

TRANSCRIPT FOR PUNIT RENJEN: THE FUTURE OF WORK AT DELOITTE (EPISODE 45)

Dr. Harpreet Singh: [00:00:09] Hello, everyone, I'm Harpreet Singh, welcoming you to the Future of Work Pioneers podcast. Today we are speaking with Punit Renjen, the Global CEO of Deloitte. He leads an approximately 48 billion US dollar business with three hundred thousand employees and hundred and fifty countries under police leadership. Deloitte launched WorldClass, a social impact initiative that seeks to empower 50 million people with education and skills development by the year 2030. Recently, Punit was awarded the Oregon History Makers Medal by the Oregon Historical Society in recognition of his business leadership. Punit, welcome to the show.

Punit Renjen: [00:00:52] Thank you, Harpreet. Great to be with you.

Dr. Harpreet Singh: [00:00:56] So give us a sense of your background. You started your journey in a small Indian town of Rohtak and became the head of the largest professional services firm in the world. There aren't many success stories like yours. What were some of the challenges that you had to overcome and what enabled you to break the glass ceiling?

Punit Renjen: [00:01:21] First, you are absolutely right, I was brought up in a town called Rohtak, which is 40 miles west of New Delhi, a relatively small town, and left in the early 80s. And, you know, when I was growing up and wrote the book and if you had to line me up with all my peers and my friends, I don't think anybody would have said that I would amount to anything to too much. And I think they are as surprised as I am, that I ended up where I did. I would have never imagined in my wildest dreams that I would have an opportunity to be a partner at Deloitte and to lead Deloitte. Frankly, I didn't even know that a firm like Deloitte existed. What changed my life was the Rotary Foundation scholarship. I was a scholar from northern India and sight unseen and never been on an airplane, never been outside the country. I came to the United States, which is where the scholarship was applicable, and the rest, as they say, is history. I mean, I went to school here, and then I started working with Deloitte thirty-five years ago and really started first to learn my craft, become good at it, and then eventually had the opportunity to lead the organization. And I'm very grateful and I can frankly say that I

had no clue. I did not ever anticipate that I would be where I am. I'm very grateful, but I certainly did not early in my life, early in my career.

Dr. Harpreet Singh: [00:03:01] That's very humble of you to say. I asked a question to Mark Cuban on the show, and I would like to get your perspective as well. The United States is a cradle of innovation that has been built on the backs of immigrants. Forty-five percent of Fortune 500 companies were founded by immigrants or their kids. These companies have created millions of jobs and contributed substantially to our nation's GDP. I was surprised to learn that in Illinois last year, the revenue brought in by immigrant-founded Fortune 500 companies was equal to 70 percent of the state's GDP, given the contribution of immigrants to the American economy. What are your hopes for immigration reform under the new Biden administration?

Punit Renjen: [00:03:54] First off, that was a very impressive and interesting statistic that you just cited, 70 percent of the GDP of the state of Illinois contributed by immigrant families in your question is really the answer. What makes this country wonderful, unique? The leader in the world? Is the fact that it has immigrants at its core, the immigrants have been central to the American experience and to the American story. And I think what distinguishes us from many other countries in the world is the fact that we have this view of welcoming immigrants into our society, people like you, the best and the brightest from different parts of the world that come to America, embrace the American dream and then contribute back. And so I am a very big proponent of continuing that tradition. It is central to the American experience and it would be a real shame. I think it would be America would not be America without an immigration policy that is welcoming like it has been for, ever since our founding.

Dr. Harpreet Singh: [00:05:14] Shifting gears. We are here to discuss future work. How would you define future work and what is your vision for Deloitte?

