NatWest Group and IMD

Igniting the transformation to a future-oriented learning organization

"A customer-focused bank fit for the future"

IMD / NatWest Group

Executive summary

In 2022, the NatWest Executive Committee (ExCo) **shifted its strategy to focus increasingly on growth.** The previous 15 years had been spent on restructuring and reshaping following a government recapitalisation in 2008.

For the ExCo to transform NatWest into a future-ready bank, it embarked on a four-retreat engagement with IMD to help it develop its capabilities and shape the strategy. As a result, it confirmed the ExCo's belief that NatWest **needed to transform into a faster, more innovative, agile and collaborative organization.**

Out of the ExCo engagement grew the commitment to share their learning and **bring the wider leadership group of 160+ – the One Bank Leadership Team (OBLT)** – directly into the heart of this change process.

NatWest asked IMD to create the OBLT program – a multi-cohort, three-phase blended-learning journey that took place in 2023. The program **leveraged micro-experimentation** to **develop skills, capabilities and, most importantly, the mindset to transform NatWest** into an innovative, growth-focused learning organization.

By design, OBLT members **immediately started experimenting** to solve their own on-the-job challenges and create change within their function and the bank more broadly. They experienced the **benefits** of experimentation that brought **tangible change** and they **embraced** the methodology going forward. The areas in which the impact was most evident – in a very short time – were:

- Process improvement (42%)
- Personal behaviour change (34%)
- Service/product innovation (24%)

With the new connections across OBLT members and the ExCo, these Natwest leaders helped to shape the strategy and set the culture at the bank which, in turn, delivered excellent 2024 results: Return on tangible equity (RoTE) above 17.5%, income excluding notable items of £14.6. billion, increased operating profit before tax of £6.2 billion, and 500,000 new NatWest customers.

The **ExCo was engaged** in the program and actively involved in **conception, design and delivery.** Its participation elevated the visibility of the OBLT program, fostering engagement in and connections with this crucial group of leaders from the start. This enabled the **transmission of the insights** and **common language** that the ExCO had developed during its retreats, driving **cross-organizational collaboration** and fostering a **future-oriented organization.** This "Group of 180" now has a shared identity and a collective commitment to driving the organizational transformation forward.

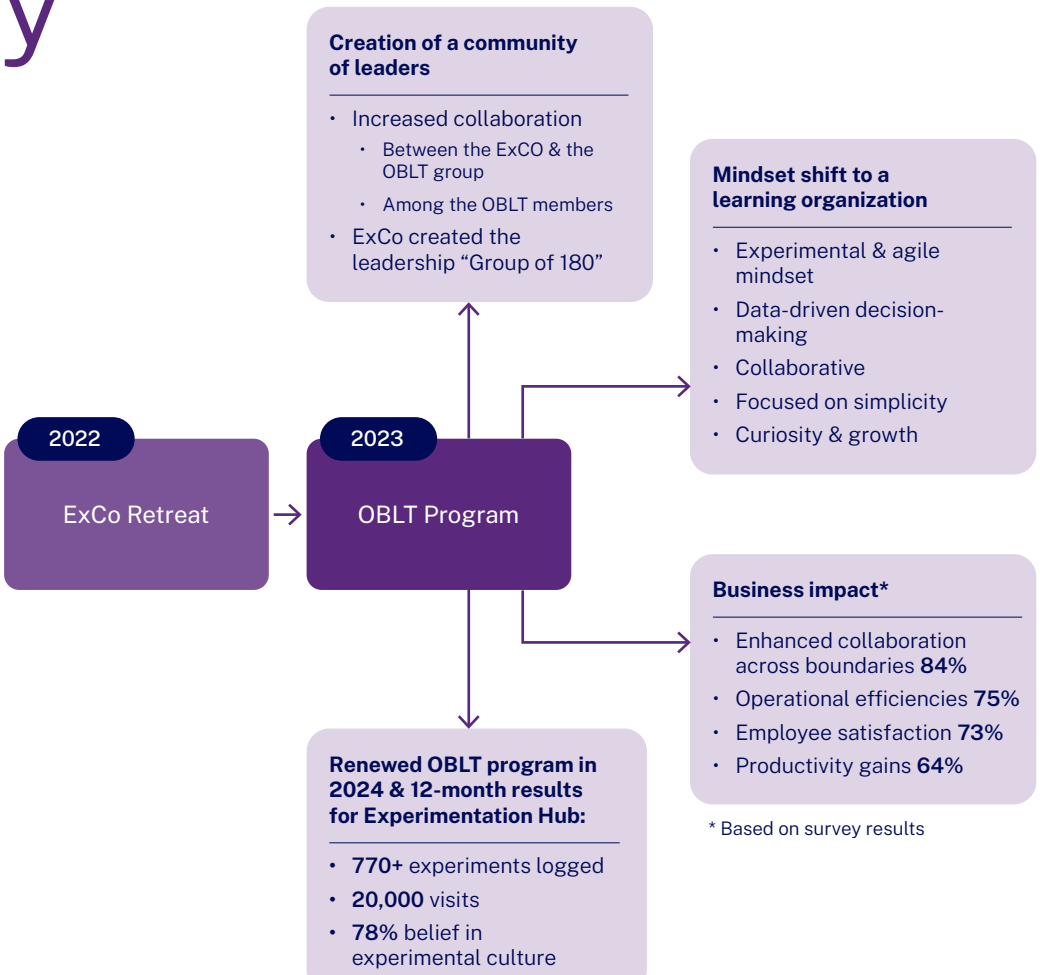

Figure 1: The OBLT program led to organizational transformation