BUSINESS

DEVELOPING A CULTURE OF LEADERSHIP

James Cameron

Vice President of Global Leadership & Learning at Walmart

Interviewed By: Douglas Lindsay

Lindsay: Would you mind giving an overview of how you got to where you are today?

Cameron: Absolutely. As I was growing up, I learned that I had certain skills, qualities, and interests. However, I was not the model student and I didn't want to go to university. I decided that I wanted to go into a military career partly to give myself some space to work out what I wanted to do with my life. So, I went into the British Army, which was exactly right for me. At the time, I don't think I was mature enough for other things. The British Army system is different than the U.S. military system. The military academy, which is Sandhurst, is where officers are trained in the British Army and it has several tracks. If you don't have a college degree, you can go in for a short service career as an officer for several years. The other option is to go to university then attend since there is no college degree at the Academy. You have to go to another University, then you join, and then it is slightly accelerated for promotion. With that path, you are available for longer term careers. So, I went in on the non-degree track.

I found myself in a world that I really loved. I became an Infantry officer. It was very much about people and not technology and that suited me. The first conflict that I was involved in was the Northern Ireland conflict, which was consuming the British Military between the late 1960's into the 1990's. It was a 30-year insurgency where many British leaders grew up. I was an 18-year-old Platoon Commander in Northern Ireland in a highly politicized insurgency. That taught me a lot and I made a lot of mistakes along the way. I learned, and I still believe, that some of the most complex leadership challenges you face are in those first moments of becoming a leader. When you have a combination of accountability and responsibility with immaturity and lack of experience together. You often just get by and you learn by your mistakes.

James Cameron is Vice President of Global Leadership and Learning at Walmart. In this role, he is responsible for executive development and talent management programs for Walmart both in the United States and globally. Prior to his role at Walmart, he spent 25 years in the British Army where he retired as a Colonel. Following retirement from the military, he joined McKinney Rogers as a partner and helped create a leadership development project for Walmart. The organization was so impressed with the work, that they acquired his whole group to expand the work globally. His efforts directly impact over two million employees throughout the Walmart enterprise.

If I wasn't in Northern Ireland, I was in the Cold War in Germany in armor brigades. Then the world changed with the Balkans, the Bosnia Conflict, the Kosovo Conflict, and Croatia. I spent many years in those environments. That was as I was growing up as a Captain and a Major. Along the way, I achieved an understanding that this was something that I wanted to make a career versus just a job. Then, I started to get ambitious and knew I needed to go to the Staff College. I knew I had to perform well in the exams. I had to get to the college, etc. My trajectory became one of more being part of the high potential track where previously I was just doing it because I loved it. I knew that if I wanted to get to the highest ranks of the military, I need to achieve certain things. So, my whole ambition changed and my whole view of life changed. These things are relevant because what I am trying to do in Walmart is letting people go on the same journey. To have the skills necessary when you are a junior leader to meet the challenges that you will face as you advance. To allow people to mature their ambition. To allow people to learn and expand their capabilities and their understanding of the world like what I experienced in Staff College.

Then, I continued to use those skills in all of the different things that I experienced like a year in Sarajevo in a G3 Plans role or later as the XO to the Commander in Chief, where I had two wonderful years. One of the most incredible jobs I had, was as the Assistant Director of Counter Terrorism in the Ministry of Defense in London which was an extraordinary strategic role at a time of real ambiguity of what we should be doing about terrorism. It was after 9/11. On my watch, there was a very serious attack in London in 2005 where four suicide terrorists blew themselves up in the transport system. It was the first suicide attack we had ever experienced from British citizens against other citizens. One of my team's responsibilities was providing support to the Situation Room in Downing Street, called COBRA. I was in COBRA as the Prime Minister was determining what we were going to do about the attack. All of these

things evolved me, grew me, made me think differently, and expanded my strategic thoughts far more than any formal education would have done. I'm trying to work out how we do the same in Walmart for our people and how we give them careers that will allow them to expand and think differently.

