Mega Trends for the Future of Work

By Richard Barrett

If you were to ask a random group of CEO's to tell you the two most critical issues for business in the 1990's they would answer, "How to tap the deepest levels of creativity and the highest levels of productivity of our employees," In a world where knowledge and innovation are growing exponentially, and competition has become global, fortunes are increasingly being won or lost on the ability of companies to create innovative products that anticipate trends, and to do so at the shortest possible time to market and at highest levels of productivity. But, in the 21st century this win no longer be enough. Success win also hinge on whether, in the eyes of its employees and society-at-large, the organization is a trusted member of the community and a good global citizen.

Values Shift

A major shift is to taking place in the underlying values and assumptions that govern our global society. There is an growing awareness that there is a causal link between the rapidly escalating environmental and social issues and the philosophy of business. This shift in thinking is forcing companies to take a hard look at their values and behaviors in the areas of social responsibility, environmental stewardship, and employee fulfillment. Society is beginning to demand that businesses stop polluting our air, water and land, and stop decimating communities by closing down factories. Growing numbers of consumers are refusing to invest in or buy products from companies that behave irresponsibly, and growing numbers of employees are expressing a preference to build careers in companies that have values-driven cultures.

Who you are is becoming just as important as what you sell. The values that corporations stand for are increasingly affecting their ability to hire the best people, and to sell their products. Governments and communities are recognizing that the pursuit of self-interest--growth and profits--when it is not tempered by values that support the common good, is destroying the planet's life support systems and the social fabric of society. The era of corporate autocracy is coming to an end. There is too much at stake for it to be otherwise. In the words of Robert Haas, CEO of Levi Strauss, "In the next century, a company win stand or fall on its values."

New Leadership

The world is searching for a new type of corporate leadership--one that is able to operationalize the win-win opportunities that are inherent in embracing a corporate culture that supports social responsibility, environmental stewardship, and employee fulfillment. Companies win find that, far from being a burden, attention to these three areas win become an essential part of their recipe for success. The new leaders of business win need to find a dynamic balance between the interest of the corporation, the interest of the workers, and the interest of society as a whole. To stay competitive in the global marketplace, their top priority will be to nurture innovation and productivity. To achieve this goal they win need to take account the growing demand for employees to find purpose and meaning in their work. At the same time they win need to recognize that the only way to release the levels of productivity and innovation that win be necessary to survive and prosper in the 21st century win be to radically transform their corporate cultures.

Corporate Evolution

I am not talking about the sort of change that is targeted by re-engineering. I am speaking of a continuous state of transformation. Change is about doing things differently. Transformation is about a new way of being. It involves a radical shift in beliefs and assumptions, values and behaviors, and processes and structures. Transformation requires a shift from values that support self-interest to values that support the common good. However, in times of rapid change, such as those we are now living through, transformation win not be enough. Companies win need to embrace evolution.

Evolution is a constant state of transformation--

a continuous questioning of a company's fundamental operating beliefs and assumptions. Corporate success in the 21st century win depend on the ability of an organization to be open and sensitive to internal and external changes in their environment, and the willingness of leaders to regularly revisit their vision, mission, values, and goals. Companies and leaders of the future must be prepared to continually reinvent themselves.

Re-engineering epitomized the era of change--doing what we do now, but doing it more cost effectively. We have seen however that re-engineering has its limits. In an effort to reach peak performance, companies forgot about their relationships with their employees-they forgot about the commitment and motivation that is necessary to support a successful organization on its way to the top. Two-thirds of re-engineering initiatives have been judged as mediocre, marginal, or failed. Why? Because they focused on change rather than transformation. In an effort to become lean, organizations became mean. In an effort to become fit, they stressed every fiber of their corporate body. They burned out their staff. In the process they lost their commitment and motivation and along with it their innovation and creativity.

Employees that survive downsizing suffer as much as those that lose their jobs. They find themselves in a state of emotional shock--face to face with the specter of survival. There is no longer any trust. Where there is no trust there is no creativity, and productivity becomes driven by fear. The stress becomes intolerable and the best people--those with strong employability--quickly leave. Only those who are less employable, or prepared to compromise their values, are prepared to stay. What re-engineering has done is to turn up the volume of fear in companies so that it can be heard an over the Europe and North America.

Most re-engineering initiatives fail, not because they aren't necessary, but because they are done too late and in the wrong way. When companies are not open and sensitive to their environments, they get stuck in unhealthy and dysfunctional beliefs. Re-engineering for them is like radical surgery. The whole corporate

body falls into shock and takes a long time to recover. Companies that constantly reinvent themselves use re-engineering to make continual minor adjustments. Re-engineering is placed in the hands of employees, not consultants, and is implemented with care and without causing fear.

Building Human Capital

The lesson of re-engineering is that peak performance cannot be obtained by corporate fitness alone. It demands a nurturing environment of relationships where the minds of employees are encouraged to expand and grow. The companies that are becoming the new world leaders are those that are embracing this new way of being. They are building corporate cultures that have a balanced approach to business. They are finding ways to create commitment and motivation, encourage innovation and creativity, and improve morale and team spirit. They are paying attention to both human and financial capital. This new breed of companies are not only caring for the physical, emotional, mental and spiritual needs of their employees, they are caring for the planet and the peoples of the planet as well. They are fin ding that the more they care for their employees and society, the more their employees and society care for them.

Personal Transformation and Corporate Transformation

What does this mean for those who aspire to be successful leaders and managers in the 21st century? First, it means you can no longer ignore the soft stuff. Leaders of the future will be required to embrace both personal and corporate transformation. Corporate cultures always align with the personality of the chief executive or founder of the company. Once established a corporate culture is difficult to change. A shift in culture necessitates a shift in the values and behavior of the leader. The two are inseparable-corporations don't transform. People do. To be successful, transformation must begin at the top and cascade through the organization. Leaders will be looking for managers and employees that have the behaviors that support a values-driven culture.

Companies will be increasingly hiring for attitude and training for skills.

The challenge for corporations in the 21st century is to create a nurturing environment that invites people to tap their creativity and productivity and find personal fulfillment through their work. A precondition for this to happen will be sense of ownership, a shared vision and common values. If people are going to contribute their deepest selves to their work, they will want to be stakeholders in the future of the organization; they will want opportunities to grow and develop their talents; and they will want to find meaning and purpose in what they do. In addition, they will want to know that their company is socially responsible and cares for the environment. People are clamoring to work for organizations that care for them as a whole person, where they can bring their personal values to work. The companies that accept this challenge will be the ones that find success in the 21st century.

Table: *Seven Evolutionary Behaviors of Successful Corporate Cultures.*

A strong core culture that is values-driven.
A focus on continuous self-improvement.
Sensitivity to internal and external changes in the operating environment.
A focus on personal fulfillment of employees.
Strategic alliances with internal and external artners.
A willingness to take risks and experiment.
A balanced scorecard that focuses on: ❑   Contribution to society/community   ❑   Collaboration with suppliers and customers   ❑   Continuous learning   ❑   Organizational cohesion and alignment between personal and   corporate vision, mission, and values)   ❑   Corporate fitness (quality, efficiency and productivity)   ❑   Financial performance