POWER OF THREE – TAKEDA, AWS AND ACCENTURE
VIDEO TRANSCRIPT

SPEAKER: From around the globe, it's TheCUBE with digital coverage of AWS re:Invent Executive Summit 2020, sponsored by Accenture and AWS.

REBECCA KNIGHT: Welcome everyone to TheCUBE virtual and our coverage of the Accenture Executive Summit, part of AWS re:Invent 2020. I'm your host, Rebecca Knight.

Today, we are talking about the Power of Three and what happens when you bring together the scientific knowhow of a global biopharmaceutical powerhouse in Takeda, a leading cloud services provider in AWS and Accenture's ability to innovate, execute and deliver innovation.

Joining me to talk about these things, we have Arjun Bedi, he is the Senior Managing Director and Chairman of Accenture's Diamond Leadership Council. Welcome Arjun.

ARJUN BEDI: Thank you.

REBECCA KNIGHT: Karl Hick. He is the Chief Digital and Information Officer at Takeda.

KARL HICK: Pleasure to be here. Thank you, Rebecca.

REBECCA KNIGHT: And Brian Bohan, Global Director and Head of the Accenture AWS Business Group at Amazon Web Services. Thanks so much for coming on.

BRIAN BOHAN: Thanks, Rebecca, good to see you. Thank you.

REBECCA KNIGHT: So as I said, we're talking today about this relationship between your three organizations. Karl, I want to talk with you. I know you're at the beginning of your cloud journey. What was the compelling reason? Why move to the cloud and why now?

KARL HICK: Thank you for the question. So as a biopharmaceutical leader, we're committed to bringing better health and a brighter future to our patients. We're doing that by translating science into some really innovative and life transforming therapies. But throughout, you know, we believe that there's a responsible use of technology, data and of innovation. And those three ingredients are really key to helping us deliver on that promise.

And so, while I think, I'll call it this cloud journey has always been a part of our strategy and we've made some pretty steady progress over the last years with a number of, I'll call it, diverse approaches to the digital and AI. We just weren't seeing the impact at scale that we wanted to see. And I think that there's a need ultimately to accelerate and broaden that shift. And we were commenting on this earlier, but it's been highlighted by a number of factors. One of those have been certainly a number of the large acquisitions we've made, Shire, being the most pressing example, but also the global pandemic. Both of those highlight the need for us to move faster, at the speed of cloud ultimately.

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And so, we started thinking outside of the box because it was taking us too long and we decided to leverage the strategic partner model. And it's giving us a chance to think about our challenges very differently. We call this the Power of Three. And, ultimately, our focus is singularly on our patients. I mean they're waiting for us. We need to get there faster. It can take years. And so, I think that there's a focus on innovation at a rapid speed, so we can move ultimately from treating conditions to keeping people healthy.

REBECCA KNIGHT: So as you are embarking on this journey, what are some of the insights you want to share about what you're seeing so far?

KARL HICK: Yeah, that's a great question. So, I mean, look, maybe right before I highlight some of the key insights, I would say that with cloud now as the launchpad for innovation, our vision all along has been that in less than 10 years, we want every single Takeda associate or employee to be empowered by an AI assistant. And I think that that's going to help us make faster, better decisions, it'll help us fundamentally deliver transformative therapies and better experiences to that ecosystem, to our patients, to its physicians, to payers, etc., much faster than we previously thought possible.

And I think with technologies like cloud and edge computing, together with a very powerful, I'll call it, data fabric is going to going to help us to create this real time, I'll call it, digital ecosystem.

The data has to flow ultimately, seamlessly between our patients and providers, our partners, our researchers, etc.

And so, we've been thinking about this, I'll call it or we call it sort of this pyramid, that helps us describe our vision. And a lot of it has to do with, ultimately, modernizing the foundation, modernizing and rearchitecting the platforms that drive the company. Heightening our focus on data, which means that there is an accelerated shift towards enterprise data platforms and digital products. And then, ultimately, you know, really an engine for innovation sitting at the very top.

