget plan.

0:09:20.4 Julie Walker: No.

0:09:20.9 Andy Murray: And so I think where people do it well and companies that are more innovative have access to or create innovation funds to let people that have those ideas free to go execute, and I guess what I'm feeling is that at times we get this student body left, student body right, depending on who's been to the mountain at the C-suite. And there is a tendency to probably swing a little bit all in on the Agile or things that drive the entrepreneurial space when actually it's like harmonizing foot on both skis as our old friend... And Tom Mucci might say Friday's payroll and invent the future, keeping that in balance is really important. And it's been a bit out of balance where the invent the future hasn't been part of the daily muscle, as we've been optimizing, but it could easily swing the other way and lose the sense of operational discipline you need for when you do need incremental work.

0:10:13.9 Julie Walker: Yeah, I agree with you there. I think, obviously, if you're running a company and it's a company at scale, it's really important that you have a lot of continuous improvement and that you are able to scale continuous improvement. The disconnected ideas could really run amok against your business model if you don't have the right sequencing of capabilities and success, optimizing on the cheap, optimizing fast on the cheap. I think that that balance is critical and has pretty... I would say across the course of my career, been out of balance. And you do see the whipsaw of it, and it shows up in the results of a company. I always loved when I left P&G headquarters where everything was ready, aim, aim, aim, fire, aim, aim fire again, to Walmart and working closely with Walmart, and it was, ready, fire, aim. And I feel like... And then that was repeated and repeated and repeated in an iterative process, and I felt like for a big scaled company, they had it right.

0:11:32.5 Andy Murray: Yeah.

0:11:35.4 Julie Walker: Because you learn it in a real store environment, you actually can optimize it. It's not perfect, you optimize it in more stores and more stores before you take it to full scale, but you're always learning. And I think that that continuous learning is the key to entrepreneurship.

0:11:54.5 Andy Murray: Yes.

0:11:54.6 Julie Walker: And bringing people along on the journey of learning, I think, is as important, Andy.

0:12:02.0 Andy Murray: 100%, 100%. I think something you said earlier, that as we talk about what's the difference between the two worlds, I do think in corporate environments, you tend to over-index a bit looking at competitors as you've pointed it out because why would you do that? Well, because they... You could see whether it worked or not, right? And then you can adapt that and why take risk when you can just adopt what's already been working at your competitor?

0:12:27.1 Andy Murray: I think in entrepreneurship world, you really are a bit more customer-centric because you are looking new. A lot of times you're doing stuff where there is no competitive set really clearly established. And so it's looking at the customer as the opportunity point and then asking questions that are different kind of questions around how important is this problem to the customer. And is that a problem worth solving, which gets into, again, the types of questions you ask if you're an entrepreneur that might be different than the type of questions you would ask in a corporate environment where it might be, "How can we go faster?" The other question might be, "Is that the right direction we should go in?" So I think that the questions are important.

0:13:07.0 Julie Walker: I think that that's really interesting that you went in that space because I'm currently doing some work with a group called the Mom Complex, and we work with a lot of brands who are very successful. And in many cases, they have hit some road block and they're saying, "I wanna go get the voice of the customer brought in to inform the change. And the traditional way they would have gone about that would have been to ask a series of very logical questions to potentially an illogical person which is a consumer. When we're consumers, we're illogical, right? There's a lot of emotion and passion and pain that goes also into our decisions, and so the way in which we structure the discussion is very different. You have to start with a person's life, not with their decision in an aisle, in front of your product or having already purchased your category. And I think that that getting bigger is what entrepreneurs do a great job of. They're really active listeners. They listen with a broader view and let the consumer take the conversation more than I think a typical company employee does.

0:14:26.8 Andy Murray: Yeah. Well, and probably and most entrepreneurs are data poor, if you really think about it...

0:14:33.2 Julie Walker: Poor rich.

0:14:34.4 Andy Murray: Compared to the data that you have available in bigger companies and the more data you have... I've said this before, but I've not seen yet a spreadsheet reveal a customer insight as a real epiphany. I Andy Murray not a Luddite and anti data, but I also know there's limitations there, that there's nothing like behavioral observation, talking to customers directly, getting in homes. Those are things that are just so rich that I don't think data science is gonna get

you all the way there.

