

# FUTURE LEADER

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Rebooting  
Leadership  
to Win  
the  
Millennial  
and Tech  
Future



**JONATHAN WILSON**

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**JONATHAN WILSON**

SANDCASTLE  
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*Don't tell me the moon is shining;  
show me the glint of light on broken glass.*

— Anton Chekhov

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**FUTURE LEADER**

# Why You Should Read This Book

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IN 1,323 CAREFULLY CHOSEN WORDS

ALEX HONNOLD ACCOMPLISHED something nobody else had. Alex is a Millennial, and in 2017 he free-solo climbed the 3,000-foot granite rock formation, El Capitan, in Yosemite National Park. In only three hours and fifty-six minutes he made it to the top using only his hands and his feet and a bag of chalk. This type of climbing requires perfection attained through years of experience and practice. If you're not perfect, you'll die.

When I first read about Alex's climb, I felt my palms sweat. My anxiety swelled when I saw a picture of Alex hanging high up on the side of the wall with only his ability to rely on. I am in awe of Alex, but not for obvious reasons. Yes, he successfully conquered a tough challenge. Yes, his feat is one for the record books. But, for me, what is more awe-inspiring is the realization of who Alex had to become to make such an attempt in the first place.

We are deeply moved by others who dedicate time, energy, and attention to develop ability. Nobody begins their rock climbing career with El Capitan. Nobody begins playing guitar on a stage in front of a crowd. Nobody builds a hot rod after buying their first set of wrenches. Alex put in the time, energy, and attention



necessary to master the skills and, hence, the ability to summit El Cap. That is awe-inspiring.

## THE FUTURE LEADER

Like rock climbers, future leaders also need to develop a distinct set of abilities. Future leaders, for the sake of this book, are not young people in entry-level roles learning skills to someday become leaders themselves. This book isn't necessarily focused on turning the next generation of task technicians into great leaders, although that may be a by-product.

The focus of this book is to provide existing leaders at all rungs on the proverbial ladder with the knowledge and the tools to help their organizations transition to a future that will be heavily influenced by generational changes, as well as technological advancement.

The phrase “future leader” in this book becomes a noun. It becomes a way to distinguish between those who are employing the same old tired leadership hacks that don't work from those who have rebooted the fundamentals of leadership to meet the demands of the current business landscape.

Future leaders are those of us who have widened our gaze enough to see that the workplace and the environment surrounding that workplace are rapidly shifting. Future leaders can see that the framework for effective leadership cannot remain stagnant while everything else is changing. Future leaders are willing to make uncomfortable changes because they want to succeed and they want their organizations to succeed.

And, to be sure, a successful organization—success defined here as consistent and measurable progress toward its mission—always hinges on its leaders' abilities.

Time is tight these days, and there are many skills the future leader could learn. Which ones should they learn? The answer, of course, is dependent on the times, and times are changing.

## THE TWO FORCES

Anyone can calculate force in the physical world by multiplying the variables of mass and velocity. Increase mass or increase speed or increase both and the potential force of a thing also increases. A train traveling at full speed down the tracks can generate more force than a car pacing the train on a parallel street would. They might be going the same speed, but the train has more mass.

*Force*, is the term I have applied to two distinct and external agents that we are familiar with but that are only now starting to significantly agitate the workplace. These agents are considered external because they are outside your organization's ability to control. These agents are generational churn and rapid technological advancement.

### Force #1: Generational Churn

The force of generational churn is the movement of the generations through the workplace. We have reached a point at which the older, second-largest generation ever, the Baby Boomers, are starting to retire in waves while the younger, largest generation ever, the Millennials, continue migrating into and up through our organizations.

For almost three decades, things were relatively stable as the 70 million-plus Boomers—those born from 1946 to 1964—occupied the office buildings. The sheer number of Boomers generated

enough influence in the workplace to create distinct cultural expectations. Because of their population size, and because this cohort moved through organizations as a group at the same time, they inadvertently created a steady and stabilizing effect on the workplace. Over time, this effect has made us feel a bit too comfortable. We think that the workplace customs, traditions, and expectations, among other variables, are some business absolute. In fact, we have been hypnotized. Instead of an absolute, the workplace is actually just a composition of Boomer tastes and preferences that have solidified over time.

The swinging jewel that has hypnotized us for so long is quickly coming to a dead stop. Boomers are reaching retirement age in staggering numbers just as the last of the Millennials are reaching the age of twenty-one in staggering numbers. There is a wholesale changing of the guard happening in the wider workforce as both the Boomers and the Millennials enter life's next chapters. Generational churn as a force is becoming more pronounced because of the size of the affected population (mass) multiplied by the speed at which the turnover is happening (velocity). Generational churn used to be more like the car and now it is more like the train.

## **Force #2: Rapid Technological Advancement**

Generational churn, though, isn't the only train speeding along on the tracks. Organizations are also dealing with the force of rapid technological advancement. This force is about accelerating technology that is changing what the work can be, and how that work gets done. Factories are moving from human labor to automated labor and seeing massive productivity gains. Law firms are using

artificial intelligence programs to perform research once conducted by humans. Several companies are working on autonomous vehicles that will move people and goods around without a human driver.

Just as we have reached a point on the overall human timeline where there is a massive changing of the generational guard, so too have we reached a point where the technology of today is finally catching up to its science-fiction potential. Technological advancement, like generational churn, is also becoming more like the train and less like the car.

The issue for future leaders when it comes to advancing technology will not be the technology itself. Technology becomes the bright and shiny object that distracts us. The underlying issue for future leaders is how to blend technology and people in such a way that the organization makes faster progress toward its larger mission.

As technology continues to make its inevitable improvements, organizations will look to their future leaders to navigate the implications. What will it mean for the mission of the organization? What will it mean for labor? What should it mean? These aren't questions for tomorrow, they're for today. Leaders who aren't seriously asking these questions, and many others, are already behind the curve.

\* \* \*

**THE NEXT TEN YEARS** will look very different from the past ten years. Generational churn will continue to take its toll. Technological advancements that are influencing productivity and profitability will continue to alter how our organizations go about their business. Future leaders will need a playbook to navigate these challenges.

Just as it was for Alex climbing El Capitan, the harder the challenge, the more ability you will need. This book is designed to help you gain that ability by focusing your time, energy, and attention on the skills our organizations will need in the years ahead.

The future waits for no one. It's time to get started.

**Part I**

**THE CASE FOR THE  
FUTURE LEADER**



# 1

## The Clarion Call for the Future Leader

---

WE NEED YOU NOW MORE THAN EVER BEFORE

“THEY AREN’T GOING TO LISTEN, and even if they do listen, they aren’t going to do anything about it.” The voice of Resistance was being firm with me.

Resistance is that little voice in your head that does everything it can to derail creative effort. Resistance, as used here, is a concept credited to author Steven Pressfield. Resistance says stuff like, “Who are you to do this?” and, “Why should anyone listen to you?” and, “This stuff is complete garbage. Maybe you should think about it some more before sharing it with anyone.” It’s that small but persistent voice that has the ability to sit right down in your soul. The voice of Resistance has always been strong with me, and it was talking to me again while I was driving to the event a few years ago.

In an effort to give Resistance an identity, I have turned it into a late-fifties man with a stubbly face and an overweight body. The tan and cream striped shirt he is wearing paired with the brown shorts and the socked feet in loafers is a clue that he stopped keeping up sometime in the late 1970s. When he has something to say, I always imagine he has an iced tea in his hand and he is just telling it like it is. For some reason, Mr. Resistance lives in perpetual

summer in my mind. There is something powerful about the contrast of nice weather and a “realistic” perspective.

As I pulled into the parking lot that day, I slapped him in the face and returned my thoughts to the presentation I was about to make. My goal was to try to persuade over a hundred of my mostly Boomer colleagues and superiors that we needed to do more to prepare for the younger generations than we had been doing. As an organization, we tended to hire Boomers for senior leadership roles. The senior leaders would then look for other Boomers to fill staff positions. Generation X, the generation just younger than the Boomers (and the generation I am in), was tolerated. Millennials, the generation just younger than Generation X, probably felt as if they were from another planet. We were an old-school organization with a massive blind spot about generational change.

If you have ever ridden a roller coaster, there is a certain feeling you can relate to. You see the drop-off coming and can do nothing about it. If generational issues were like this roller coaster approaching the drop-off, then the senior leadership at the organization I worked for decided that their best response was to hold on tight to the handlebar and squeeze their eyes shut. Soon the scary part would be over and those Millennials would just go away.

What I tried to persuade my colleagues to understand was that the roller coaster drop-off they were trying so hard to ride out actually continues down forever. The underlying message for my mostly Boomer audience was that their time of dominance in the workplace was over, and we would be wise to embrace the change. This is something to lean into, as Sheryl Sandberg might say, not something to ignore. To do this, I argued, we first had to make the mental shift to a new mindset, and then a physical shift that resulted in action.



## GENERATIONAL ISSUES ARE DIFFERENT NOW

Sitting in my car at the community center after the event had concluded, I thought more about the problem. Generational issues in the workplace are nothing new. People in different generations have different ideas and perspectives about the world. We see things differently. We do things differently. We have different expectations. And all of these differences, as we will see in Chapter Three, are based in science.

The generational friction we see in the workplace now, however, is on steroids. We are in the middle of a massive transition in the workplace that is creating structural turnover. This turnover is happening as the second-largest generation ever to occupy the workplace, the Boomers, gives way to the largest generation ever, the Millennials. Generation X, the much smaller generation in-between, is basically along for the ride.