And so, I think with that, there's a few different, I'll call it, insights that are quickly kind of zooming into focus, I would say. One is this need to collaborate very differently. And not only internally, but how do we define ultimately and build a connected digital ecosystem with the right partners and technologies externally?

I think the second component that maybe people don't think as much about, but I find critically important is for us to find ways of really transforming our culture. We have to unlock talent and shift the culture certainly as a large biopharmaceutical very differently.

And than, lastly, and you've touched on it already, which is innovation at the speed of cloud.

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How do we reimagine that? How do ideas go from getting tested in months to kind of getting tested in days? How do we collaborate very differently? And so, I think those are three, perhaps, of the larger, I'll call it, insights that the three of us are spending a lot of time thinking about right now.

REBECCA KNIGHT: So, Arjun, I want to bring you into this conversation a little bit. Let's delve into those a bit. Talk first about the collaboration that Karl was referencing there. How have you seen that it is enabling colleagues and teams to communicate differently and interact in new and different ways, both internally and externally as Karl said?

ARJUN BEDI: Thank you for that. And I've got to give Karl a lot of credit because as we started to think about this journey, it was clear it was a bold ambition, it was something that we had all to do differently. And so, the concept of the Power of Three that Karl has constructed has become a label for us, as a way to think about what are we going to do to collectively drive this journey forward.

And to me, the unique ways of collaboration means three things. The first one is that what is expected is that the three parties are going to come together and it's more than just the sum of our resources. And by that, I mean that we have to bring all of ourselves, all of our collective capabilities.

As an example, Amazon has amazing supply chain capabilities. They are one of the best at supply chain.

So in addition to resources, when we have supply chain nnovations, that's something that they're bringing in addition to just talent and assets. Similarly, for Accenture, we do a lot in the talent space. So how do we bring our thinking as to how we apply best practices for talent through to this partnership.

So as you think about this, so that's the first one. The second one is about shared success. Very early on in this partnership, we started to build some foundations and actually developed seven principles that all of us would look at as the basis for this success, shared success model, and we continue to hold that sort of in the forefront as we think about this collaboration.

And really the third thing I would say is this one team mindset. So whether it's the three of our CEOs that get together every couple of months to think about this partnership or it is the governance model that Karl has put together, which has all three parties in the governance in every level of leadership. We always think about this as a collective group, so that we can keep that front and center.

And what this, I think, ultimately has enabled us to do is it allowed us to move at speed, be more flexible and ultimately all we're looking at the target the same way, the North Star the same way.

REBECCA KNIGHT: Brian, what about you?

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What you observed and are you thinking about in terms of how this is helping teams collaborate differently?

BRIAN BOHAN: Yeah, absolutely and Arjun made some great points there. And I think if you really think about what he's talking about, it's that diversity of talent, diversity of scale and view point and even culture, right. And so, we see that in the Power of Three. And I think if we drill down into what we see at Takeda and, frankly, Takeda was really, I think, pretty visionary and on their way here, right, in taking this kind of cross-functional approach and applying it to how they operate day-to-day.

So moving from a more functional view of the world, to more of a product-oriented view of the world, right. So when you think about we're going to be organized around a product or a service or a capability that we're going to provide to our customers or our patients or donors in this case, it implies a different structure all together and a different way of thinking, right. 'Cause now you've got technical people and business experts and marketing experts all working together in this sort of cross-collaboration.

And what's great about that is it's really the only way to succeed with cloud. Because the old ways of thinking where you've got application people and infrastructure people and business people is suboptimal, right, because we can all access these tools and these capabilities. And the best way to do that is in a cross-collaborative way. And so, this is product-oriented mindset and Takeda was already on, I think, has allowed us to move faster in those areas.