0:15:02.1 Julie Walker: For sure Andy, and you know, one of the tricks related to observation that we've been using are these #hacks. Moms, frankly any consumer, but moms have been inventors forever, out of desperation. And it's usually a hack that they've created that informs what's really wrong with the category and the apps that are going on. And again, I feel like entrepreneurs are fast to move on those and big companies often are prone to say all the reasons why that wouldn't work.

0:15:43.7 Andy Murray: Well, you know, it's interesting. You bring up a good point. I have been in the corporate environment for the last almost seven years and just stepped back out into the entrepreneurial space. And one of the things that struck me is how technology, consumer technology, which you don't really get access to in big corporations because of firewalls and the legacy cost and you can't really get access to those of what the consumer... So the consumer's ahead of most big companies tech environments, and the ability to fly and have virtual assistance when you need them or the ability to communicate in ways of the latest tools that are what consumers are using, but it's also what entrepreneurs are using. And one of the big shocks in going into big corporate after years of entrepreneurship was just how far behind, which I think is... The big companies can be in terms of... Mainly because of security data privacy. I get all that, that's super important, but it does have an effect on getting you two or three clicks behind where the consumer actually is and how they're using technology, and how fast you can actually go as an entrepreneur, and how much you can get done in an entrepreneur...

0:16:56.0 Andy Murray: I'm using Cullen Lee as an example, and oh my gosh, most people would think you need to have this whole support team, but you can get so much more done with some very basic tools that are free.

0:17:11.5 Julie Walker: Absolutely. I think that in companies, the majority of discontinuous innovation is happening in skunk works, Andy.

0:17:23.8 Andy Murray: Yes.

0:17:25.2 Julie Walker: And the rest of the company is two years behind, still scaling a big idea from before. And the real challenge I see is how do you get things out of skunk works and more embedded in the organizations big companies faster. And I think that that's gonna be a big challenge as companies and leaders seek to make their organization much more entrepreneurial, to pull some of that entrepreneurial spirit into and speed into the way their company operates without going over the dial on Agile.

0:18:05.4 Julie Walker: I think they're gonna have to figure out how to get skunk works integrated faster. And I think back to a story that you and I shared in our history, and it was when shopper marketing was first in its infancy, and it was incubated as a skunk work, right? It was... It had a protected budget. We fortunately were able to build an agency with you from scratch 'cause nothing else existed, all of which could never have happened without skunk works.

0:18:32.9 Andy Murray: No.

0:18:33.5 Julie Walker: But it had outlived its usefulness as a skunk works, and I remember the challenge you and I had in that how we held hands and jumped off the cliff together as we try to

embed it into the sales team culture, and since then, into the brand team culture. So I think that that's a big challenge that entrepreneurs have, and leaders who want to create more... Entrepreneurs who wanna create more entrepreneurship, is how do you incubate and quickly pull it into the core part of the business so it can sustain versus being just a fad.

0:19:14.4 Andy Murray: I couldn't agree more. And I think there's a big mistake entrepreneurs that try to go into corporate environments make when they ignore the reality that sooner or later, you're gonna run into the real corporate culture and you gotta learn to be successful in that space. So for example, getting a separate funding budget for shopper marketing that was off the invoice price and it wasn't connected to the brand budget, a separate budget. It was a huge unlock that was required in order to sit inside and make that an institutional idea, right?

0:19:52.6 Julie Walker: Totally.

0:19:54.8 Andy Murray: And without that... You can't... An entrepreneur may ignore that and say, "Well, that's just a barrier and let's not worry..." No. You've got to eventually lean in and go from a skunk works to something that is really supported in a corporate culture.

0:20:08.9 Julie Walker: No, Andy. I think it's one of the biggest mistakes that is often made by individuals. The two things that I hear the most inside corporations related to entrepreneurs are they're a cowboy, which means they ran off on their own and potentially alienated some folks by not bringing others along in the right way and really finding the right path to get that back into normal course of business, or two, they didn't share credit, and they basically have a giant target on their back and everyone can't wait to trip them in the hallway so that they fail the next time. And that I have seen as two challenges as an individual who is working hard to create and bring new ideas and break through processes to their company. It's so important to bring others along and share the credit, in fact, give it away. If you're really motivated by the idea and not politics, give it away all day long.