The confusion, chaos, backbiting, adaptation, and overall friction found in a number of organizations as these massive generations slide past each other is powering what I call the “force of generational churn.” Like the force of an earthquake that happens as two land masses rapidly slide past each other, so too is the force of generational churn shaking up our organizations. Congratulations! You have a front-row seat to biggest changing of the guard ever to happen, and it is taking place right now in every organization.

The official dethroning of the Boomers as the largest generation represented in the workplace has happened only within the last few years. The consequences will play out for years to come. Boomers typically hold higher-level positions than Millennials due to their age. Boomers have had more time in the workforce to move up the corporate ladder.

This dynamic will continue to fuel an unequal allocation of power over the next several years. Boomers will be outnumbered in the office by Millennials—like, by a lot—but a number of Boomers will still sit in the corner offices. Millennials will occupy almost every other desk in the office but may not necessarily have the formal organizational power that comes with a job title. At least not yet. Can you see how tricky this might be?

The presentation I gave that day worked, but I learned later that I missed a big part of the overall problem. What I missed in that presentation to my colleagues while I was all wrapped up in generational issues was that there is another significant force working relentlessly to permanently reshape our organizations. This force is just as powerful, if not more powerful, than the force of generational churn, and it is also just as underappreciated. The second substantial force agitating all organizations is what I call the “force of rapid technological advancement.”

## **TECHNOLOGY IS ALSO DIFFERENT NOW**

It's not technology in and of itself that is the issue. We all love our iPhones and our laptops. We appreciate driving a car or riding mass transit to work instead of whipping a horse.

The issue for future leaders is how to blend technology and people in such a way that the organization makes faster progress toward its larger mission. Technology is the only mechanism out there that can fundamentally reshape and redefine what business is and how it gets done.

Think about it for a moment. The largest provider of rides in the world is a company that owns no cars. The largest provider of places for people to stay owns no buildings. These are two obvious

examples of how advancing technology is changing not only what our work can be, but how we live our lives.

We are on the leading edge of creating autonomous vehicles. Imagine being able to travel to work in an Uber or a Lyft with no driver. Seems really cool! But the excitement that comes with pioneering technology should give way to a fundamental question: How do opportunities for organizations to fulfill their missions change as technology improves?

Think about where we were just ten years ago. Twitter and Facebook were in their infancy. Instagram and a number of other social platforms weren't even in existence yet. Organizations employed no social media managers or strategists. Social media was still just for fun.

Steve Jobs announced the first iPhone about ten years ago. Remember the phone you had before your iPhone? Texting was a nightmare on the old flip phones!

Ride-sharing companies like Uber and Lyft were nowhere to be found. Airbnb was not in existence yet. Tesla was only a few years old in 2007, but no Teslas were on the road. Amazon didn't sell everything. The best artificial intelligence (AI) at the time was a far cry from the AI we have now.

In addition, the workplace was still in the capable hands of the Baby Boomer generation. No Boomer had reached age sixty-five ten years ago, and the oldest Millennials were only in their mid-twenties. The workplace was still in its period of generational stability. Things felt solid and safe and predictable ten years ago. Doesn't that feel like yesterday? Now, fast-forward ten years from today.

In the next ten years, we will be taking for granted new technologies that don't exist yet. AI will continue to step, maybe leap, forward in complementing or supplanting human labor. New

organizations will offer technology not invented as of this writing, and other organizations that have been around seemingly forever will fade away as they fail to adequately respond to the two forces. The youngest Boomers will be about sixty-four years old and the vast majority of that generation will have moved into retirement. Meanwhile, the Millennials will be *the* generation in the workplace with its membership reaching the powerhouse years of their late twenties to late forties.

## WE NEED FUTURE LEADERS

Right now, more than ever before, we need the future leader. Rock-solid, authentic, and motivating leadership tuned to the times will be key to organizations making successful generational and technological transitions.

There is no more room for scientific management, management by spreadsheets, or any other leadership model that is not specifically designed to deal with the forces of generational churn and rapid technological advancement. As we will see in the next chapter, leadership in its current form is on the rocks. By a number of measurements, what has passed for leadership has harmed our organizations as much, if not more, than it has helped. And, these problematic models of leadership are now being further agitated by the forces of generational churn and rapid technological advancement.

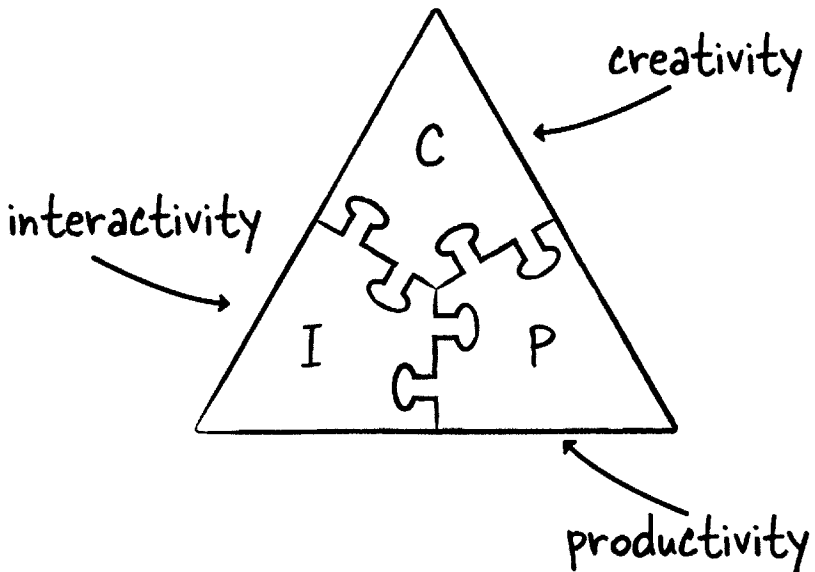
Senior leadership in organizations from all industries should be on red alert when it comes to their leadership at this moment on the human timeline. The next ten years will be pivotal. In no other time has the quality of leadership had as direct a role in keeping the organization alive than now.

All of this boils down to a central question: What will it take

to effectively lead the future organization? The answer is a rebooted leadership model.

## WE NEED A NEW LEADERSHIP FRAMEWORK

Leadership is about moving people to action on a mission. This feels like it should be easy, but doing it well has never been. It won't become easier. A proper response to leadership that is already underperforming and that is being further influenced by the forces of generational churn and rapid technological advancement is rebooting the basics. We don't need a digital solution to this analog problem, we need a better analog solution. The Future Leadership Framework is that solution.



As you will see in Part II of this book, the Future Leadership Framework is a collection of skills that any leader can master.

These skills will help offset the forces of generational churn and rapid technological advancement so that your organization has a better shot at success.

The ten skills coming in Part II of this book are grouped into three abilities. The idea is that once you have mastered the skills, you will gain the corresponding abilities. These abilities will be required of all future leaders responsible for transitioning their organizations successfully to the future.

Before we can move into the solution, though, we must first understand the problem. In medicine, the disease informs the prescription. In leadership, it's the same way. Let's start with looking at the state of leadership today. I think you will be surprised at what the research has uncovered.

## **KEY IDEA**

What has passed for leadership up until now has created a number of underperforming organizations. The difference now is that these leadership models are being further agitated by the forces of generational churn and rapid technological advancement. The result may prove disastrous. The solution is not a new leadership model. The solution is a rebooted leadership model designed to be the antidote to underperforming leadership and the two forces.

# 2

## Leadership on the Rocks

---

### MEASURING THE OUTCOMES OF LEADERSHIP

“ANYONE FALLING SHORT after two months would be fired.” This is a quote in a 2013 story in the *Los Angeles Times* about the company culture at Wells Fargo.<sup>1</sup> Wells Fargo is a commercial bank that was founded by Henry Wells and William Fargo in 1852 in San Francisco. It originally catered to the gold-mining community, but has since grown considerably in its scope and size. Wells Fargo is the fifth-biggest public company in the world with \$1.9 trillion in assets and serving more than 70 million customers in 8,400 locations.<sup>2</sup>

The article caught the attention of the Los Angeles City Attorney, Michael Feuer. He quoted one passage from that article about Wells Fargo in his testimony for the Senate Committee on Banking, Housing, and Urban Affairs. “To meet quotas, employees have opened unneeded accounts for customers, ordered credit cards without customers’ permission and forged client signatures on paperwork. Some employees begged family members to open ghost accounts.”<sup>3</sup> “Appalled” at what he read in that article, Feuer started an investigation.

As with a number of other organizations, the problems that caught the eye of the LA City Attorney are leadership problems.

In general, bad leadership should be thought of as a cancer that can affect organizations of any size, even the largest and most prosperous. Two-person organizations are just as easily affected as two-hundred-thousand-person organizations.

The LA City Attorney's office concluded its investigation in 2015 and found that:

*...the Bank [Wells Fargo] victimized consumers by opening customer accounts, and issuing credit cards and other products, without authorization. Further, we found that the Bank failed to notify customers that these accounts had been opened without their consent and failed to refund fees incurred by those customers for these unwanted products and services. We found instances in which the Bank made it difficult, if not impossible, for customers to receive accurate and clear information as to how this happened. Many were told that the unauthorized accounts would be closed, only to find later that they were not.<sup>4</sup>*

The line staff in the branches of Wells Fargo did not open unauthorized new accounts for customers just because. Behavior like this always comes from somewhere. Feuer noted that "... Wells Fargo's business model imposed unrealistic sales quotas that, among other things, incentivized employees to engage in highly aggressive sales practices, creating the conditions for unlawful activity..."<sup>5</sup> In whatever way, the company's expectations, as communicated, had the effect of encouraging behavior that was both contrary to the law and the bank's long-term interest. As Scott Reckard says in his *Los Angeles Times* article that caught Feuer's attention: "The relentless pressure to sell has battered employee morale and led to ethical breaches, customer complaints and labor lawsuits."<sup>6</sup>



Leadership failures at Wells Fargo will be really expensive. As of this writing they are already on the hook for \$185 million in fines in addition to restitution to the victims.<sup>7</sup> *CNN Money* reports that restitution will amount to \$142 million.<sup>8</sup> While this is an awesome example of the high cost of underperforming leadership, the cancer of bad leadership is evident in a number of organizations.