I was a Colonel in London and that job was incredible. I was 42 years old, and my future was going to be alternating between Afghanistan, Iraq, or a staff job that I likely didn't want. I didn't mind that but I was always away from my family and I missed so much of them growing up. Because the world was changing and governments were realizing that they couldn't deal with some of these threats around the world they needed to get help from the private sector. So, the private sector was getting interested in people like me because I had worked with 20 governments around the world helping them with their counter terrorism plans and policies and building their capacity in places like Libya, Algeria, Morocco, Saudi Arabia, Yemen, and Thailand. Most of these were Muslim countries that we wanted to help because that what where the threats were being generated toward the U.K.

Because of my experience, the private sector came knocking and said, "You have got some incredible skills and we need those skills. Would you think about it?" So, I did. I left and joined a company called Control Risks, which I absolutely loved. They were very unmilitary, but brilliant and took a very nuanced approach to risk where they used a lot of data and analysis. They weren't a Blackwater, they were the other end of the spectrum. I joined them for two years and really enjoyed it. They were hiring out of the military and that's how they got a lot of people. They didn't pay very well since they knew we had pensions. The money wasn't great, but I loved the environment.

Then, a 4-star whom I had worked for in the military when I was doing global counter terrorism programs told me that he was the Chairman of a small consultancy

College. That is how he put it. He asked me if I would be interested? It sounded really interesting to me because that implied changing how one of the world's biggest companies thought. I had some vacation saved up, so I came to the U.S. to check it out and I met the Chief Executive Officer at Walmart who was an ex-Navy pilot, named Bill Simon. I loved his vision and the company. So, I resigned from Control Risk and joined this small consultancy. I spent four years building, in Walmart, the equivalent of junior officer's training, emerging leaders training, the Staff College, etc. However, it is very expensive using consultants to do that sort of thing. So, in 2012, Walmart acquired my whole team and I became a Vice President in Walmart. Ever since then, I have been after creating structures that in some way mirror the sort of experience I had during my military career and my own evolution of thinking. At the same time, Walmart and the world around us is changing fast, so we really need that. That is where I am right now.

working for Walmart and they wanted to build a Staff

Lindsay: People, even in the military, don't always run toward professional education and development. What was the response to the structures and opportunities you created and put into place?

Cameron: It is a lot harder in the private sector than it is in the military or the government sector. Anyone who isn't earning money or working can be seen as an unnecessary and unhelpful overhead. We are blessed in the military to spend a whole year or two investing in individuals and a large portion of the military's manpower is assigned to being developed in some way. That is natural in the military and it is an incredible strength. When I went to Staff College for a year, I wanted it because I knew it was going to help me. I wasn't forced into doing it. I was desperate to do it because I knew it would help me develop and improve my career opportunities. In the private sector, every moment you spend training is often resented. Not necessarily by the people, but by management.

Getting time away from working and earning money for the business is very difficult. I managed to do it in Walmart only because Bill Simon understood it because he was in the military. It was natural for him and he understood the investment. So, I was able to develop the Leadership Academy, which was about six weeks. That was absolutely unheard of at the time. The second thing that was unheard of was that if I didn't think that they were motivated enough to stay, or to achieve the standards that we wanted them to achieve, then I would

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send them home. I had lawyers all over me as you can imagine. In answer to your question, it is very difficult to get it done. The only way you can do it is for senior leadership, top down to support it. Now, I know better ways of doing it so I don't try to run courses like that.

Lindsay: How do you build that value so people don't see it just as an expense? How do you show your leadership that it really is value added?

Cameron: Ithink that is the Holy Grail of development, to be honest. If someone could really prove that, they would be rich. I have typically relied on leaders seeing the difference in their people that have gone through the program. That was really necessary when I would take them away for six weeks. The way we do it now is different and I don't have so much of a challenge. We initially took them away and put them through a course around what would make them the leaders of the future. We covered topics like critical thinking, understanding the world around business, some functional skills like communication, etc. That is what we used to do. We would create a curriculum, they would attend

it, and they would return to work. What happens in many organizations, is when the CEO leaves, the new CEO wants something different and often changes everything. That kills most programs. However, when Bill Simon left, the new CEO asked, "Why these topics and who says these are the ones they need? Why these people? Why have you got them out of the business?" Those were his three challenges. I thought, right, I am going to adapt to those challenges. Picking 50 people out of the business to develop is hard. You are trying to get leaders where the investment is really worth it and you want it to happen right before they get promoted so that they use the skills and it is sticky, we had to come up with something different.