REBECCA KNIGHT: Karl, I want to go back to this idea of unlocking talent and culture. And this is something that both Brian and Arjun have talked about too. People are an essential part, they're at the heart of your organization. How will their experience of work change and how are you helping reimagine and reinforce a strong organizational culture, particularly at this time when so many people are working remotely?

KARL HICK: Yeah, that's a great question and it's something that I think we all have to think a lot about. I mean, I think driving this, just call it this digital and data kind of capability, building takes a lot of thinking. So, I mean there's a few different elements in terms of how we're tackling this. One is we're recognizing and it's not just for the technology organization or for those actors that we're innovating with, but it's really across all of Takeda. We're working through ways of raising, what I'll call, the overall digital literacy of the organization. You know, what are the skills that are needed, almost at a baseline level, even for a global biopharmaceutical company and how do we deploy, I'll call it, those learning resources very broadly?

And then secondly, I think that we're very clear that there's a number of areas where they're very specialized skills that are needed. My organization is one of those. And so, we're fostering ways in which we're very kind of quickly kind of creating avenues, excitement for associates in that space.

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So one example specifically is we used during these very much sort of remote sort of days, we use what we call global IT me days. And we set a day aside every single month.

And this last Friday, we create during that time, it's time for personal development and we provide active seminars and training on things like robotic process automation, data analytics, cloud. In this last month, we've been doing this for months and months now, but in this last month, more than 50% of my organization participated. And there's this huge positive shift both in terms of access and excitement about really harnessing those new skills and being able to apply them. And so, I think that that's one element that can be considered.

And then thirdly, of course, every organization has to work on how do you prioritize talent acquisition in management and competency that you can't reskill. I mean there are just some new capabilities that we don't have. And so, there's a large focus that I have with our executive team and our CEO in thinking through those critical roles that we need to activate in order to kind of to build on this business-like cloud transformation.

And lastly, probably the hardest one, but the one that I'm most jazzed about is really this focus on changing the mindsets and behaviors. And I think there this is where the Power of Three is really kind of coming together nicely.

I mean we're working on things like how do we create this patient obsessed curiosity and really kind of unlock innovation with a real kind of a growth mindset.

And the level of curiosity that's needed, not to just continue to do the same things, but to really challenge the status quo. So that's one big area of focus.

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We're having the agility to act just faster. I mean to worry less, I guess I would say about kind of the standard chain of command, but how do you make more speedy, more courageous decisions? And this is places where we can emulate the way that a partner like AWS works. Or how do we collaborate across the number of boundaries, you know. And I think Arjun spoke elequantly to a number of partnerships that we can build, so we can break down some of these barriers and use these networks whether it's within our own internal ecosystem or externally to help create value faster.

So a lot of energy around ways of working. We'll have to check back in, but I mean, we're early in on this mindset and behavioral shift, but a lot of good early momentum.

REBECCA KNIGHT: Karl, you've given me a good segue to talk to Brian about innovation because you said a lot of the things that I was – the customer obsession and this idea of innovating much more quickly. Obviously, now the world has its eyes on drug development and we've all learned a lot about it in the past few

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months and accelerating drug development is of great interest to all of us.

Brian, how does a transformation like this help a company's ability to become more agile and more innovative at quicker speed too?

BRIAN BOHAN: Yeah, absolutely. And I think some of the things that Karl talked about just now are critical to that, right. I think where sometimes folks fall short is they think we're going to roll out the technology and the technology is going to be the silver bullet. Where, in fact, it is the culture, it is the talent and it's the focus on that that's going to be the determinant of success. And I will say in this Power of Three arrangement, Karl talked a little bit about the pyramid. Talent and culture and that change and that kind of thinking about that has been a first class citizen since that very beginning, right. That absolutely is critical for being there.