Leadership failures at the now-defunct Enron cost investors billions of dollars, took down one of the “Big Five” accounting firms, Arthur Andersen, and resulted in criminal convictions for a number of Enron’s senior leadership. Leadership failures at VW led to 11 million cars being outfitted with “defeat devices” that helped them beat emission testing for nitrogen oxides.<sup>9</sup> VW has reportedly set aside \$6.8 billion to deal with the problem.<sup>10</sup>

Keeping a business going is tough enough without having to deal with something completely avoidable like bad leadership. The Small Business Administration notes that small businesses—composed of 500 or fewer employees—make up 99.9 percent of all businesses in the United States.<sup>11</sup> They also note that from 2005 to 2015, almost 80 percent of these organizations managed to survive at least one year.<sup>12</sup> That is encouraging, but as the years go on the chances for survival take a nose dive. Only about half of organizations make it to five years, and only about a third make it to ten years.<sup>13</sup> These stats aren’t as bad as some in politics have made them out to be, but they still illuminate a harsh reality. Keeping a business going, in general, is difficult. We don’t need to make it any harder.

There’s a cure for cancerous leadership that costs organizations valuable resources. But before we can appreciate that solution, we have to better understand the problem. Fortunately, bad leadership leaves behind clues. The case studies noted above provided clues that are extreme and obvious, but other clues can be

so subtle that many of us have unintentionally grown accustomed to their presence.

What clues should we be looking for?

## **LEADERSHIP ALWAYS LEAVES CLUES TO ITS EFFICACY**

The best clues as to the effectiveness of leadership are found in the outcomes of that leadership. Before we look at the outcomes, though, we must be crystal clear on something fundamental and important: If you are a leader, every problem in your organization is your problem. Deciding to become a leader means you have signed up for this level of responsibility. Your people are your problem. How well the product is selling is your problem. Customer service is your problem. The computers going down is your problem. People with sullen faces walking around the office? Your problem.

This maxim holds even if there is clear and compelling evidence that it is not your problem. The reason everything is your problem is because the fate of the organization in whole depends on you. The buck stops with you. Sorry to lay it on so heavy, but it is really important that we are clear on where the ultimate responsibility lands.

Now, back to measurement. To properly assess leadership quality, we should look at the clues, or outcomes of that leadership on the organization. We want to understand how people are responding to their leadership.

### **Outcome #1: We Are Disengaged and Bored**

One big way to measure the outcome of leadership is by looking

at employee engagement. Engaged employees are emotionally and mentally invested in the work they do and the organization they do it for. Disengaged employees tend not to be emotionally or mentally invested in the work. The main motivation of the engaged is progress on their team's mission and the organization's mission. The main motivation of the disengaged is to collect pay for time.

Gallup has been polling Americans since the 1930s and is now in the business of collecting, analyzing, and providing actionable data to organizations. As of this writing, Gallup is showing that only 13 percent of the worldwide workforce is engaged at work.<sup>14</sup> In the United States, only 32 percent of the workforce is engaged.<sup>15</sup>

This is an alarming statistic. The scales are tipped wildly in the direction of the disengaged. The next time you're in the office, look around. Despite how they might be reacting in the moment, two out of every three people you see are disengaged from their work. Engagement, either positive or negative, is a big deal because it affects morale, productivity, and ultimately the organization's bottom line. Low employee engagement is a clue.

A close relative of employee engagement is boredom. Are your team members bored at work? Recently, the online training company, Udemy, completed a workplace-boredom study. Its findings: 43 percent of American office workers are bored at work, and Millennials are twice as likely to be bored at work as Baby Boomers.<sup>16</sup>

This is a problem because bored employees are twice as likely to leave the workplace. The main reason that survey respondents cited? Not enough learning opportunities. The next reason: the work was unchallenging and didn't use their education.<sup>17</sup>

Boredom is a tough issue in the workplace. Some jobs, by their very nature, will be less emotionally, mentally, or physically engaging than others. Some leaders would tell you that it is fine to be bored at work because somehow that's what they pay you for.

This sentiment just won't fly any longer. To attract skilled talent in tight labor markets means employers will need to think through the jobs they offer. In addition, the skilled talent your organization needs won't tolerate tedium as easily as older generations did. Boredom at work is another clue.

## **Outcome #2: We Are Unclear about What Is Expected from Us**

Engagement and boredom are decent metrics to evaluate the efficacy of organizational leadership, but there are even more fundamental indicators about whether leadership is doing its job. One of my favorites concerns employee expectations.

Do you actually know what is expected of you at work? Think about it. Do you really know, or do you just have an idea? There is a big difference. One analysis of workplace expectations found that only 50 percent of people strongly agree that they know what is expected of them at work.<sup>18</sup> Half! The rest of us may have some idea what is expected of us, or no idea.

To be clear, expectations are not contained in job descriptions. Rather, they are fluid. They correspond to the initiatives the team is working on, and the initiatives the organization is working on. Both are subject to change and, therefore, the expectations are also subject to change. What was expected of you last quarter or last year may not be expected of you now.

If we don't know what is expected of us, then we can't adjust our behavior to meet or exceed those expectations. We will continue to do what we have always done, and the gulf between what is expected and what we are actually doing may continue to widen.

This is not only a rank-and-file problem. The research noted above also reported that 50 percent of managers are unclear about

what is expected of them.<sup>19</sup> Wow! The fact that only half of us know what is expected of us is another clue.

### **Outcome #3: We Aren't Getting Enough Feedback**

A symbiotic relationship exists between expectations and feedback. If expectations for your team members were never set in the first place, then it can be difficult to provide feedback about their work. Missing expectations usually leads to ineffective feedback, and not getting enough feedback is a problem.

OfficeVibe offers tools to empower managers to create better workplaces. OfficeVibe reports that managers aren't giving enough feedback, and the feedback they do give is either too negative or too vague.<sup>20</sup> Their report also finds that 65 percent of employees want more feedback while 58 percent of managers think they provide enough feedback.<sup>21</sup> In the workplace, there is a disconnect between how much feedback we want and how much feedback we get. The net effect is that we are left without enough information to make the necessary changes to our performance. Productivity suffers as a result.

I have always believed that receiving feedback is much easier than giving it. A number of other leaders may feel the same way. Despite this proclivity, the OfficeVibe report notes that 82 percent of employees appreciate feedback, whether it is positive or negative.<sup>22</sup> The research is telling us that we, as leaders, shouldn't be uncomfortable about providing feedback. It is also telling us that we need to provide more of it.

Clutch is a company that matches companies looking to complete projects with companies willing to do those projects. In 2016, Clutch surveyed 1,000 full-time workers about their job fulfillment. This survey found that 72 percent of Millennials whose

managers provided accurate and consistent feedback rated their jobs as fulfilling.<sup>23</sup> What about the Millennials who didn't receive accurate or consistent feedback? Only 38 percent found their jobs fulfilling.<sup>24</sup> In their analysis, Clutch goes on to note that workplace experiences can be improved for Millennial employees simply by creating a better system for providing feedback.<sup>25</sup>

Gallup has also looked at Millennials and feedback and notes in their report, *How Millennials Want to Work and Live*, that less than one in five Millennials say they receive routine feedback, and even less report that the feedback they do receive is meaningful.<sup>26</sup>

The evidence shows that workers from all generations, especially the Millennials, want more feedback than they're currently getting. The evidence is also showing that the feedback we are getting is not as helpful as it could be. Not enough feedback and feedback that is unclear are clues.

## **Outcome #4: We Don't Know the Vision, Mission, Strategy, or Goals**

If I asked you to tell me what the vision and mission of your organization is, could you do it? You may know what the organization does day in and day out, but that is not the same as its mission. Achievers, a company that makes employee recognition and rewards programs, conducted a study of several hundred people in the United States, Canada, and the United Kingdom in 2014. In their 2015 report based on that study, Achievers noted that 70 percent of respondents didn't know either their company's vision or mission.<sup>27</sup>

If you have read a typical mission statement, you can probably understand why it isn't memorable. Many of these statements are

forgotten as soon as they are read, often times a direct result of too many boring business buzzwords mashed together in unclear or meaningless sentences.

The same problem exists for strategy. Like vision and mission, an organization's strategy can also be unmemorable. When employees were queried a similar percentage of them who couldn't recall the vision or mission also couldn't pick their organization's strategy out of a lineup. One research initiative focused on employees at twenty major corporations in five industries in Australia. The researchers noted that all of the companies had established competitors, large market shares, and had articulated public strategies.<sup>28</sup> The researchers had employees of these organizations look at six strategy statements and asked each of them to pick out the one that best fit their firm. Anyone off the street has about a 17 percent chance of picking the right strategy statement just from luck alone. It turns out that these employees fared only slightly better than you or I could have—only about 29 percent were able to make the right selection.<sup>29</sup>

Separate research about organizational goals done by the authors of the book, *The 4 Disciplines of Execution*, echoed the theme of employees being unfamiliar with the basics of their organizations. The authors' research found that only 15 percent of those surveyed could name one of their organizations top three most important goals.<sup>30</sup>

The point is evident. Whether we are talking about the vision and mission of the organization, the organization's strategies, or the organization's goals, a vast majority of employees whose job is to execute on these items simply don't know what they are. How can we expect them to be successful?