The talent system in a company like ours with such a large scale is nothing in comparison to what it is in the military. From the moment I joined the military until the moment that I left, someone was thinking objectively about me. What job should I do next? What did I need to develop? What course would I qualify to go on? There is an unbelievable amount of attention paid to individuals in the military. It is incredible. As a result, I never had to apply for a job. I just had to wait to be told. In the private sector, it is very different. The reality is that you have to look out for yourself. You rely on relationships with people who may leave and it relies a bit on luck. It also includes all of the biases that are inherent in the system. That is where you can get into trouble with inclusion and lack of diversity. When we had a system where we would train 60 people a year through an expensive course, we knew we weren't always going to get the right people. We knew some people would get promoted who weren't in this group. Or, some people would get fired who were in the group. We decided that we would take a different approach. We would try to identify, across the whole company, the 300 mostly likely to be successful at the Senior Director level. For us, that is the level below the Vice President. They are the targets that we wanted to develop. So, instead of trying to pick a few, we would identify a talent pool and then develop them. That is much more

efficient, because it is more likely that most people who get promoted will be from that pool. That was the first thing that we decided.

The second thing that we decided was to not have a sixweek class a year. We decided that we would deconstruct those classes and then we would tell them, within a year, all of these things are available. You choose what you need and want. It was a choice based and personalized approach. We created a system where my team would create 30 or 40 different events or immersions that take place during the year. If you are in the pool, you can apply to be in those events. You discuss with your boss, what do I need this year? It could be something like you need to think more strategically, or we want you to develop your critical thinking skills, or you need to understand more about the business. The range that we created allows them to pick and attend the ones that they need. That is the theory. The reality is that they all want to do all of them. Just to give you a sense of what an immersion is like, it could be something like what we did yesterday. We had John Cahill, who is the Chairman of Kraft-Heinz, who also used to be the CEO of Pepsi talking for an hour about leading through transformation. It was so fascinating. We had 400 people on Zoom watching.

The Zoom world has really helped us with scale. That was an example of one that is scalable. As another example, we would do something like take a group of 20 to Mexico to visit our Mexico business. We would spend three days there doing a deep dive of what they are doing, spend time with their leaders, and see their transformations. As another example, I took a group to China to look at their health care system. Ironically, that was last October, where we looked at what might happen in the case of a pandemic. That trip was deliberately not thinking about retail. It was to make them think differently and bigger.

Because we are Walmart, we have a vast ecosystem, including governments that want to collaborate. That

is another thing I enjoy. We are China's 8th largest trading partner in the world. For any organization like Kraft Heinz, Unilever, or Procter & Gamble; we are their biggest customer by quite a bit. For example, we are 40% of Unilever's sales. It is relatively straightforward for me to put together an MBA level training, just by using our network. Doug McMillon, our CEO, is on the Business Roundtable for the President, so that is giving us access to all of the thinking that is going on around topics like racial equity. So, through connections like that, we created a whole range of events which they can personalize. That is working really well because no one is saying to me, "Why these people?", "Why this topic?", or "Why are they out of the business?" It was the challenge that made us better. Now, COVID has made us even more connected because we couldn't always afford fly people to our China business, but now that we do so much over Zoom, it is so much more accessible and we are much better at it. That is how we are doing things at the moment, but I am only getting to our high potentials. What happens to the hundreds of thousands of employees that we don't directly reach?

Lindsay: Is the hope that through avenues like Zoom you will be able to let that filter down to lower levels of the organization? I'm sure you have systems in place for them as well.

Cameron: We do. Over the last five or six years, we created the Store Academy. That was a very big investment. Approximately 200 stores across the country were turned into training vessels. It is like a training vessel in a fleet or a training squadron. The store itself would qualify by achieving certain standards and then we built on to these stores an Academy with all of the necessary facilities. In that region, people would come to that store to train. That is like junior level training as well as functional training like cashiers. That is how we were able to get to scale. As an example, my son, who is an Assistant Manager in a store, went through the training and really enjoyed it. It takes place in a store, so they are

actually out in the store learning. We do it in the operational environment.