[music]

0:21:17.2 BO: BigQUEST Podcast with Andy Murray will return right after this break.

0:21:23.4 Andy Murray: Today, more than ever, we need leaders who lead with the values of excellence, professionalism, innovation and collegiality, which stand for EPIC. These are the values the Walton College of Business consistently demonstrate. I've worked with the Walton College as a business owner or executive for over 25 years and I can tell you with certainty, the students we've hired, the exec-ed programs and the insights from their research have made an epic impact and continue to inspire me with new ways of thinking. Their vision to bring thought leadership to the challenges business face today such as business integrity or how to be a customer-centric organization, that has real value by creating conversations that connect people with organizations, faculty industry in practice. I've put a link in the show notes to Dean Matt Waller Be EPIC Podcast, where you'll hear stories and get great content that will inspire you to the epic.

0:22:20.8 Speaker 2: We now return to The bigQUEST Podcast with Andy Murray.

0:22:23.8 Andy Murray: Well, it's really interesting. You're speaking really to the leadership deficit that is there for Blue Ocean type work, and I remember sitting in the executive team leading

where we had just been presented some big strategic initiatives that were Blue Ocean related, say from big professional service firm saying, "If you can't reinvent yourself and do this and that, you're gonna die and cease to be relevant." And after the consultants leave, you look around the room and say, "Who are we gonna assign to lead this initiative?" And you typically end up with someone that's been more in an operating role, that's got a history of delivering against incremental things, and you assign them. And the first thing they do is they create a barrier around themselves 'cause what they see... What others see as collaboration, they see as bureaucracy and try to go fast. And inevitably, that fails because it's not involved the right people, and that's one of the beauties, I think, and why I'm such a big fan of Agile, is that you do get operating units in there. It moves you away from skunk works, which you just create so much resentment of like, "Why do they get to have all the fun," while I think they're doing the routine work every day, right?

0:23:31.1 Andy Murray: I wanna have fun. And so as Agile lets you do that, but... So I think that's one good sign, I think. And I think the fact, true, the other thing is that the more companies are starting to put in Agile, it's elevating the demand for leaders to run those teams that can think a bit more right brain out of the box. They don't have to rely on certainty. They can be comfortable in uncertainty. That's why I think what we're talking about here, this entrepreneurship idea is only gonna grow as we get past COVID and continue on. I don't see it going back. Do you?

0:24:05.8 Julie Walker: No, I definitely don't. The pace of change that's going on in the consumer role, even since COVID, Andy, it's been certainly running in the lifetime of my children because they were born Gen Z's in this big technology boom, but consumers are now running even faster, I think, than technology and change since COVID. I've never seen this kind of behavior change that's been brought on by the constraints of COVID, and I don't see how companies will be successful without catching up to the consumer. We talked about it a little bit before. The consumer seems to be ahead of corporations. They're going to have to catch up, and I believe that Agile will be a part of it, for sure. I think it's a great bridge between skunk works and core operation, better than we've had in the past as companies but there's no going back.

0:25:06.5 Andy Murray: Well, I think some people are predicting that we're gonna enter this age, golden era of creativity, that's gonna be required. And if you look at so many categories in retail where yogurts, beverages that the SKU density was one thing, and then through COVID because of distribution logistics, they went down. I think Pepsi's numbers of how many items they didn't really need in there and sales only drop... 30% of the items was doing one and a half, 2% of sales. What happens to shelf space when we get on the other side of that, and what are you gonna put back in those spaces when you realize you didn't really need certain line item extensions and variety?

0:25:47.6 Andy Murray: I think there's a space challenge to say, "We need a better innovation pipeline that is more customer-centric, not just copying, that's more relevant to what customers really want and then if you're retail, look at all of the baggy space that all of a sudden now is a macro space challenge. As you said, consumer behaviour's changed in so many categories that they can buy essentials online. Why would I ever wanna go down the toilet paper aisle if I've now gotten used to buying those essentials online? And you know what I worry about is some of these categories that relied on getting shelf space to introduce new innovation? If there's no reason to browse that category, then where are they gonna find new... 'Cause the online space is horrible to browse. And so to get new item cut through, you're gonna have to rethink these categories, and perhaps, the physical store space is gonna have to have not just a reason to buy, but every categories... What's the reason to go down that aisle that's a better experience than what I could get

online? And that's gonna take a lot of creativity and a lot of innovation, I think.