A general misunderstanding of the "why" (vision and mission) and the "how" (strategies and goals) of the organization is another clue.

## Outcome #5: We Don't Trust Our Organizations

There is another powerful indicator of leadership's efficacy, one that's just as basic as whether you know the organization's vision, mission, strategy, or goals, but carries more weight. This indicator is trust.

Do you trust the organization you work for? Trust is delicate. It takes time to create and can evaporate in an instant. In any organization, trust is both established and wrecked by its leadership. Edelman, a public-relations firm, released the sixteenth edition of the *Edelman Trust Barometer* in 2016. One dimension Edelman focused on in its report was the state of trust between employers and employees. The results are less than encouraging.

According to Edelman, only 64 percent of executives, 51 percent of managers, and 48 percent of the rank-and-file trust the organizations they work for.<sup>31</sup> Trust trends downward from the corner office to everybody else. Overall, Edelman reports that only about two-thirds of us trust the company we work for.<sup>32</sup>

Edelman isn't the only company looking at the issue of trust in the workplace. EY is a large business professional services firm that recently released its third annual survey of generational issues in the workplace. The focus of this survey was on trust.

The survey of almost 10,000 adults working full-time at companies in eight countries, and 3,200 minor workers (age 16 to 18), came to a different conclusion than Edelman. According to this survey, only 46 percent of global respondents had a "great deal of trust" in their current employers. The survey also noted that about 17 percent of respondents had very little or no trust in their employer.<sup>33</sup>

Trust mingles closely with employee engagement. The two affect productivity and, in turn, organizational profitability. When leaders create an environment that hampers trust, they also create



an organization that is at a competitive disadvantage. The level of distrust in a number of organizations is another clue.

## **Outcome #6: The Culture at Work Is Unhealthy**

Let's look at organizational culture. Culture is composed of values, beliefs, attitudes, and behaviors that influences how people work together. Culture is essentially how we do things 'round here. Cultures originate and are reinforced by an organization's leadership.

One of the ways the culture of a workplace can be measured is by the health of the people who work there. Kronos is a company that provides tools "to manage and engage your entire workforce from pre-hire to retire."<sup>34</sup> This organization partnered with Future Workplace and recently completed a survey of hundreds of HR professionals from organizations with at least one hundred employees. What they found was that almost half of all HR leaders reported that burnout is responsible for up to half (20 to 50 percent, specifically) of their annual turnover.<sup>35</sup> The study found that the top three contributors to burnout were unfair compensation (41 percent), unreasonable workload (32 percent), and too much overtime (32 percent).<sup>36</sup>

A *Harvard Business Review* article noted that the psychological and physical problems of burned-out employees cost an estimated \$125 billion to \$190 billion in healthcare spending annually.<sup>37</sup> The article goes on to note that the real cost can be much higher because burn-out lowers organizational productivity and creates higher than necessary turnover, including the loss of an organization's most capable talent.

As we will see in a later chapter, taking care of your team has direct benefits to your organization. Attracting skilled talent in

the tight labor market of 2018 is much harder than attracting that same talent in the economic desert of 2008. Additionally, unnecessary turnover of high-performing team members is expensive. The expense is not just in the direct costs of replacing somebody and the extra hours that everybody else has to put in to make up for the absence. The expense also comes from the opportunity costs. Organizations that intentionally or unintentionally promote a culture of burnout aren't winning the short-term and they aren't winning the long-term either. It's a classic lose-lose scenario. A culture of burnout is another clue.

## **Outcome #7: And We Can't Even Take a Break**

An organization's culture also impacts how its employees use their vacation time, and right now we aren't taking as much vacation as we used to. The average American took only 16.8 days off from work in 2016, which might seem high until you put it in context. From 1976 to 2000 Americans averaged over 20 days off.<sup>38</sup>

The question is: Why aren't we taking as much vacation as we used to? The answer points back to leadership. More than 25 percent of us fear that taking a vacation could make us appear less dedicated.<sup>39</sup> More than 20 percent of us worry we might miss out on a raise or a promotion if we dared spend too much time away from our desks.<sup>40</sup>

Now, before you are too quick to blame the problem on the person who is not taking the vacation, consider where these notions are coming from. A full two-thirds of us say that our company culture is "ambivalent, discouraging, or sends mixed messages about time off..."<sup>41</sup> If the dominant culture at an organization frowns on vacations, the employees will pick up on it and adjust their vacation expectations accordingly.

Author and happiness researcher, Shawn Achor, has studied the effects of vacation and found that vacations make you happier and less stressed (true!), and that by taking a vacation you can return to work with more energy.<sup>42</sup> Company culture that dissuades the use of vacation, even though there are bottom-line benefits that come from employees who take time off, is another clue.

## THE CLUES POINT TO UNDERPERFORMING LEADERSHIP

The clues we have uncovered so far show that:

1. A vast majority of us are **disengaged** from our work;
2. We are **bored** with our work, and the turnover associated with boredom is a problem;
3. We are unclear about what is **expected** from us at work;
4. There is not enough **feedback**, and the feedback we do receive is not helpful;
5. A majority of us don't understand the basics of the organization, such as its **vision, mission, strategy, and goals**;
6. Too many of us don't **trust** our organizations, and by extension, our organization's leadership; and
7. The **culture** of the workplace is creating conditions leading to overwork, burnout, and turnover.

By looking at the outcomes of today's leadership, we have a clearer picture of its efficacy. Those outcomes show that the models we are using right now to lead our teams are actually working

against us, and they are working against our organization's best interests. Leadership in a number of organizations cultivates workplace conditions that encourage underperformance resulting in unnecessarily high turnover, missed opportunities, and wasted money and time.

## **Underperforming Leadership Costs the Organization Time and Money**

None of this is about the treatment of people for the sake of humanity, although treating people well should go without saying. Rather, each of the outcomes of leadership described above have bottom-line implications.

# **Underperforming leadership is expensive.**

Let's look at employee engagement as an example. Leadership that moves workers from disengaged to engaged results in dramatic productivity and profitability improvements. One analysis found that organizations with higher employee engagement beat organizations with lower employee engagement by over 20 percent in both productivity and profitability. And, the organizations with higher employee engagement experienced less turnover and less absenteeism.<sup>43</sup>

Disengaged employees in the aggregate are costly. Actively disengaged employees cost American organizations up to \$550 billion annually in lost productivity.<sup>44</sup> To put that number into a larger context: this one issue alone is equivalent to almost 2.4

percent of the total United States GDP! To put that number into a smaller context, consider that employee disengagement is costing American organizations about \$4,366.22 per employee, per year.<sup>45</sup>

Engagement versus disengagement is a huge problem for modern employers and the quality of the organization's leadership plays a significant role. Leadership also plays a significant role influencing the organization's overall productivity. A 2002 survey of 1,300 private-sector companies found that, on average, only 59 percent of work time is productive. Researchers attribute this to three major causes: insufficient planning and control, inadequate management, and poor working morale.<sup>46</sup> This equates to a five day workweek in which only three days are productive.

What about the costs of turnover? There's a saying that people don't leave their positions, they leave their bosses. I have firsthand experience that tells me this is true, but research also backs up this claim. It turns out that half of us have left our job at some point to get away from our manager and to improve our quality of life.<sup>47</sup> The job is fine, the commute is fine, the health insurance is fine, the coworkers are fine, but the boss was too much to handle. Skilled talent that quits because of bad leadership is expensive.

The Society for Human Resource Management's recent Human Capital Benchmarking Report concludes that the cost to fill an open position averaged \$4,129 and took forty-two days to complete.<sup>48</sup> A Center for American Progress article noted that the actual turnover costs varied somewhat depending on the salary and skills of the worker.<sup>49</sup> For instance, those who made \$30,000 or less cost less to replace than executives. The article noted that replacing a worker costs about 20 percent of that worker's annual salary.<sup>50</sup> So, for a worker who makes \$50,000 per year, the cost of turnover is about \$10,000. Absent from these figures, however, is the opportunity cost that comes from missing an employee, and the morale hit that the team may experience if each member's

workload increases. The actual total cost of turnover as a result could be even higher.

All of this research probably just confirms something you know in your gut to be true.

## **Leadership is a key component to the success or the failure of any organization.**

We know that leadership right now is on the rocks, but is this all we should know about the topic? I believe there is something else everyone who has been entrusted to lead should understand.

### **LEADERSHIP AND THE TWO FORCES**

Over the next ten years, organizations of all sizes and in all industries will be grappling with two key, rapidly intensifying external agents. These agents will add significant pressure to organizations and their leadership models. The result is that organizations already dealing with significant leadership challenges will be further agitated. Agitating leadership that is already underperforming could result in slow-motion disasters for a number of organizations.

The external agents are the force of generational churn and the force of rapid technological advancement. These two forces are working to reshape and redefine what the organization looks like and how it functions. To better understand the scope and scale of these forces, the next two chapters will examine them in detail.

## KEY IDEA

The only way we can measure whether leadership is working or not is to look at the outcomes of that leadership. The outcomes, as shown in the research, are demonstrating that leadership in a number of organizations is underperforming. Leadership that is already underperforming will be further agitated by two external forces rapidly increasing in intensity: generational churn and rapid technological advancement.