What I don't think we have done well enough is to get to lower levels with high potential programs. That is what I have always wanted to do. To get down to the lowest levels to where you are getting to people right after they join. I think the answer to that moving forward will be in technology. I think artificial intelligence will help us far better than any human can to look for the triggers and indications that someone has potential almost from their first interview. Then, it should be possible to build up with more confidence about that person having potential as they move quickly between jobs, gets promoted quickly, or do well on tests. The system could indicate that this is someone that we need to watch and then we get our people involved. With humans though, we have bias. So, using that artificial intelligence can possibly help us with that. If we only rely on junior managers in the stores, we may be in a situation where they really only want people to do a good job for them. That is a weakness that we have. What the military has is a system that moves people around for the good of the military. People are moved in a bit of duality where it may be good for you, but it is in the long-term interest of the military. In my company, as it is in most companies, all decisions are made by hiring managers. The person who is hiring is asking, "Is this person good for my job?" or "Will they make my life easier and increase my profit?" They aren't necessarily thinking, "They need this job because it will expand her portfolio and make her better for the future of the company." No one thinks like that, with very few exceptions. I am now trying to bring in a system which would allow us, at least for the high potentials to tell the hiring managers, you have an opening and here is who we want to put in it. You don't get to choose, we are choosing and you should trust us that she is going to be awesome. As you can imagine, that is very difficult to do in the private sector.

Lindsay: That was a question I had, as it seems like it is pretty common for someone to start at the entry level

and then work their way up in your organization. Do you see a lot of people growing up in the organization? In the military, we have to grow from within. You don't have to do that, but it seems like many do grow up in Walmart.

Cameron: They do. Approximately 75% of managers started as hourly employees and entry positions. In fact, our current CEO started working part time in a distribution center and worked his way up as did the new CEO of the U.S. We are actually going

to emphasize more about doing that. We believe there is going to be a real scarcity of talent and people. So, even though there will be automation and it may threaten a lot of jobs in some industries, in our industry we think we will need more people. As an example, we have a relationship with a company that will buy your groceries and deliver to you. They are like

Uber, but they are all about home shopping. We have a system of home delivery but with them you can order something and they will deliver it to you in something like two hours. We are working on a relationship with them. They are the biggest employer in many areas apart from us. It takes a vast amount of people to make that happen. If we want to be a part of that, then we need to have people. Therefore, we believe that our internal pipeline is incredibly important.

However, it can also be a curse if you want people to be thinking differently at higher levels. If you start at an entry level position in a store, and you work your way up through the store, we know what you are good at. You are good at executing at scale. You are good at attention to detail. You are good at hard work over time and managing large groups of people. But, if we put you in a different environment, you may fail because you also need to do things like critical thinking, problem solving, be an entrepreneur, and take risks.

We breed those things out of you if you just come up a certain track. My belief is that we need to simultaneously

have a way of moving this pipeline up in the company, but also create the same types of experiences as if they left the company, but within the company. We are in 26 countries around the world. We have e-commerce. We have supply chain. We have one of the largest private fleets in the world. We have large amounts of data analysts. We have seven facilities in Silicon Valley. We should be moving people around so that they acquire the same level of understanding of the world and the ability to think like I did when I went to the Staff College and

The culture is what you experience every day, which then drives your beliefs and actions, and that is the results that you get. Those experiences are important to have and then people start to see that is the way things are done around here.

the experiences that I had as a junior officer. With your audience, being an officer in the Air Force gives you an extraordinary advantage over someone who has just been in one company in the private sector because they don't necessarily think about things outside of their company. Walmart is the U.S. in how we think about things and react to things. The U.S. tends to be quite siloed and inward looking. Therefore, anything that you can get out of your Air Force career that can help you see the world differently, understand how to solve problems in different ways, and to take risks, those are the skills that the business world is desperate to find. As well as the raw leadership qualities that you get in the military and resilience, which is increasingly important today in business.