0:26:51.3 Julie Walker: I couldn't agree with you more. I think it's... We're learning a lot right now as business people about the difference between when I'm ordering online and I'm asking to have it delivered versus I'm accepting picking it up versus I'm accepting the substitute because my threshold tolerance is so much greater than it would normally be. And I see this as the shelf space shrinks, that there are so many... And people are buying more online and through their apps that the brand folks are scrambling.

0:27:28.3 Julie Walker: A lot of the clients that I talk to, they're scrambling 'cause trial has never been easy even in the past. I mean, 70% of initiatives don't succeed because they don't hit their trial rates, and that's gonna be even... Have greater pressure now because the primary trial vehicle is being disrupted pretty terribly. And I do think that retailers are gonna choose to reallocate that space that was previously held in duplication by the fast-moving SKUs. I think they're gonna reallocate that to totally different categories, totally different services that they can sell or something much more interactive, and someone's gotta invent that, Andy.

0:28:18.9 Andy Murray: Yeah, 100%. And I think a lot of the CPG brands have been a bit safe because when you start reallocating category space, you get into macro space, you almost have to work through a store prototype. And macro space is super expensive, and a lot of retailers have stopped building new stores. They haven't been really... They take it in through the remodel plan, and so when you do the remodel, and now you're talking about a seven-year, eight-year remodel program, that's where you're gonna see that space change. So it takes a long time for a new prototype to work through the system, but with such drastic consumer behavior change in such a short amount of time, I think there could be a big macro reset of space that hasn't been done in a long, long time. And I would think that a lot of these categories are gonna be very vulnerable to that.

0:29:10.9 Andy Murray: And from a retailer perspective, what are you gonna do with the baggy space? If every category could be slightly smaller and they've been perhaps over-ranged and under choiced, then what kind of brand partnerships and how are you gonna create a good customer experience out of that? Those are also big challenges that are gonna be there. I think about Starbucks going inside of a Barnes & Noble, which I get that from use of space. It's a good coffee environment, but from a customer perspective, at least the ones I've been in, I can't use my Starbucks card in the same way because I'm inside a Barnes & Noble and I'm like, I don't get it. And the customer experience is a bit wonky in terms of all of that.

0:29:54.0 Julie Walker: Right. I think... You talk about customer experience. I think that the customer experience in mapping the journey and understand decision trees and maybe even bigger than your category, is a very rich source of inspiration for entrepreneurship. It is a framework of understanding the customer that I think is safe for companies because it's a little bit broader than looking in the rear view mirror on my category and competition only but it is a much more customer-centric way for your retailers or the suppliers to take a look at how they could improve the category. To me, what's gonna be really disruptive is the first brand that is able to find a way to deliver extremely consistent customer experience regardless of where you interact with it. Whether the Starbucks at my hotel, or the Starbucks that I drive through, or the Starbucks at Barnes & Noble, I have that same Starbucks experience. When that happens, I think you're gonna get real magic and there's a lot of categories where there's incredible barriers to that happening. A great one is adult

beverage at Walmart because of the laws in every state.

0:31:22.3 Andy Murray: Yeah, that's right.

0:31:23.6 Julie Walker: Right. So I think that retailers and brands have challenges whether they're in a simple industry or they're in a highly complex one to create consistency for the customer.

0:31:35.6 Andy Murray: Well yeah, and I do think there's gonna be... For the brands that do understand how to build first-party consumer type relationships, I think there's real power there because I know for first-hand experience that if you start rearranging a category and the data says this SKUs don't longer need to be... Deserve their space, and you take them out, a lot of times they go back in if the consumer has petitioned for that. There's two ways items get on shelves. You've either persuaded a buyer or you've petitioned a... Or consumers petition to have it. And the petition and persuasion issue, that just gets into how strong of a relationship you as a brand have with your consumer and turning them into raving fans, or they believe so much in your brand that they're gonna call the store and say, "Where is my X, Y, Z because I wanna have that." So the power to the consumer to petition for what they want and build that first-party relationship, to me, that's what I would be on a dead run if I was a brand builder, to try to build that as fast as I could.