# 3

## The Force of Generational Churn

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### THE MOVEMENT OF THE GENERATIONS

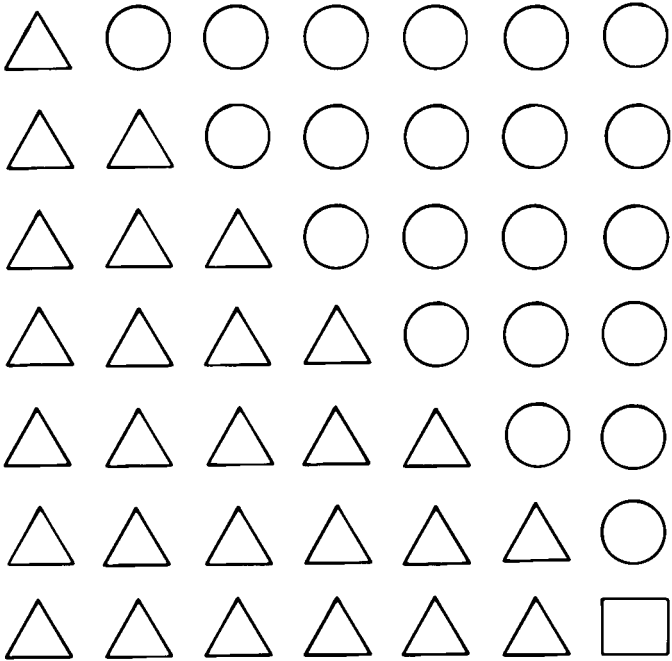
HUMANS INSTINCTUALLY categorize and label things. We have named all of the oceans in the world even though they are all connected. We have named the continents and even artificially divided them into distinct countries. Countries have become further divided and labeled. The United States, for instance, is divided into fifty states, and then into smaller counties, and then into smaller cities, and then into the neighborhoods that make up the cities. We have names for the stars in the sky and have arranged these stars into clusters called constellations. We have named all the animal species we have found thus far and even have a system for categorizing these animals.

### THE POWER OF PATTERNS AND PATTERNICITY

Why do we do this? It turns out that our motivation to categorize and label things is built into our human operating system. The fundamental function of the brain is to encode and integrate the internal and external information coming from our senses, and then create a behavioral response.<sup>1</sup> In the context of the brain,



Hey, pattern-seeing superhero...



Where's the error?

encoding is the process of converting raw information into useful information. The encoding process starts by looking for any patterns in the information.<sup>2</sup>

The superpower of humans is taking raw information and turning it into useful information by finding patterns. In fact, we are so good at finding patterns that there is a term—patternicity—that explains the phenomenon of seeing patterns where none truly exist.<sup>3</sup> Patternicity happens when someone sees the face of Jesus in a grilled-cheese sandwich, for instance.

Just as we categorize and label the stars and animals, so too do we tend to categorize and label people. We judge people by the clothes they wear, the college they attended, the car they drive, the words that come out of their mouth, the energy they exude, and a variety of other factors. Where is this human tendency most evident? High school.

One of my favorite scenes in the movie *Ferris Bueller's Day Off* is the scene where Principal Rooney is talking to his administrative assistant, Grace. He is explaining to Grace why Ferris Bueller is a bad role model. Her response rebuts what he is saying and confirms how popular Ferris is. She says, “the sportos, the motorheads, geeks, sluts, bloods, wasteoids, dweebies, dickheads, they all adore him. They think he is a righteous dude.”

High school, though, is only where our tendency to categorize and label is most flamboyant. After high school is over, a great many of us quietly (or not so quietly) continue this behavior simply because we are biologically programmed to do so.

Humans use their superpower of pattern recognition in an effort to better understand. Pattern recognition has powered the fields of sociology, psychology, and astrology, among others, and pattern recognition has also powered research into the generations. At some point we identified the existence of cultural and

behavioral patterns among groups of people, and the concept of the generations was born.

## THE GENERATIONS? REMIND ME

A generation is a collection of people who have all been born during a certain period of time, usually about twenty years. The only prerequisite for membership in any generation is your age. While generations researchers haven't unified on the exact years the different generations' begin and end, most researchers have pegged these dates in a relatively narrow range. As of 2018, five generations are currently present in the workplace. Some generations have way more representation in the workplace than others because of their relative size or because of their constituents' age.

### Generations

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	<u>Birth Years</u>	<u>Population</u>
Traditionalist	1925 to 1942	~ 29 million
Baby Boomer	1943 to 1964	~ 75 million
Generation X	1965 to 1979	~ 61 million
Millennial	1980 to 2000	~ 83 million
Generation Z	2000 to ?	~ 75 million

In the chart above, I included years of birth for each generation. They're a bit misleading. Think of these groups as occupying areas on a spectrum instead of points on a distinct timeline. In a visible light spectrum, there is no delineated edge where yellow ends and red begins. They blend, and eventually the color turns from one to the other. It's the same with the generations. Researchers set artificial boundaries for each generation according

to birth year, but the boundaries, in reality, are fuzzy. You may find yourself “misplaced” by your birth year into a generation and a corresponding set of characteristics that doesn’t describe you. That happens.

With respect to the caveat mentioned above, you are likely to have some or all of characteristics of your generation. There is a certain milieu that resides in each generation that helps to distinguish its members. It’s like a club where all the members wear the same pin or the same hat. Millennials don’t wear the same hat as the Boomers, or Generation X, or the Traditionalists. They are from different clubs.

The research has repeatedly shown that each generation has its own beliefs, cultural norms, and perspective of the world. The notion of the generations is not about the differences between young people and old people. Rather, the notion is that we are fundamentally different because we grew up at different times on the overall human timeline.

Thus, our superpower has helped us to recognize the patterns among the people born during a relatively short span, and then to categorize those people into groups we call the generations. However, what our superpower hasn’t done is help us answer a basic question: *Why* do the people who make up each generation have similar outlooks, beliefs, and ways of doing things?

## **“IMPRESSIONABLE YOUTH” IS MORE THAN A PHRASE**

Mrs. Pancho was crying. I remember being in my third-grade classroom. I was only eight years old on January 28, 1986, and when I think back on that day, I can’t seem to make all the pieces fit. I remember a lot of people crying, and I also remember how the smoke looked.

I saw the loop on television later that day after school. The Challenger shuttle was just a minute past takeoff when it exploded over the Atlantic Ocean. All seven people on board, including teacher Christa McAuliffe, were killed. *The New York Times* called it one of the worst accidents in the American space program.<sup>4</sup>

I wish I could say that I learned the invaluable lesson about the fragility of life that day, but I didn't. My takeaway was that the world was a big place and I was just one very small piece of that big place. That event sparked a certain awareness that I hadn't had before. The Challenger disaster helped inform my natural view of the world, and it is often decisive events like this that happen in our formative years that shape our beliefs, perspectives, and attitudes as adults.

The people who grew up during the Great Depression have a much different view about money than people who have not gone through such a period of hardship. The people who served in Vietnam as teenagers and early twenty-somethings have a different view about armed conflict than people who have never served.

Karl Mannheim, who many refer to as fathering the concept of the generations, wrote a dense essay called the "Problem of Generations." As a sociologist, Mannheim stated that:

*...in estimating the biographical significance of a particular experience, it is important to know whether it is undergone by an individual as a decisive childhood experience, or later in life, superimposed upon other basic and early impressions. Early impressions tend to coalesce into a natural view of the world. All later experiences then tend to receive their meaning from this original set...<sup>5</sup>*

How our attitudes and views are shaped by events depends on when we experience them in our lives. Significant events in

early life set the stage for contextualizing other events later in life. This is why the essential differences between generations are not between the ideas and behaviors of younger people as opposed to older people. Instead, there are fundamental differences between a Traditionalist and a Gen Xer because each has experienced different events in their youth that “coalesced into a natural view of the world.”

Imagine American babies born in the early 1990s. These babies, by virtue of their dates of birth, are assigned to the Millennial generation. When these Millennials were eight years old, another significant life-shaping event took place: the terrorist attacks of September 11, 2001. I watched the space shuttle explode when I was eight years old, these eight-year-olds saw airplanes flying into buildings.

Think of the impression this made on these children in their formative years, versus the impression it made on those of us who were adults. As a twenty-something watching the continuing coverage of 9/11, I saw a man, still clutching his briefcase, jump from near the top of one of the burning buildings. Imagine an eight-year-old watching the same thing.

Those kids who experienced 9/11 as eight-year-olds are now in their mid-twenties. How has that event and the subsequent fallout shaped their natural view of the world? The kids who experienced 9/11 grew up with a prolonged war in the Middle East, the economic downturn of the early 2000s, new security procedures for getting on airplanes, and the death of Osama bin Laden. The influence of terrorism that has overshadowed their youth has shaped and informed their worldview in some way.

*When* an event happens to us is equally, if not more, important than *what* the specific event is when it comes to shaping our particular views of the world.

## GENERATIONAL INFLUENCE ON THE WORKPLACE

The strength of any generation is a direct function of its population. In other words, the larger the generation in terms of pure bodies, the more influence that generation has. The Baby Boomers, at one time the largest generation ever, have been capitalizing on their influence for the last three decades. We may think that the ethos of the modern office is some business absolute, but in reality, the office culture, customs, dress codes, beliefs, and work processes, among other things, are all just products of Boomer preferences. The reason you work from eight a.m. until five p.m. in an office that takes you forty-five minutes to commute to (even though you could do that same work from your dining room table) is because this arrangement is what many Boomers prefer, and they have had the influence to enforce its adoption.