Lindsay: Of course, in the military, we can be siloed as well in our services as well if we aren't careful. However, we are trying to get people more joint experience so that they can interact with different people and have those different experiences that you talked about. To allow people to go out to industry and sit in those organizations to learn a broader perspective. One of

the things I keep coming back to is how do you build a culture that values that?

Cameron: We do kind of have that culture now. If you ask anyone who has been in the business for 20+ years how many places they have worked or stores they have been in, the answer is always dozens. The culture is what you experience every day, which then drives your beliefs and actions, and that is the results that you get. Those experiences are important to have and then people start to see that is the way things are done around here. So, if you want to be a store manager, you need to go to another store. When someone says that to you and you have heard it before and actually see it happening, you know that. That side of the culture is very strong. What I need people to say is, I am willing to go work in South Africa, Canada, or Chile. That is the hardest thing. They haven't experienced it that much so they don't think it is something that they need for their careers, but for some levels, it really is needed.

Lindsay: With that in mind, what are you looking for in a leader?

Cameron: We need leaders with different characteristics at different levels. However, before I go to the different characteristics, we also know that we need all of our leaders to have basic human skills regardless of the level they are at. Things like empathy, listening skills, and the ability to let people know that you care about them while also holding them accountable. All of those really good leadership skills are needed at every level.

For the different levels, there has been some good work based on a Harvard Business Review article about 10 years ago about the Seven Transformations of Leadership , also known as vertical development. We were working with a company called Global Leadership Associates and we were introduced to them in Colorado Springs by the Center for Creative Leadership (CCL). They introduced us to this concept of vertical development and the Seven Transformations of

Leadership. According to that work, as you develop as a leader, you start as an opportunist where everything is about you. Then you go through a period of a diplomat where you are trying to get along with those around you. Then you emerge from that where you want to be known for something, the expert stage. You can stay at that stage for a long time in your life. In fact, a friend of mine is in a tech organization and his CEO is an expert. That has implications for how you lead. You only trust other experts. You don't delegate. Why would you? They don't know what they are talking about. Then, the next level is achiever, where you are driven by objectives, goals, and achieving things. That is most executives in most companies. Then you get above that level to redefiner. You realize there is a lot of ambiguity and that there can be two rights going on at the same time. It is not always black and white. That is the redefiner stage where there are a lot less people. Then, you get the transformer level, where you have all of the skills in your bag. You become someone who can genuinely manage ambiguity and change.

We need lots of achievers and lots of experts. We don't, however, need everyone to be transformers. For example, if everyone at Apple was Steve Jobs, that wouldn't have been very good. What we are thinking is, do we have people with the right attributes at the right level? We have over 4,000 stores to run. We need lots of experts and achievers, but the ones that we want to change the company and think about the future, we need redefiners and transformers. So, we need different attributes at different levels. The things that move you between those levels is life experiences. I am trying to create those for people and force them to think differently. I believe the military is world class at getting people to move through those levels by the experiences we have, the challenges we face, and by the education you get. I could feel myself moving from achiever to redefiner at the Staff College. I know that my job in the Ministry of Defense working with government around the world helped me to get to the transformer level.

One of the challenges that people sometimes face is that when they leave one organization like the military, they can get stuck at the level they left at. I think I got it just right where I left early enough to be attractive to the private sector but my thinking had evolved enough where I was looking for something different. I was in my redefining phase. You made me realize something that I hadn't thought about before. I think I found it so easy to leave because I was in my redefining stage. I was reframing everything. I wasn't looking back, I was looking ahead. I'm not sure if that is what you were looking for.

Lindsay: It is because it aligns with what I have experienced with people in transition phases. Some people will go through these transitions and will be anchored strongly by their belief of where they think they are at based on what they were when they were leaving. That mental model can limit where they see themselves going. They don't have an identity beyond where they were at in that role and can't see beyond that role.

Cameron: That's a great way of putting it. Mental models are what vertical development is about. Not only do you have different mental models, you have a range of them to choose from as you get to different levels. You are seeking out other mental models and downloading them into your head so when you are challenged, you have something to pull from. When you don't know something, it is what opens you up to look for other perspectives. It forces you to wrestle with the fact that you don't know how to do something and it is very uncomfortable. So you have to identify different perspectives to help with the challenge. Acquiring that new perspective expands your capacity.