0:32:44.8 Julie Walker: For sure. I also think of a limited assortment. You know I worked in the club channel for seven years and it's a tough channel because it's limited assortment. So in many cases, your brand could even be the category. So you have a greater burden of navigation and communication to explain who you are when you're the only antacid in the aisle or whatever it might be. But the second thing is, as they would change aisle items, items would come and go. We'd have items deleted but new items would be brought in. There's a huge risk because a little item in club is a \$5 million to \$50 million item and a big item is in the \$100 million item. So when you pull an item out, where does that demand go?

0:33:34.3 Julie Walker: Sometimes, it would go to the left or the right. Sometimes people would leave. Most suppliers nor the buyer knew what was gonna happen. It was a complete risk. Our metrics hadn't kept up with that kind of consumer voice at shelf until after the pain of taking it out happened and the lost volume to everyone happened. I also think people were not using dot com as a ramp in and a ramp out. And I could have paid for my item, my era when it got discontinued to be shipped to people who really wanted era. It would have been cheaper than losing it. So I think that, Andy, is where just in general, as we think about shelf and all the changes, marketers and entrepreneurs inside companies particularly or inside retailers, they're gonna have to think about how they leverage the resources that are already there in a very different way to keep the customer front and center.

0:34:44.9 Andy Murray: Yeah, I couldn't agree more. I think the other thing I'd say is, to your point around customer-centric and really trying to understand that, I think as retailers try to understand at a category buyer level, the real true customer needs and go beyond transactional hierarchies of understanding choice to just who are these avatars that you create and personas, which is a key central piece of being agile, then there's gonna be a lot of conversations to be had with top leading, I think, branded CPGs who have probably their own view of that persona and how that person works. But I think it's gonna be a healthy debate around what are the dynamics of a customer's avatar that shops a category because it's really hard to do Agile without that, of who are you designing for versus just a rearview mirror of transactional data on what their purchase

behavior was.

0:35:40.5 Julie Walker: You know, whether you're a retailer or a dealer, if you're dependent on your manufacturers for your success, making sure that they understand who your consumer avatars are, who the consumers are, and for big companies, obviously, there's multiple customer profiles and ensuring that everybody in the ecosystem is working in innovation against your consumer priorities, I think, is gonna be really important. Historically, I felt like there's been a... And you see this in all industries where there's sort of like, my strategy is super secret, and as I've worked with many companies who operate on much more open platforms than certainly I was ever exposed to or comfortable with in my growing up, what they said is I don't care if everybody sees my strategy. We publish your strategy. People will never be able to execute it the way I'm going to be able to execute it. They will not be able to communicate around it because the power isn't in the idea as much as it's in the way in which the idea is brought to life, and so I think that there is something really interesting there that could create more transparency in the whole ecosystem serving the customer at the center.

0:37:13.0 Andy Murray: Yeah, I honestly think that we've been a bit too enamored with ideas instead of getting a little bit more thirsty and hungry to understand the problem, and who's got the best insight into that problem, ideas... I can tell you, Julie, from being one of the co-chairs of the innovation den we had in the UK, where we had fun set aside, but the ideas that came in, which we were ready to fund, we were like, "Let's go," so few of them actually solved a customer problem. And so many of them were an idea for technology shine... I'd put them in the shiny object category and were just not good corporately at the hard work of put the idea aside for a second and ask the question, "What is the problem the customer has and what's the outcome we want them to have as a result of solving that problem, and how would they feel about that outcome once they experienced it?" And then you know what, the ideas will come. Just hold off, they'll come when you start trying to solve problems, which is I think one of the core attributes of an entrepreneur is they're really trying to solve a real customer problem and then they know they're good at ideas, versus starting with a group brainstorming and, "What are all the ideas we have today?"

0:38:31.7 Andy Murray: Well, what problems are we trying to solve? And so it's a different cultural bit. Well, I guess let me shift to the last part in terms of any advice to people that are in corporate environments, probably may not have had a lot of entrepreneurship understanding, but would want to and there's a passion there, or to leaders trying to create a culture that supports the development of people with these skills.