Because Boomers have had the population numbers to generate significant influence, the workplace culture has bent to their will, and then remained in its new configuration for decades as the Boomers worked their way through the system. The difference now, however, is that generational representation in the workplace is fundamentally changing because Boomers are retiring.

In fact, Millennials, as of the first quarter in 2015, are officially the largest generation represented in the workplace.<sup>6</sup> The proverbial baton of influence is being passed (not necessarily willingly) from the Boomers to Millennials, and we have front-row seats to watch this epic transition unfold.

Understanding generational representation in the workplace is key for future leaders. As Millennial representation increases, its influence on the workplace will also increase. The preferences of Boomers with respect to the customs and traditions within the

office cannot remain intact as their influence ebbs. The question isn't about whether things will change, but what the change will look like. Change is inevitable.

What makes this transition of influence even more eye-opening is the democratizing effects of the internet. Karl Mannheim could not see from his vantage point how the internet would change the world. Mannheim commented on the power of “similar location” in his paper on the generations. He said that members of a generation were similarly located if they were all exposed to the same phase of the collective process.<sup>7</sup> In Mannheim's time, people of a similar age and social strata who grew up in the same geographical location were similarly located, and that would help explain the underpinnings of a generation. Mannheim goes on: “It is not difficult to see why mere chronological contemporaneity cannot of itself produce a common generation location. No one, for example, would assert that there was community of location between the young people of China and Germany about 1800.”<sup>8</sup> Yes, Karl, I would not assert that about youth in the 1800s, but I would absolutely assert that there is more “community of location” in 2018 because of the internet. Now it is possible to get close enough to the experiences that help shape our natural views of the world wherever they occur. And, it is also possible to get close enough to great cat videos.

Right now, half of the world's population uses the internet. That number has risen almost 1,000 percent since the turn of the century and will continue to rise as new technologies increase access.<sup>9</sup> What this trend means is that the generations coming up will be much larger in scale, and hence more influential, than past generations. A Gen Z in the United States and a Gen Z in the United Kingdom or China may be more alike than we realize.



## GENERATIONAL CHURN IS A FORCE

In the physical world, force is the product when mass is multiplied by velocity. For a thing in motion, the higher the mass or the velocity (or both), the more force that thing will generate. Generational churn is the phrase I use to describe the effects of Baby Boomer retirements coupled with the rise of the Millennial generation. Generational churn becomes a significant force on the workplace because of the amount of people involved in the churn (mass) multiplied by the speed at which the churn is happening (velocity).

Earlier we noted that the Boomer generation—people aged 54 to 75—was the largest generation ever to walk the planet, and for decades, was the largest generation represented in the workplace. Over the next decade, 10,000 Boomers will turn sixty-five each day.<sup>10</sup> While not everyone who reaches retirement age automatically drops out of the working world, a number of them will. The official retirement age for Americans is sixty-six, but the average retiree is only sixty-three.<sup>11</sup>

The Bureau of Labor Statistics says that members of the Boomer generation tend to stick with jobs longer than members of other generations. They report that the average tenure for a Boomer is more than ten years.<sup>12</sup> A longer duration of employment means Boomers have been able to dig a deeper well of institutional knowledge. Institutional knowledge is the almost instinctual ability to get things done in an organization that can only come from years of experience. The longer you work somewhere, the more you know about that organization and its ecosystem. You know the internal, informal power structures better, and you know which vendors are reliable and which aren't. You know what good work looks like, and you deeply understand the organization's culture.

When someone who has been with an organization for ten

or fifteen years leaves, a period of chaos ensues. Even if the retiree is replaced with someone who has the exact same qualifications and experience, there will still be a gap that takes time to close. Employees lose mentors. Vendors lose trusted contacts. Customers lose long-term relationships. Each retirement opens up a new chasm that the organization must fill. If you take what happens with a single retirement in a single organization and multiply it by thousands of people in thousands of organizations, the problem grows considerably in scale. Now, consider that this retirement wave continues day after day. It seemingly never breaks, it only continues to swell. The effects of this massive wave of retirements is taking a significant toll.

Retiring Boomers are only half of the equation, though. Millennials have been flooding *into* organizations for some time now. We saw above that Millennials have stolen the wrestling-style World Champion belt away from the Boomers as the largest generation ever to walk the planet. And, unlike the Boomers, Millennials are truly the world's first global generation powered by the internet.

Millennials are a wave of another kind. Though this generation is bigger than the Boomer generation, it is not much bigger. Just as about 10,000 Boomers reach retirement age each day, so too are about 10,000 Millennials turning twenty-one each day.<sup>13</sup> This is a trend that will continue for the next three years or so. So, as one big generation moves off the scene, another even larger generation is coming into its own. And, over the next few years, this rapid change will be even more pronounced. One source estimates that by 2020—just two years from now—half of the workforce will be Millennials.<sup>14</sup> That would mean half of the people in your office would be between twenty and forty years old. The generational representation trend continues upward for Millennials. By 2025, Millennials are expected to represent about 75 percent of the workforce.<sup>15</sup>

## Different Generations, Different Preferences

While the Baby Boomer and Millennial generations have size in common, that is about all they share. Before we get into the differences, I want to make something clear. All groups are made up of individuals, and individuals are entitled to their own preferences. Generations researchers can make general assertions about the appetites of different generational groups as a whole, but there will always be variation among any generation's membership. With that clarification in mind, researchers have found very different preferences among the generations.

**JOB TENURE.** One point of differentiation is in job tenure. The Millennials are still in the first chapters of their working life and they don't tend to hold a job as long as the older generations do. The Bureau of Labor Statistics finds that the average tenure for someone aged 25 to 34 is only 2.8 years.<sup>16</sup> While the issue of short tenures feels like a long-term problem, we just don't know yet if it is a by-product of relative youth. It could be that the average job tenure will increase as this generation matures. What we do know is that shorter tenures usually equate to shallower institutional knowledge wells.

**COMMUNICATION.** If you have worked for Boomers, then you have likely attended their meetings. I remember the death-march meetings in which a dozen of us sat around a big table waiting for our turn to update the group on what we were working on. Because of the composition of our department, nobody really understood or cared about what anybody else was working on, except for the Boomer in charge of the meeting. Face-to-face communication tends to be big with Boomers, while Millennials prefer to communicate electronically. One survey of more than

4,000 Millennials noted that more than four in ten preferred to communicate electronically at work.<sup>17</sup> To a Boomer, it may feel weird not to have the weekly in-person status meeting but to a Millennial there may be nothing weird about its absence. It's simply a different preference.

**PROGRESSION.** Boomers tend to place more value on the concept of “paying dues” than the Millennials. It's not uncommon for some promotions to take several years or even decades to materialize. The Millennials don't necessarily have this kind of patience. Millennials tend to favor advancing more quickly. One survey found that over half of all Millennials see career progression as the primary attractant of an employer.<sup>18</sup> Millennials' preference for quick advancement rubs some Boomers—many of whom may have been biding their time in less-than-ideal jobs—the wrong way. Some think Millennials have an entitlement problem. Instead, couldn't it be that Boomers just have different assumptions and preferences than the Millennials?

**OTHER NOTABLES:**

1. Where members of the Boomer generation may prefer “standard” working hours and showing up on time, Millennials may prefer nonstandard working hours and self-directed schedules.
2. Where Boomers may prefer to keep the office clean and professional, Millennials may prefer to add more personality to their working spaces. (For instance, try searching Google for “Zappos office,” and then look at the images).

3. Where Boomers may value traditional professional attire, Millennials may want more flexibility in the way they dress for work without being judged for it.

We could add more to this list, but what's really important here is to look past the preferences and focus on what the difference in preferences represents. In a word, the force of generational churn is about change, and change is a strong provocateur.

For the future leader, understanding that massive change is afoot and that there are differences in preferences among the generations is half the battle. Successful future leaders don't resist change simply because it's change. Instead, they evaluate all change from a different vantage point.

For instance, if the emerging preference in your organization favors flexible working hours, a successful future leader will recognize that this warrants a thoughtfully considered response instead of a knee-jerk decision based on their own preferences or the preferences of those in senior leadership positions. Successful future leaders will step outside of their own preferences to see the larger workplace dynamic. Only then can they make decisions that work to take advantage of the force of generational churn.

Boomers (and probably the rest of us, too) need to be cognizant that their preferences aren't absolute truth, only relative truth. Gen-Xers need to be cognizant of the significant flux at both ends of the organization and roll with the chaos. Millennials may like to move fast and break things, but they need to understand that the rest of the organization may not feel comfortable moving that quickly. It's possible that the same organization may feel a little stuffy to a Millennial, a little too loose for a Boomer, and a little more irritating to the Gen-Xers.

More than being cognizant, though, is that future leaders must act on what they are seeing. With the rise of the connected

culture, an organization refusing to change as the times dictate will not only alienate a large percentage of the younger workforce, but suffer in reputation.

Leaders don't need to fight change, instead they need to embrace it. Leaders also don't need to throw leadership spaghetti at the wall and see what sticks. That is what comes from reading too many internet articles that countdown the "7 Ways to Keep Millennials Happy at Work." A more effective approach means adopting a better model of leadership. Skip the simple tactics and reboot the fundamentals in light of conditions on the ground at this moment in your organization. By understanding the force of generational churn on the workplace and the preferences of different generations, the future leader will be better equipped to make more effective leadership decisions in the years ahead.

## KEY IDEA

The force of generational churn describes the organizational friction that is created as the Boomers' influence recedes due to retirements and the Millennials influence continues to increase. As generational representation changes, workplace rules and traditions will invariably change as well. Future leaders need to cognizant of the changing workplace preferences, and they must be ready to lead through the transition.