Punit Renjen: [00:05:25] Well, I think the first thing that you need to have is a perspective that work is a defining element of a person's life. And I think if we can get to that viewpoint where work is all of us, you, me, spend a significant amount of our time doing a craft, working. And at the end when we look back, and I'm closer to it than you are. But when we look back, I hope that we can look back and say that my efforts, my work led to something meaningful, that it created an impact, an impact on customers or

clients that I served, on people that I worked with, or in the communities that I lived and worked in. So if you can take that view around work, I hope that is the view around future of work. I don't believe that your question was expecting an answer like that. I think you were more interested in how with things changing would work itself change. And let me get to that piece. I think work is being impacted by technology, by ways in which work is done by artificial intelligence, robotics. And so I think increasingly individuals that are successful will need to have the skills and capabilities to participate in a workplace that not only has other human beings but has technologies that aid in the production of something of value to society. That is the first big change that is before us. The second big change, certainly, is that individuals that have the ability to integrate, bring other ideas and perspectives, create an ecosystem, are going to be far more successful. Technical skills certainly are important. Increasingly, people talk about STEM capability. Absolutely. But I really believe that the liberal arts are going to be as important in this new world because they have the skill set, the capability to bring individuals together. Increasingly societal problems, business problems require core capabilities that exist outside the confines of an organization or a country, or a community. And it requires the integration of various capabilities to solve these problems, climate is a very, very good example of that.

Dr. Harpreet Singh: [00:08:22] Punit, let's talk about WorldClass, the social impact initiative, where you seek to empower 50 million people with education and skills by 2030 in the communities in which you are engaged. Can you tell us more about this initiative and what kind of skills you are targeting?

Punit Renjen: [00:08:44] Well, I think when we started work on this a couple of years ago, we thought to ourselves, first off, we are a purpose-driven organization. We're committed to making an impact for our clients, for our people, and the communities that we live and work. And as an organization, we get back into the communities three percent of our distributable earnings. And that is important. But the most valuable asset that we have is the three hundred thousand professionals that call Deloitte home. So when we looked across the globe, we found that they were a large number of individuals that were being left behind in this fourth industrial revolution and it varied by geography. And so let me give you an example of the overall goal that we came up with was 50 million. We wanted it to be a stretch goal so that we could motivate ourselves to achieve something big. 10 million of that 50 million is a commitment in India. In India,

one hundred and seventy-five million women and girls are not educated. And because they are not educated, they will not have access to a rapidly developing economy. So our commitment in India is to impact 10 million women and girls through education. In China, the issue is the left-behind children. As China has industrialized and moved to the cities, these children have been left behind, so our commitment in China is to impact positively these children that have been left behind. In Papua New Guinea, the commitment is for seaweed farmers and educating them on the value that they're creating so they don't get exploited in the value. So now the beauty of this is that in every community, Deloitte professionals can volunteer to impact their community in a positive way, under the umbrella of WorldClass and under the umbrella of uplifting individuals through education.

Dr. Harpreet Singh: [00:10:59] And what is the modality of this engagement or the Deloitte professionals engaging with schools, are they doing all the other work for how they get involved?

Punit Renjen: [00:11:11] Excellent question. So let's take India again. The commitment in India now involves two NGOs, Pratham and Katha, that are working in this sector in India and Deloitte professionals work with them to impact the women and girls that Pratham and Katha are organizing to give them education, skills and capabilities so that they can participate in the Indian economy. We're going to expand that in India. We've had tremendous success and I think we're going to go from 10 million to 30 million in India alone. And so our overall target will increase, but we're going to try and expand it from just education to skills and then hopefully matching them up with a job. And the thinking, Harpreet, is that if you impact the women and girls, give them education, it certainly impacts them personally, but it impacts their families. And so there is a real multiplier effect to what we are trying to get done. And then the benefit of Deloitte is that you get engagement from our people. You leverage the most valuable asset that Deloitte has, which is our people in and of course, the money that we put in.

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Dr. Harpreet Singh: [00:13:29] Staying with the social impact theme, can you also talk about the work you're doing when it comes to climate change and also some of the COVID-related relief efforts in India specifically?

