

## Notes to business leaders about the future of work

The next two decades will be particularly testing for corporate leaders across the world. Much of the traditional assumptions about work are coming under immense pressure and many will be discarded in the coming years. Trust in business leaders is at an all time low and we expect this distrust to grow; the most talented will be joining with others to create a global talent pool that will increasingly make their needs and aspirations heard; and ever-increasing transparency of information will put those who lead under increasing public scrutiny. At the same time, Gen Y are beginning to take team-leading roles in businesses, and they have particular needs with regard to the way they are managed and the type of work they are excited about doing. All these factors put increasing pressure on leaders. At the same time, the skills needed to lead groups and communities of people who are more diverse, virtual and global will be complex and challenging to select for and develop. The leadership role over the coming two decades will be to inspire followers, to manage a complex array of stakeholders, and bridge into action in some of the environmental and societal challenges that are already emerging. There are five broad areas that will be crucial to your capacity to create a business that is sufficiently resilient over the coming decades to gain from the shaping trends.

First, ever-increasing globalisation will add new markets, but will also intensify competition both for customers and indeed for talent. These customers and talented future employees will look for products and services that are innovative along a number of dimensions. In the past we looked to the developed nations as sources of this innovation, but increasingly this will become a global phenomena. What is clear is the central role that innovation and experimentation will play in those companies that will thrive in the future. This will place an increasing importance on open innovation, and the means by which ideas from employees and customers play a role in product and service development.

Next, under the pressure of technology and globalisation, the traditional hierarchical arrangement of work will rapidly morph into something much more organic. We can expect that increasingly work will be performed in short- or long-term projects bringing talent from across the corporation. We will also see the growing importance of ecosystems that are the collaborative relationships with the joint ventures, partnerships and micro-entrepreneurs that are arrayed around the business. Reaching out into these ecosystems in a cooperative way will be crucial to the rejuvenation and innovative capability of the business. It will be increasingly important to tap into the skills of the growing proportion of the world's most talented people who will choose to build their own business rather than work for another.

Most companies have worked implicitly on the basis of a parent-child relationship with employees – making decisions about where work takes place, when people work, and how and what they work on. Increasingly your talented employees will want an adult-adult relationship in which more of these decisions about the placing and scoping of work are made by them rather than by you. At the same time, with the expectation that many Gen Zs will live for more than 100 years, working lives over 60 years will become the norm. Your company will be called upon to change its assumptions of the productivity of the over sixties and seventies. This level of personalisation and flexibility appears potentially chaotic, but technological platforms will increasingly make this a viable option. As a result, you will be called upon to ensure that human resource policies are future-proofed, particular with regard to flexible working, individualised training and team-based work design.

You can also expect a subtle shift in the role that pay plays in the motivational make-up of employees. Early research on the work aspirations of Gen Y suggests that they will place ever-greater emphasis on meaningful and developmental work. It appears that many will also want to

create a high-quality working life that enables them to make work/life choices in a more proactive way. They will also want to work their 60 years in a mosaic that has sabbaticals, learning and work as core components. Your capacity to deliver to this flexibility will be crucial in attracting talent.

Finally, many companies were developed on the tradition of competition as the basis of success. Increasingly, the sources of competitive advantage will come from the capacity to build cooperative partnerships across various ecosystems. That will bring to the centre stage the capacity to create cultures of cooperation, trust and inclusion. We know that a primary driver for these cooperative cultures will be the extent to which others see you and your team working collaborative with each other and the role models you create. So, while the creation of future-proofed strategies will be crucial, in an ever more transparent world it is to your own behaviour that employees will look for inspiration.