# 4

## The Force of Rapid Technological Advancement

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### RESHAPING WHAT WORK IS AND HOW IT GETS DONE

IN 1968, Bob Noyce and Gordon Moore formed NM Electronics after they left Fairchild Semiconductor. This was the year before Neil Armstrong left his footprints on the moon and on history after flying in a space machine that contained Fairchild components. Less than a year later, NM became Intelco and, eventually, Intel. At eighty-eight, Gordon Moore still holds the chairman emeritus position. He is also the namesake behind Moore's Law.

Intel is most famous for making computer processors. These processors include models like the Pentium, the Xeon, the Celeron, and a number of others. A computer processor collects, interprets, and executes various demands that come from the computer's hardware and software. Think of processors as the brains of our devices. Processors are found in computers, mobile phones, TVs, tablets, and many more devices.

Among other components, every processor will have a number of transistors. Transistors are tiny, electrically powered switches that regulate electrical current. In 1971, Intel developed the 4004, which was the first general-purpose programmable processor on the market.<sup>1</sup> That first processor Intel created had 2,300 transistors on a two-inch silicon wafer.<sup>2</sup> The old philosophical saw

of “less is more” does not apply to transistors. For computer processors, more is more. More transistors equals a more awesome device. A truckload of increasingly smaller transistors on a small processor is why your Pixel phone is so incredible.

Leading Intel in the early days, Gordon Moore had a front-row seat to the development of better processors that contained ever more transistors. He could see the trend in processor improvement and wrote a small article for the trade journal *Electronics*. From that article emerged the concept of Moore’s Law: that the number of transistors in a densely packed circuit will double about every two years.<sup>3</sup> Moore could see that computers were not only going to improve, they were going to become exponentially better.

Compared to where the processor started, we are now light years ahead. While the first Intel processor had 2,300 transistors, the latest Intel processors have billions of transistors. Billions!

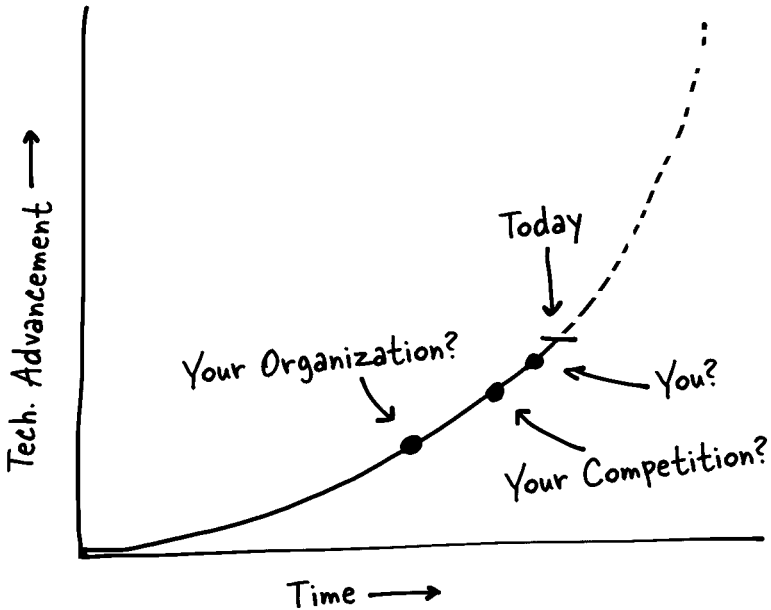
The direct result of exponentially increasing transistors on a circuit board is that electronics are able to become exponentially better as well. Today’s computers are radically better than computers from just a decade ago. Computers a decade ago were radically better than computers from the 1990s. The advancement in processor technology has set the stage for the kind of technological advancement that is now acting as a significant force on modern organizations.

## THE NONLINEAR CURVE OF TECHNOLOGICAL ADVANCEMENT

If you were to plot technological advancement on a graph, the points, when connected, would create a unique curve. The curve would look similar to the illustration on the opposite page.

As you move farther along to the right on the graph, the





technology gets better, but like Moore's Law for computer processors, this improvement happens at a nonlinear rate. This is why the curve markedly shifts upward the further right you go. Understanding that this technology curve exists, and that it takes this particular shape, is step one for future leaders. Understanding *why* it exists in the first place is step two.

The curve exists for two reasons. The first is that all technological improvements come from some combination of what already exists, and the second is that technological improvements are happening simultaneously.

## The Adjacent Possible Powers the Technological Curve

Technology has to be built from something. It simply cannot appear out of a magician's top hat. The "something" that technology gets

built on is not only the physical components that make up whatever the technology is, but also the ideas that have been iterated on. It's not possible to skip the iterative process when it comes to technology. We can't run software applications that allow team members to connect with each other from locations around the world without the internet. We can't have the internet without first having the computer. We can't have the computer without first having the components that make up the computer. We can't have those components until we first have the ability to manipulate the raw materials, and so on. All innovation is about collecting, sorting, and stacking what we already have and know to create something new.

The restriction of only being able to move from what is possible to the very next thing that is possible is captured in the concept of the "adjacent possible." It's a phrase credited to Stuart Kauffman, emeritus professor of biochemistry at the University of Pennsylvania.<sup>4</sup> He used the term to describe the potential for enormous biological diversity on earth, but the concept is not reserved for biochemistry.

Author Steven Johnson used this concept to describe where good ideas come from. Johnson says, "think of playing chess: at any point in the game, several ingenious moves may be possible, but countless others won't be. Likewise with inventions: the printing press was only possible—and perhaps only thinkable—once movable type, paper, and ink all existed."<sup>5</sup> The adjacent possible dictates that new ideas, new inventions, and new technologies comes as the result of combining existing ideas, inventions, and technologies.

The adjacent possible affects the speed of technological advancement in two ways. The first way is by making things slow to start. If you look at the left side of the curve you see can see this in effect. The reason things are slow to start is because in the

beginning there are relatively few ideas, inventions, and technologies to combine into new ideas.

Technology, though, can advance quickly as the number of ideas to combine into new ideas increases. This is the second way the adjacent possible affects the speed of technological advancement. The adjacent possible keeps innovation slow at the beginning, but then allows innovation to exponentially improve as existing ideas get sorted and stacked into new ideas.

## **Simultaneous Effort Powers the Technological Curve**

The other idea shaping the technological curve is simultaneous effort. This happens when a variety of technologies are iterated upon at the same time. Let's look at this concept in action.

Orville and Wilbur Wright cracked open the door to powered flight at Kitty Hawk, North Carolina, in 1903.<sup>6</sup> The Wright Flyer was a one-person flying machine made of wood and cloth. At Kitty Hawk, the Wright Flyer managed to carry Orville Wright about 120 feet.

Many of us are familiar with the broad stroke of the Wright story. What fewer of us know is that only about ten years later in 1914, the first commercial flight took to the skies in Florida.<sup>7</sup> On New Year's Day in 1914, Abram Pheil, the former mayor of St. Petersburg, Florida, hopped into a biplane operated by Tony Jannus and made the twenty-three-minute trip from St. Petersburg across the bay to Tampa. Pheil paid Jannus for the flight and commercial aviation was born.

The aviation industry rapidly iterated and improved over the next several years, and in 1923, the first nonstop transcontinental flight was made from New York to California in just under twenty-seven hours.<sup>8</sup> Imagine being on a nonstop flight for that long!

In December 1935, just about twenty years after the first commercial flight, the McDonnell Douglas DC-3 was introduced. It could carry up to twenty-eight passengers 1,500 miles at an altitude of 20,000 feet.<sup>9</sup>

The DC-3 was a technical marvel that iterated on a number of advances since the Wright Flyer. Two large radial engines capable of producing 1,200 horsepower each turned the big metal propellers. The DC-3's exterior was constructed from a new aluminum alloy, not wood. Sturdy landing gear helped the giant aircraft take off and return to earth safely. The DC-3 illustrates rapid technological advancement in action, but the story doesn't end there.

About twenty years after the DC-3 hit the market, the Boeing 707 jet aircraft was born. The 707 was another leap for aviation, as it replaced propellers with more powerful jet engines. The 707 was much larger than the DC-3 and could carry up to 181 passengers 3,000 nautical miles.<sup>10</sup> The 707 was way ahead of the DC-3 and light years ahead of the Wright Flyer.

While the story above is narrated in a linear type fashion, the development of aviation technology has been anything but linear. We went from the Wright Flyer carrying one person 120 feet on a windy field in North Carolina to a Boeing 777 that can carry hundreds of people thousands of nautical miles in only 115 years because there were technological advances in aviation happening simultaneously. Whether it was innovation fueled by World War II, or simply by curiosity, different groups of people were working on different parts of a larger problem at the same time.

During this 115 years, some people were specializing in making the wings bigger, better, and more efficient. Other people were specializing in creating the radial engines. Still other people were working on jet engine technology, and so on. Imagine how long it would have taken had the technologists gotten together and decided to work on just one piece of the problem at a time. Linear

improvements would preclude us from the comfortable and safe international flights we are able to enjoy today.

Big technological advancements are able to happen fast because they are the product of many small technological advancements happening simultaneously. People are solving small problems all the time and then combining these solutions to solve larger problems. The more problems people solve, the more solutions we have to combine into new ideas. If this concept sounds like a close relative of the adjacent possible, that's because it is. Both of these concepts are required, though, to power rapid technological advancement.

## **TECHNOLOGICAL ADVANCEMENT IS ABOUT PRODUCTIVITY**

With a grasp on the two basic vehicles that allow technology to advance in the first place, we are better poised to understand where technology is going. Now, we need to better understand the integration of technology in the modern workplace.