Punit Renjen: [00:13:42] Well, I think both very interesting and good questions. Let me take them one at a time. Climate is an existential threat for our generation. COVID-19 has been horrendous. This last year has been just terrible for each of us individually, for our communities, for the people that have been impacted. But I think climate is an even bigger threat. And what we need to do is that each one of us as individuals and as organizations need to chip in, because if we don't, we will not be able to address it. A single government can do it, an NGO can do it. It will take all of us. Deloitte's commitment is the following. We have committed that we will be net-zero emissions based on science-based targets by 2030. We've also committed that we are going to, again, leverage our three hundred thousand professionals and give them the tools and skills so that they can become in their own individual lives net-zero, and through them in the communities that they live and work in. The third pillar is the fact that we are a large organization, as you said, forty-eight billion. We interact with the world's most prominent clients. We buy stuff and we're going to work with our suppliers and clients and use ourselves as an example to do the same thing for them. So it's a comprehensive commitment around climate. And we are going to take the lead in terms of the discourse and really getting this point of view across to others because it is a really, really important issue. Let me talk about COVID-19 in India, particularly. What is happening in my homeland right now is tragic. But this is a global crisis. Nobody is safe unless everybody is safe.

Punit Renjen: [00:15:49] And it is incredible in terms of what is happening, and I think the answer lies in really triaging the problem, we need to address the immediate problem, which is oxygen supplies, and certainly Deloitte has stepped up to do that. We are collaborating with others. There's a global task force that is focused on a number of us multinationals have come together with the US Chamber, to try and address the

immediate needs. The second aspect is 15 percent of Deloitte professionals, 50 thousand of them call India home. So we need to step up and make sure that we protect and support those individuals that have been impacted and we are doing multiple things there in terms of protecting our people, as well as supporting those that have been impacted. But then I think we need to do more because this is not a one-and-done and is not going to get done in a few weeks' time. This will take many months. We need to address this issue of the crush on hospitals, and we need to expand the aperture on how we help so that and we'll be announcing something next week around how we address this issue around the crush on hospitals. And in the longer term, of course, the way out of this pandemic is through vaccinations, and that has to be rolled out and very quickly so that the virus doesn't mutate and doesn't impact more Indians than everybody else. The other thing that this is, is it's a real wake-up call for decades. I think there has been an under-investment in health care, not only in India but all over South Asia. And that needs to change. Not just in our tier one, tier two cities, but in the villages.

Dr. Harpreet Singh: [00:17:49] That's because a lot of the villages and smaller cities are not getting the help, most of the help is going to larger cities, I've also seen.

Punit Renjen: [00:18:00] Yes. And I think that needs to I mean, we need this pandemic is a wake-up call. We need to absolutely change the way that we do this now. Here's another interesting thing. India stepped up and helped the US. When everybody's gone through this, the US went through four or five ways. India stepped up and helped the United States. This is the right thing to do, but it is also the right business thing to do because if we don't get control of the virus, it will mutate and it will come back to the Western democracies. It is really important. I mean, I was on a call with a couple of senior government officials the other day. They were telling me that the positivity rate in Nepal is 50 percent. And it has spread to other countries in South Asia, the variant is now in in the United Kingdom, it's even in the United States. So it is really important for all of us to address this issue.

Dr. Harpreet Singh: [00:18:59] Since we're talking about the pandemic, can you reflect on how it's impacted your professional life and what kind of practices you think are here to stay?

Punit Renjen: [00:19:11] What a horrible year. I mean, who could have imagined back in March or April that we would be zooming from 5:00, 6:00 in the morning to late at night? I mean, there have been some it's been disruptive. There is no doubt about that. There are some real negatives in terms of mental health, in terms of the breakdown of the home and office and work. So they've been really negative. And I think human beings are social animals who have the ability to interact with people. The fact that we lost that, has been the negative. There have been some. So life has been really deeply disrupted. I'm not saying anything that you don't already know, but there have been some things that have been reaffirmed. We believed that we were on the cusp of a 15-year technology-enabled growth cycle, secular growth cycle. And that has been certainly affirmed by the pandemic in the sense that digitization, the use of technology has accelerated, and I think that's honestly been a positive. Our ability to leverage technology like you and I are doing today will hold us in good stead going forward. It has also given us an opportunity, Harpreet, to really take a step back, a pause, if you will, and look at our personal lives and look at the way that we live as a global community and try and decide that we need to do things differently. What do I mean by that? I used to travel three weeks a month.