0:39:00.2 Julie Walker: I would say the most important thing is to study the consumer, the customer not... Don't spend so much time studying your industry or your category, really study the consumer, or the customer... There's a big lack of real insight about the problems that customers have engaging with products and using the products across all industries way beyond the ones you and I have been in for the majority of our career, and I think that's the first place I would start. I would say you gotta make time for heads up versus heads down time in your organization. You gotta value that. And where I would direct people is study other industries...

0:39:46.2 Andy Murray: 100%.

0:39:47.1 Julie Walker: Being curious in other industries. One of the things that I love to tell people, individuals, is make yourself uncomfortable at least once a year, whether that's taking an

assignment that makes you uncomfortable, taking a vacation that makes you uncomfortable, taking a class that makes you uncomfortable because intrapreneurship is really getting comfortable going outside of the trusted road behind and the trusted tools that got you where you are, so I think that that that piece is important. And as you think about making time for heads up versus heads down, if that's both an individual and a corporate.

0:40:24.9 Andy Murray: You know what, that's really well said. I got a couple of pieces of advice for those that are in a bigger environment. Two things, one, go look for the fringe-type assignments. And I was told many times not to go to Faber, Arkansas. "Where is that? And why would you take a P&G, leave Cincinnati, no one's gonna see you in the elevators going up and down to the 11th... Whatever floor and out of sight, out of mind. This could be a horrible career move for you, Andy." I remember that and I was like, "No, it's perfect." It's perfect, just like go to the fringe where you can innovate and learn new things, and I think that's been your experience too, right?

0:41:02.5 Julie Walker: Oh, totally, Andy. I was scared to death. I had three little kids and I had an opportunity to go work inside Sam's Club as an Executive on Loan. I was terrified. It was a big stretch for me. I'd never worked in retail before. And it was in a senior position, which I think also has sort of this burden of I'm not worthy that goes with it. And their office hours were very different than what my children were used to with me, but it was the best experience of my career. And I totally agree with that advice to look to the fringes. And I think many of your other guests who've even been on your podcast before have talked about some of their very best career opportunities happened when they got outside the core...

0:41:50.2 Andy Murray: 100%.

0:41:51.8 Julie Walker: And learned something different and had an opportunity to make a big difference.

0:41:55.2 Andy Murray: I couldn't agree more. And just one more point to support your idea of look in other industries. A quick story, I was in Jackson, Tennessee. I worked there at the kick mix in a Pringles plant for some period of my career back in the late '80s. And one of the things that we did was we needed to figure out how to get the cake mix line conversions, how long the lines down was really important and you would make a cake mix starting with vanilla and work your way to chocolate, right, because it gets dark, and you can't see the little bits that have been left in there from the previous run. But once you get to chocolate, you gotta kinda start over and you gotta take everything apart and clean it all out before you can start running vanilla again.

0:42:30.6 Andy Murray: And that downtime for a line, it could be serious amount of inventory that you have to build up in order to be able to just take it off the line for so long. And the best thing we did was go out to NASCAR and look at racing industries and how can they change an engine so fast, and how do they do a pit stop in so many seconds. And you know the insights we learned about that was crazy. And then being able to take that back and look at how parts, the power of wing nuts, the things that you could change quickly without tools or the simplification of all that, that never would have come from looking at another factory like ours. [chuckle] And so the power to get outside, that's a very entrepreneurial thing to do that you can do to go out... And like to me, if I wanted quick vaccines, I would go talk to the guys at Chick-fil-A and how they do the drive-through. My god, there's just something about the ability to do things that Chick-fil-A has figured out, could probably help a lot of industries.

0:43:30.1 Julie Walker: I totally agree, and I think it's why a lot of the CEOs that outperform their peer group have advisory groups that are extraordinarily diverse from an industry standpoint because they are looking for that external stimulant, so I think that's...

0:43:45.8 Andy Murray: Great. Great, great, great point, great point. Any other kind of leadership culture advice that...

0:43:51.6 Julie Walker: The last point I'd love to make sure lands for leaders particularly is the power of constraints, Andy. And you talk a lot about how important it is to understand the problem but also define the outcomes. In many ways, getting extremely clear and provocative almost with constraints can be unbelievable and unlocking different thinking among... In your organization. You talk about Bill Simon and the \$4 scripts. That wasn't a small change relative to the prior cost of generics, and the same... It was true when Procter & Gamble made major changes to the diaper and the whole way the diaper was... Because they wanted to take \$2 out of it. Well, that's 20% of cost, so at the time, you know what I mean that's...