And so, that's been key. And so, we think about innovation at Amazon and AWS and Karl mentioned some of the things that are like AWS can bring to the table is we talk a lot about builders. So we're kind of obsessive about builders. And what we mean by that is we, at Amazon, we hire for builders, we cultivate builders and we like to talk to our customers about it as well. And it also implies a different mindset, right. When you're a builder, you have that curiosity. You have that ownership. You have that state. And whatever I'm creating, I'm going to be a co-owner of this product or this service, right, getting back to that kind of product-oriented mindset.

And it's not just the technical people or the IT people who are builders. It is also the business people as Karl talked about. So when we start thinking about innovation, again, where we see folks kind of get into a little bit of an innovation pilot paralysis is that you can focus on the technology, but if you're not focusing on the talent and the culture and the processes and mechanisms. You're going to be putting out technology, but you're not going to have an organization that's ready to take it and scale it and accelerate it. And so, that's been absolutely critical.

So just a couple things we've been doing with Takeda and Takeda's really been leading the way is think about a mechanism and a process and it's really been working backward from the customer. In this case, again, the patient and the donor. And that was an easy one because the key value of Takeda is to be a patient focused biopharmaceutical, right. So that was like embedded in their DNA. So that working back from that patient, that donor, was a key part of that process. And that's really deep in our DNA as well at Accenture and so, we're able to bring that together.

The other one is, is getting used to experimenting and even perhaps failing, right, and being able to iterate and fail fast and experiment. And understanding that some decisions, what we call it at Amazon, are two-way doors.

Meaning you can go through that door, not like what you see and turnaround and go back. And cloud really helps there because the cost of experimenting and the cost of failure is so much lower than it's ever been. You can do it much faster and the implications are so much less. So just a couple things that we've been really driving with Takeda around innovation that's been really critical.

REBECCA KNIGHT: Karl, where are you already seeing signs of success?

KARL HICK: Yeah, it's a great question. And so, we chose where they're focused on innovation to try to unleash maybe the power of data digital in focusing on what I call sort of maven, so we chose our plasma derived therapy business. And the plasma derived therapy business unit, it develops critical lifesaving therapies for patients with rare and complex diseases. But what we're doing is by bringing kind of our energy together, we're focusing on creating, I'll call it, state-of-the-art digitally connected donation centers. And we're really modernizing the donor experience right now.

We're trying to improve also, I'll call it, the overall plasma collection process. And so, we've selected a number of, I'll call it, very high speed pilots that we're working through right now, specifically in this area. And we're seeing really great results already. And so, that's one specific area of focus.

REBECCA KNIGHT: Arjun, I want you to close us out here.

Any ideas, any best practices, advice you would have for other pharmaceutical companies that are at the early stage of their cloud journey?

ARJUN BEDI: Sorry, was that for me?

REBECCA KNIGHT: Yes, sorry, Arjun.

ARJUN BEDI: Yeah, it was breaking up a bit. You know, I think the key is what's sort of been great for me to see is that when people think about cloud, you know, you always think about infrastructure technology, the reality is that cloud is really the true enabler for innovation and innovating at scale. And if you think about that and all the components that you need, ultimately, that's where the value is for the company, right. Because, yes, you're going to get some cost synergies and that's great, but the true value is in how do we transform the organization. The case with Takeda and our life sciences clients, we're trying to take a 14-year process of research and development that takes billions of dollars and compress that, right. tremendous amounts of innovation opportunity. You think about the commercial aspect, lots of innovation can come there.

The plasma derived therapy is a great example of how we're going to really innovate to change the trajectory of that business. So I think innovation is at the heart of what most organizations need to do and the formula or the cocktail that Takeda has constructed with this

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Fuji Program, really has all the ingredients that are required for their success.

REBECCA KNIGHT: Great. Well, thank you so much, Arjun, Brian and Karl. It was really an enlightening conversation.

KARL HICK: Thank you, it's been a lot of fun.

BRIAN BOHAN: Thank you.

ARJUN BEDI: Thank you. It's been fun. Thanks, Rebecca.

REBECCA KNIGHT: And thank you for tuning into TheCUBE's virtual coverage at the Accenture Executive Summit.