Punit Renjen: [00:20:57] Never again am I going to do that never, ever, ever again. Why the heck did I do that? I'm going to leverage technology and it's going to be good for my well-being. It's going to be good for my family life. I think it's going to be good for the environment. The pandemic has given us a chance, one chance for us to address other significant issues like climate change, like systemic bias, like income inequality. It will be a shame. In fact, I fear the disdain that my 17-year-old son will have if we do not address this now. It is our generation's responsibility. And I think the pandemic has given us an opportunity to reassess. You do things differently for businesses, it's both a reassessment as well as an opportunity. Supply chains thinking about how business is conducted. I'll give you an example from Deloitte's standpoint, we have three hundred thousand people out of work. We had three hundred thousand people working remotely serving clients. Will we have three hundred thousand people working remotely after the pandemic? No, but we will certainly not go back to the way that we used to work. We have nine hundred offices. Will we have nine hundred offices configured the way that we used to have them? No. Those are very specific changes using Deloitte as an example in terms of what the pandemic has brought in.

Dr. Harpreet Singh: [00:22:36] I saw some news that Deloitte shut down offices in the UK with the intent to have a remote workforce. So what you're saying is we're going to see more of this phenomenon and then the role of the office is evolving?

Punit Renjen: [00:22:50] Absolutely. It's not only the number of offices but also the role of the office. I mean, the way that we are envisioning our office and the model that we are envisioning. And by the way, it's going to be different for a different company. I was talking to a pharma company and for them, it's really important for all of them to be back in the office because the collaboration required is so, so important. That certainly applies to us. We will have somewhat of a hybrid model where we will have some remote work, some distant work, if you will. But then the office environment is going to be more of a collaborative environment, more of a hoteling environment. And so the footprint of the office is going to change. The configuration of the office is going to change. And this has given us an opportunity to reassess at a very granular level, different aspects of our strategy. I'll give you one other example. Deloitte invested in physical spaces called Deloitte Universities. These are fabulous institutions, if you will, where we imparted capability, knowledge, culture to our people. The pandemic reaffirmed that. But what we are going to focus on at Deloitte University is going to change. It's going to be more around the cultural aspects, around what it means to be a Deloitte professional that is going to be emphasized at Deloitte University. Some of the technical training might actually be done via remote learning, like the interview that you and I are doing right now.

Dr. Harpreet Singh: [00:24:25] Speaking of culture, having a strong corporate culture is imperative. How do you create a culture when an organization is so decentralized?

Punit Renjen: [00:24:38] Well, I think let me talk about culture and culture is very important, but it is also some of the really hard things to do. You establish an organization's culture by first defining what the purpose of that organization is. And every organization is unique, and the reason for that organization's existence is unique. And so we've defined our purpose as to make an impact that matters for our clients, for our people, and for the communities that we live and work in. And that is really important. It is something that is foundational and it transcends leaders like me. The second aspect that defines culture is shared values. And this isn't a long list of values. We have five that are really important for me. It's everything that we do. So purpose and

values are the foundational elements of culture. And then, of course, you operate operationalize that through your strategy and how you implement that strategy. And that is exactly what we do, is we start with our purpose, we remind ourselves of our values, and make sure that we constantly test against those values. And then our strategy is built off of that, looking at what we are trying to achieve for our clients and for our people, and for our organization. Repetition is really important, being steadfast in your purpose and making it so that it is unique to you, the values that you have a need to be unique to you and need to speak to who you are and simple language.