Lindsay: To your earlier point, the more a person can move around and be comfortable with that uncertainty, the easier it is for them to try to solve that unknown and look for different perspectives than to simply fall back something that they have done before, but maybe not as

effective. So, the more times you can put a leader or high potential in and ambiguous, or what is often referred to as a VUCA type situation, the more comfortable that they get in staying in that comfortability to make a decision versus quickly falling back to a previous method.

Cameron: Are you aware that there is an evolution beyond VUCA to BANI? It is from Jamais Cascio at the Institute for the Future in California. It stands for Brittle, Anxious, Non-Linear, and Incomprehensible . With brittle, things you thought were strong, suddenly shatter. Anxiety is a very prevalent state for many people right now. For non-linear, things happen in all kinds of weird orders much faster than we often expect. Our customers, because of COVID, what we were calculating would take five years, took five months in terms of how quickly they came on line and their shopping habits changed. Incomprehensible speaks for itself. When you see BANI, you think, if only it was just VUCA.

Lindsay: I like that perspective and COVID has certainly caused us to understand that in just about every facet we deal with. Some organizations found out how to pivot, and some did not.

Cameron: That is something which gives me such a passion for those who are the field leaders who are trained to be achievers to be able to think differently than that. If they are waiting to be directed about what to do differently, that is way too slow. The asymmetry is what we are facing right now. It is very similar to what the military faced post-Cold War and the new doctrine of Mission Command. Essentially, I'm pushing the same thing in Walmart. How do you decentralize? How do you get decision making to a lower level? How do you increase tempo? One of my heroes is a U.S. Air Force Officer named John Boyd. He challenged the system about thinking and decision making. We need more people like him right now. He was either being vilified or being made a hero depending on who was

talking about him in the military. That is the type of thinking that we need, even in our stores. We haven't been bred for that. That is where the BANI comes in. You have leaders who were told to do something all of their lives and became very successful and got to high levels in the organization. Now, they are finding that we are looking for something else. That creates a lot of anxiety.

Lindsay: It does. Where you are at, it creates a challenge of how to help people transition from that technical expertise to get into being in that space of uncertainty and it not be negative, but generative. So, they can take a more holistic look and not just see constraints based on what they know, but opportunities. To see that there are other silos than the one they came up in. With that in mind, as you look toward the next 5 years in your role, what are you most excited about?

Cameron: Funny enough, I am excited about the changes in how people are thinking brought about by two things. Number one, the COVID pandemic. Number two, the events around the George Floyd killing movement. We are taking them both very seriously. The first, COVID, is making us much more aware of individual's wellbeing and connecting our leaders to their teams on an individual basis. The second is creating leaders who may not know how to respond but they are willing to say, "I don't know how to do this, but let's be willing to do this together, can you teach me?" That is very good leadership. We used to have a situation where leader/teacher was the model.

That was kind of broken because leaders don't always know everything any more. Everything has moved so quickly and technology has moved so quickly that it is rare that a leader is able to teach. They are much more likely to be shown. So, lead/learner is more applicable now. To be much more connected to teams on an individual basis because everyone wants to feel like their leader cares about them on an individual level. And to be much more willing to learn and understand what

they don't know. Those two things really excite me and how do we make that a part of our culture.

Lindsay: As a last question, as you mentioned earlier, let's say that we have figured out how to pull out 300 high potentials at the entry level, what advice would you give them?

Cameron: Probably two bits of advice. First, all of the challenges you are going to face, and you will have many, will grow you if you have that approach. If you look forward and say, I don't know how to do that, it looks terrifying, and I am uncomfortable, you need to simultaneously think, but that is how I am going to evolve. To have that growth mindset. The second thing, is that when it comes to your team, the self-fulfilling prophecy is real. If you believe that your team or an individual can do something, they are much more likely to do it. I wish I'd known that in the military about the self-fulfilling prophecy and the growth mindset. Those two things are very much on my mind.