

Workplace of the Future – Global Mega Trends

Summary from ATD Keynote - Phoenix, AZ 10-23-15

Under the leadership of Chad Luxenburg, Scitrain has conducted extensive global research into the trends that will most impact organizations in the next five years. Working with Career Growth, solutions are being developed to address these challenges NOW! We hope you find this information compelling and the potential solutions worth exploring with us.

Change as the new normal & VUCA-G

Change is the theme that best describes what most managers around the globe are experiencing today. Change is everywhere, and it is accelerating. However, many find it difficult to make sense of the changes and their implications for employees, managers, and organizations.

What drives the VUCA–G world? Five global megatrends are transforming the world as we know it.

The **VUCA-G paradigm** provides a framework for understanding the business environment of tomorrow and the implications for managers and leaders. VUCA-G stands for **volatility, uncertainty, complexity and ambiguity** – all on a **global** scale. In the VUCA-G environment, change is not the exception, but the new normal.

1. **Globalization:** As Emerging Markets such as China, Brazil, and India are outgrowing the established markets of the West, the business world is transforming from a Western-dominated to a truly multipolar business world.
2. **Demographics:** Birthrates around the globe are decreasing, as countries accelerate their economic development. The consequences such as aging societies, the global talent shortage, and mass migration create significant challenges that need to be addressed.
3. **Knowledge Economy:** Success of any organization in the future will be directly linked to its ability to turn data into knowledge. This knowledge needs to be leveraged to create meaningful innovation. Knowledge is key, and organizations need to become masters at developing, sharing, and utilizing knowledge to create innovation.
4. **Digitalization:** Unlimited connectivity and big data are revolutionizing the business world. Technology becomes the key enabler, as businesses across industries are rapidly transforming into digital businesses.
5. **Shift in Values / Gen Y:** A new generation is entering the workplace. Technology-savvy and highly connected, Millennials have high expectations towards their managers and the organizations they work for. Ethical behavior, corporate social responsibility, development opportunities, and work / life flexibility are among the key demands of the new generation. **For the first time in history, bargaining power is shifting from companies to employees.**

What does this mean for managers – how will management and leadership need to change?

Five core themes describe how managers will need to evolve their mindsets and skillsets to operate successfully in the VUCA-G world:

1. **Simplifying & Managing Complexity:** In a world that becomes more and more complex, managers need to become masters at simplifying. Cutting through complexity and making conscious decisions about what to do and what not to do is essential. And beyond themselves, managers need to empower their employees to simplify, prioritize and streamline their activities.
2. **Leading Through Values & Empowerment:** In the VUCA-G world, the traditional model of management by directing and controlling has reached its ultimate expiry date. Decisions need to be pushed down to the lowest level – employees need to be empowered to not only decide on the “how,” but also on the “what” of their work. Empowerment, however, requires alignment to a shared vision and goals, and to a common set of values and principles. As a result, managers need to shift their role from directing and controlling to envisioning, shaping culture, empowering & coaching. By doing so, they will facilitate both performance and engagement.
3. **Fostering Learning & Agility:** In the VUCA-G world, it’s all about being able to learn and change rapidly. To build agile and nimble organizations, managers must become masters at facilitating learning and agility in themselves and others.
4. **Working Across Boundaries:** As a result of VUCA-G, the way we organize work is changing significantly. Traditional organizational structures have already been replaced by global matrix organizations. Cross-functional teams, ad hoc teams, and virtual teams will become the new normal in the VUCA-G environment; collaboration is key. To enable collaboration, managers need to become bridge-builders. They need to become masters at communicating, facilitating and influencing across cultural, functional and generational boundaries.
5. **Fostering Resilience and Well-Being:** As a result of the demands of the VUCA-G world, perceived stress levels of managers and employees are increasing. Organizations need to equip managers and employees with the tools that enable them to thrive under conditions of challenge and adversity. But thriving is not only related to the capabilities of the individual – we need to build organizations that foster well-being and resiliency in employees. Organizations need to flex around the needs of the individual, allowing each person to reconcile their professional with their personal goals. Work/life flexibility is the demand of the new generation.

VUCA-G holds many challenges, but also a great promise: The promise of ongoing personal and professional growth. Ultimately, your passion and capability to learn and grow will determine your success in helping others to do the same.

What solutions should your organization be considering?

To address the challenges and opportunities of a global workplace, here are some solutions to consider – compliments of the team at Career Growth!

- Modify performance appraisal systems to be less onerous, negative, and time consuming morale killers. Recent research is challenging the value of today's performance appraisal process that requires considerable resources expended with questionable ROI.
- Re-think your "reward" system to address the increasing value employees place on time (work/life balance), meaningful work, and learning.
- Provide robust career planning and management information and support for employees to "connect" to the company and identify a career path that meets their needs, as well as the organization's.
- Provide change management training across the organization- how to lead change, manage change, and deal with change on an on-going basis.
- Modify leadership development approach to be more transformational and empowering. Develop a mindset, a skill set, and adaptive behaviors for dealing with diversity in culture/ethnicity, age, gender, etc.
- Incorporate cultural intelligence into all development activities to improve cultural competency in all employees.
- Prepare employees for the digital workplace - technology and skills for working virtually and remotely with minimal supervision.
- Incorporate specific strategies for knowledge transfer, such as peer mentoring and job shadowing/knowledge collection, more classroom based, interactive learning.
- Provide a variety of face to face and social media based activities to support "connections."
- Discontinue using 360 assessment tools that are based on outdated management skills.
- Provide time, training, and incentives for activities that support innovation and collaboration.
- Adopt a more long term view and strategies rather than focusing on short term goals.
- Create hubs of influence, power, and innovation based on the organization's long term goals.
- Return to valuing employees as assets – rather than commodities.
- Develop the interpersonal skills of employees to support collaboration and trust. If you still have silos, start breaking them down.
- Integrate IT functions and employees into the organization. Just as all employees need basic computer and technology skills; all IT personnel need interpersonal and communication skills.

That's our SHORT list! We have a lot of proven solutions for addressing. There's more if you are interested. Contact learn@careergrowth.com for a free consultation and suggestions for next steps to address the Megatrends and VUCA-G.