



# Talent Drives strategy and is essential for the **long-term success** of every organisation

McKinsey  
& Company

## An Interview with **Dominic Barton**

Chair, IIRC  
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- Q** We have more than four decades of neo liberalism behind us. Do you think capitalism has failed to deliver especially in advanced economies like UK and the USA?
- A** I think capitalism has delivered extraordinary growth and innovation over the past four decades in advanced economies like the UK and the USA, but it has also become less inclusive (particularly in the area of equality of opportunity) and more short-term.
- Q** It is amply clear that companies must deploy talent in new ways, to remain competitive. How can we redesign our HR strategies to put 'People First', for creating a talent-driven organization?
- A** **Talent drives strategy and is essential for the long-term success of every organisation.** The CEO needs to think of his or herself as the Chief People Officer – Talent is not just an HR issue, but a business issue that all leaders need to 'own'. By thinking about Talent to Value and Talent Allocations like we think about Capital Allocation today, one can create a talent-first organisation.
- Q** Emerging disruptive technologies such as Block Chain and Artificial Intelligence are revolutionising businesses globally. How can companies effectively keep up with this digital upsurge?
- A** We are in the early stages of another wave of fundamental technology disruption - some call it 'Industry 4.0'. **All executives need to ensure they are individually up to speed on these new technologies (e.g., take courses, read, invite experts in) and the organisations they work in need to have this as part of their transformation work.**
- Q.** According to the latest surveys, British millennials are still 'scarred' by the 2008 financial crisis, facing lower employability and earnings potential. How can one manage the aftermath of such a crisis?
- A** A lot of people – young and old – have been scarred by the 2008 financial crisis. For millennials, I think that one has to look at 'reskilling' – what do I need to learn for the next 5-7 years and be careful of 'get rich quick' schemes – we have hundreds of years of experience with those and crises.

- Q** Protectionist rhetoric and geopolitical tensions are an increasing threat to global open trade. What key structural reforms can help the global economy prosper?
- A** Global trade is good, but some people have been displaced or lost their jobs due to it. We need to acknowledge this and we need to ensure the 'reskilling and support systems' are in place to help the displaced or we will all be worse off. Technology disruption will have a profound impact on humanity – and by and large a good one – but it will displace even more people and so we, again, **need to have a strong 'reskilling or support system' in place.**
- Q** Studies have often indicated that participation of women in economy would stimulate wider benefits. How can we help businesswomen connect to international value chains?

**A** **Increasing the participation of women in the economy would have significant GDP growth benefits** – among many other benefits. A McKinsey Global Institute report suggests that \$12 trillion, or 11%, could be added to global GDP by 2025, by advancing women's equality. Men need to actively sponsor more women and help connect them to their network

\* *Based in London, **Mr. Dominic Barton**, Global Managing Partner Emeritus, at McKinsey & Company leads the firm's focus on the future of capitalism and the role business leadership can play in creating long-term social and economic value. He is also, Chair (2018-2019), International Integrated Reporting Council (IIRC).*

As Interviewed by:  
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