Punit Renjen: [00:26:20] And that needs to be reinforced. I'll give you an example that I use. I write maybe three or four times a month. We have ten thousand partners, give or take across the globe, organized in individual partnerships. These partners, all the separate firms, and the organization. I write to them about three or four times a month and every single time I always and I don't need to say it explicitly, but it always goes back to the foundational elements. If I'm making a point, it goes back to the foundational elements around our values. And I'll give you an example. I just we just did a survey on the impact that the pandemic has had on women. We have an effort underway to try and get to gender parity and we have work to do, but we are working hard at it. And the pandemic has had an inordinate impact, particularly on working women. I wrote that it's a short piece and it's no more than three hundred, four hundred words, but it always ties back to one of our values, our bond of our values is lead the way. And so I believed in that value. That's how you build culture. That's how you reinforce the values.

Dr. Harpreet Singh: [00:27:46] So speaking of diversity, gender parity, these are hot topics in corporate America today. What is your strategy to bring about diversity and inclusiveness at Deloitte?

Punit Renjen: [00:28:02] Well, let's take gender as an example, their humanity is 50 percent men and 50 percent women. And yet at the senior leadership levels, when we started the journey, only 18 or 19 percent were women. How is that a good business strategy? It's a dumb strategy. And so it isn't. We're not doing this because it is the right thing to do. We are certainly doing it because it is the right thing to do, but we're doing it because it is the right business. And the same thing around diversity, we know that diverse teams are more effective. Inclusive themes and inclusive organizations are more effective. And so diversity and inclusion is certainly the right thing to do, but it is

the right business. And so that is the focus that we have both in terms of gender parity and a diverse and inclusive organization. We're also, as an organization because we are in one hundred fifty different countries, systemic bias is something that we absolutely do not tolerate within our organization. And we will stand up and speak up against that in the different geographies that we operate in.

Dr. Harpreet Singh: [00:29:17] You've often emphasize the importance of mentorship. Do you have a personal story to share where you've benefited from a mentor, and how do you think companies can successfully create programs that foster mentor-mentee relationships?

Punit Renjen: [00:29:37] Absolutely, I have a story when I started with Deloitte, where we try and do is we try and teach individuals and professionals to become good at a craft, at something that can add value to clients. And my area of expertise is M&A and particularly post-merger integration. And you learn that craft certainly by doing but you learn it from more senior professionals. And the professional that taught me that mentored me was a professional out of Dallas, Texas. His name was Tom. I won't give you his last name, but a senior partner, a very demanding individual, but an expert at M&A and college integration by happenstance. Early in my career, I was staffed on an engagement that he was leading. I found it to be very interesting. I performed well that he thought I had some capabilities and I sought him out and really started working with him. And by doing and by watching him, I learned my craft. I learned my practice. And that is how and over many years, twenty-five-plus years of practicing M&A, I became really good at it. I'm saying this with sincerity.

Punit Renjen: [00:31:03] It comes from effort and it starts with mentorship. A senior individual that is an expert teaching you a craft and then through repetition and through practice, you become competent at. And I think that is the beauty of mentorship in an organization like Deloitte, I told you that the purpose-driven organization when we talk about our people, which is the second plank of our purpose, we state that we hire the very best individuals and through mentorship. We teach them to become exceptional professionals, whether they stay to become a partner or managing director at Deloitte or decide to leave Deloitte and make a career elsewhere. Mentorship is central to Deloitte. When we hire out of the best business schools, they certainly understand the language of business. We teach them the practice of business and teaching that practice is a

central tenet of that is mentorship. Every single partner, leader, managing director has between 10 to 15 individuals that he or she worries about. And then you, of course, certainly get that type of mentorship, but you also get mentorship from the projects that you work on.

Dr. Harpreet Singh: [00:32:34] Any parting words for our audience?

Punit Renjen: [00:32:37] Well, listen, it's been great talking to you. This pandemic has been really hard on all of us. And I can see some flickering light at the end of the tunnel. We still need to do hard work in different communities like in India and South Asia, and we must do it. But keep the faith. And I hope that we build back better and build back differently and use this pandemic as an opportunity to reassess at an individual level and at the community level. Well, thank you for having me.

Dr. Harpreet Singh: [00:33:12] Thank you, Punit. It was a great pleasure.