0:44:48.5 Andy Murray: Yeah, yeah.

0:44:49.9 Julie Walker: I think constraints can be super powerful because, otherwise, anything new is layered on top of old...

0:44:58.5 Andy Murray: That's right.

0:44:58.6 Julie Walker: May not even be needed.

0:45:00.6 Andy Murray: That's right, that's right. I couldn't agree more. And if you think about what's happened with COVID, that I think is kind of a unintended consequence, when everybody went into emergency mode back in March, right, so that the 15 corporate priorities got down to like two.

0:45:16.5 Julie Walker: Absolutely.

0:45:17.4 Andy Murray: And the energy it released, the focus, the clarity, and it's one of the things I worry about post-COVID is the return back of layering on more and more objectives on people that just it becomes soul crushing in terms of work, plus, there's no head-up opportunity. But I think there's a lot more energy when you can use those constraints and actually put some constraints on yourself so that we don't get into stretching the organizations too thin with too many objectives that aren't gonna make a difference in the grand scheme of things than just taking and picking a few.

0:45:49.6 Julie Walker: Yup. And I think depending on where your culture has flat spots, where your current company culture has flat spots, whether that's in speed, whether that's in expense, whether that's in use of certain methodologies... I'm a product-only company and I'm trying to get into services because that's a really important part of extending my ecosystem. I think the constraint needs to be placed on the flat spot, so...

0:46:20.6 Andy Murray: Yeah. Great point.

0:46:22.9 Julie Walker: If you're slow then we're going to launch in three weeks. We'll mobilize your company.

0:46:27.2 Andy Murray: Yeah, yeah, I love that. There is a great... A lot of power in the constraints. I know from a creative agency background, no brief, just a wide open brief is the most difficult creative exercise. You're far better off knowing the constraints. You can design and create inside of constraints. You can't if it just they're like oh just bring us any idea. We don't... Especially one where they say, "The budget, forget the budget, just come back with ideas that... Pretend the budget doesn't matter." That's the worst because the budget always matters, and the more clear you are on the budget, the better ideas can be, but yeah.

0:47:03.7 Julie Walker: Well, and imagine if a lot of ideas came with customer-centric constraints, whether that's related to the problem, related to budget, you talk a lot about the three dimensions on which there's tensions for our customer, whether it's money, time...

0:47:20.6 Andy Murray: Frustration.

0:47:22.5 Julie Walker: Frustration, I think... And then operational constraints, if you have points of distribution that aren't your own. What are those operational constraints and how do you make sure that those are part of what you do? But I think it's under-utilized, I think, too often. We don't have the problem defined or the constraints documented.

0:47:44.0 Andy Murray: Yeah, yeah, yeah, that's great. That's a great point. Well, great advice, Julie. It's been a lot of fun covering a lot of ground. Hopefully, it's helpful to people that are trying to understand what this entrepreneurial thing means and how they could tap into some of those skills and so what's next for you? What are you working on?

0:48:01.8 Julie Walker: Well, I have... After again, 30 years, I guess as an intrapreneur, I have been officially bitten by the bug of entrepreneurship, and I Andy Murray launching a new research product, so I'm...

0:48:15.6 S2: Excellent.

0:48:17.4 Julie Walker: Excited about that and a little scared, but I'm making myself uncomfortable, taking my own advice and making myself uncomfortable.

0:48:23.3 Andy Murray: Well, when you're ready to go public, let us know. We'll make sure we put that out through the bigQUEST network for those that have tied into the email list or podcast, but we'd love to support that and stay connected. And I think all eyes will be on you to do something big as you always do, but congrats on being part of the entrepreneur club and the intrapreneur club. And thanks for your time today. It's been great.

0:48:48.4 Julie Walker: I appreciate it.

[music]

0:48:49.2 BO: Thanks for listening to The bigQUEST podcast with Andy Murray. Make sure to head over to bigquest.com to download our free checklist to launch your own big quest. On the

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