# **The role of technology in any workplace is to improve productivity.**

Where we might replace our existing mobile device with a new one because of the cool factor, no rational organization invests in new technology because it's cool. Technology can be expensive and often needs to demonstrate a return on investment. The ROI usually comes from productivity improvements that allow

the organization to make more money, spend its money more efficiently, or otherwise better execute on its mission. For the past 300 years since the start of the Industrial Revolution, organizations have been adopting technology to generate efficiencies.

## **Technology Disrupts Manufacturing**

A case study in productivity improvements due to technology can be found in the American manufacturing sector. America has had a long romance with the notion of manufacturing. We are nostalgic for the factories that employed millions of people in the middle of the last century. We imagine hardworking men and women on the floors of the factories putting things together with their hands and earning decent pay. Manufacturing is different today.

Right now in America, out of 323 million people, there are about 154 million employed across all sectors. Of the 154 million, about 12.5 million (8 percent) are employed in manufacturing jobs of all kinds.<sup>11</sup> According to the Bureau of Labor Statistics, the number of jobs in manufacturing has been decreasing as a trend line since the late 1970s when manufacturing was at its peak employment of about 20 million people.<sup>12</sup>

Some politicians blame outsourcing: “If we only could keep those jobs from disappearing to lower-wage countries, then everything could return to normal in America.” This sentiment still sounds good, but is rapidly becoming nonsense. The real change happening with manufacturing in America isn’t outsourcing, it’s automation.

What the politicians aren’t telling you (and plausibly because they just don’t know) is that manufacturing as an industry is

actually improving. In fact, manufacturing output in inflation-adjusted dollars has been increasing as a trend ever since the 1920s.<sup>13</sup> Sure, there have been ups and downs when manufacturing output is examined more granularly, but the overall curve for manufacturing output has been relentlessly increasing.

While manufacturing output has been growing, manufacturing jobs have been shrinking. The nuance between manufacturing output and manufacturing jobs is usually where our understanding falters. A *CNN Money* article notes that since the year 2000, America has lost about five million manufacturing jobs.<sup>14</sup> So, the question for the astute observer is: How can manufacturing output go up, while the number of manufacturing jobs goes down? The answer can only be productivity.

A manufacturing employee can produce more now than a manufacturing employee could produce in years past. The credit for this added output goes to better machines, better software, and better processes—in essence, better technology. According to one source, automation and software has doubled the output of each manufacturing employee over the past two decades.<sup>15</sup>

One study on the topic found that about 87 percent of all job losses in manufacturing have been the result of productivity gains. Only about 13 percent have been lost to trade.<sup>16</sup> The manufacturing sector has experienced the productivity horsepower of advancing technology. And, manufacturing output will continue to grow in the years ahead.

The Boston Consulting Group notes that the use of robots for manufacturing tasks will increase to 25 percent in the next seven years from 10 percent today.<sup>17</sup> With respect to manufacturing, companies are producing more than they ever have by using a smaller workforce that is leveraging automation.

## Automation Doesn't Take Jobs, It Takes Tasks

The manufacturing case study is a microcosm of the larger issue of technological advancement. What many leaders are missing is that technological advancement isn't an issue we can take up some other time. Technology, and automation in particular, is putting pressure on organizations today. One source estimates that almost one-third of activities people are paid to do can be automated with technology we have available today.<sup>18</sup> What might happen to your organization if your competitors started aggressively putting better technology to use first?

Automation is not about some science-fiction technology that takes jobs away from workers. We aren't talking about a robotic house cleaner like Rosie from *The Jetsons* who puts everything in its place. We are talking about Roomba robots that can assume the singular task of sweeping the floor. Technological advancement is about current and future technology that assumes tasks from workers.

Remember the bored workers we talked about in Chapter 2? Technology is really good at solving for boring by assuming repetitive tasks. A machine won't complain about making the same weld over and over on factory-line car hoods all day long. It just does it. Many jobs aren't quite that narrow, but many jobs are just a collection of tasks that are performed each workday (whether those tasks are boring or not). Reduce the number of tasks that people need to do by automating a portion of the work, and you can reduce the total number of people needed to complete the remaining tasks. As the ratio of machines to people climbs, the balance of organizational inputs invariably shifts.

To be clear, job tasks that are subject to automation are not only physical in nature. We have been talking about factories getting automated, but the concept of automation applies across



business sectors. Advances in AI are reshaping a number of white collar jobs as well. The legal industry is one example where AI is promising disruption.

In years past, the law was squarely in the domain of people. The law is about words, the meaning of those words, and critical thinking, not about welding a piece of a car traveling along a factory line. In the legal profession, the human mind is needed for research. People are needed for document review. People are needed to work with the clients. And, while these jobs aren't necessarily going away, a number of individual tasks within the profession may be.

One such company looking to take a few of the tasks off attorneys' plates is Kira Systems. Kira Systems claims to have the "most powerful and accurate contract analysis software."<sup>19</sup> Kira makes a natural language-processing AI that helps lawyers and companies perform quicker and more accurate reviews of contracts and other documents. Where at one time a person, or people, would be required to read and summarize contract documents, now that work can be outsourced to an AI. The *New York Times* notes that the time it takes for contract legal review has been decreased from 20 to 60 percent for clients using Kira software.<sup>20</sup>

The legal field is only one of many being altered by the presence of AI. Another is the travel industry. The promise of AI to make travel simpler and safer is already playing out in a number of airports around the world.

Singapore's new Terminal 4 at Changi International Airport was a billion-dollar project to introduce the concept of FAST—Fast And Seamless Travel.<sup>21</sup> This terminal alone is expected to serve 16 million passengers a year—about the same amount of people that Boston Logan International Airport enplaned in all of 2016.

In Terminal 4, travelers check in using kiosks similar to a number of airports around the world. But in Terminal 4, checking

your bags also is automated, as are immigration checks to leave the country. Technology at this airport can scan passports, scan bags, and scan people for security purposes. The machines in Terminal 4 help reduce some of the friction associated with travel. The machines also help reduce the number of employees the airport needs to assist its travelers. And, Changi isn't the only airport to adopt this kind of technology. Other airports around the world are quickly following suit.

Imagine departing from your home airport and not interacting with a single person to facilitate the process. Technology assumes the tasks, and that means potentially fewer jobs.

## **RAPID TECHNOLOGICAL ADVANCEMENT IS A FORCE**

The technological curve coupled with time has created the force of rapid technological advancement. This is a force we are seeing play out in a number of organizations around the world, and this is a force that will only grow in significance.

This force is the product of the proliferation of a variety of technologies (mass) multiplied by the rate of technological advancement due to the expanding adjacent possible and simultaneous effort (velocity). Future leaders who can see the larger story when it comes to technology will be better equipped to handle a rapidly changing future. Technological improvements create a different but equally significant stress on the workplace than the force of generational churn.

The stress on the organization from the force of rapid technological advancement comes from two primary sources. The first source of leadership stress comes from the need to bring organizations out of the technological past and into the present day. The second source of stress will come as future leaders will be

required to thoughtfully balance the organization's inputs (humans and technology) based on its desired output (success toward fulfilling its mission).

## **Future Leaders Need to Transition Their Organizations to the Present and Future**

The technological curve we have been talking about has an ultimate limit dictated by time. The curve stops on the graph at today. Of note, though, is that not everybody and not every organization is at the same point along the technological curve. We are not all at "today." Some people have personally incorporated technology that puts them closer to today, but you will also find a number of people who are happy residing in the technological past.

The same is true for organizations. Couple the fact that new technology is expensive with an "if it ain't broke, don't fix it" attitude, and you can understand why some organizations may choose to live in the past. Where an organization exists along the technological curve is neither right nor wrong, it just is. Living in the past becomes a problem, though, when the competition adopts more effective technology that ends up undermining your organization's ability to execute on its mission. In this case, the "do nothing" approach to incorporating new technology equates to falling further behind. What if your main competitor could offer the same service for 30 percent less cost than you could?

There tends to be a big disconnect between how we adopt technology at the personal level versus at the organizational level. While some of us stand in line for the new iPhone, many organizations are standing in a different line for dot-matrix printer parts. OK, it's probably not that bad, but consumer adoption of technology has been speeding up relative to organizational adoption.

Ray Kurzweil is an author and futurist, and he demonstrates the trend of technology adoption in a chart, “The Mass Use of Inventions.”<sup>22</sup> He notes that where it took about forty-six years for electricity to reach 25 percent market penetration, succeeding technologies have taken far less time to spread.<sup>23</sup> The personal computer only took sixteen years to reach the same level of adoption. The mobile phone only took thirteen years, and the internet only took seven years. We are adopting new technology quicker now than we have in decades past.

Our organizations are another story. There are plenty of anecdotes out there about people trying to navigate today’s work using old technology. While you likely have your own story about workplace technology that seems laughable, there is an underlying problem that a number of us have missed. When organizations refuse to adopt technology that could actually help them better execute on their mission, they end up creating a technological gulf that gets harder to cross with each passing year. These organizations might be stuck using 2005’s technology even though we are firmly in 2018. Remember what the tech looked like in 2005?

Author and futurist Ben Hammersley calls this a “presentism” problem. Hammersley asks: What year is your business operating in? He goes on to note that most organizations are somewhere in the past, and how far in the past they are defines the problem they have.<sup>24</sup> For a number of organizations, we aren’t yet talking about transitioning them to the future, we are still talking about transitioning them to the present.

The problem of bringing organizations up to the technological “today” is part of the work for future leaders, but the problem doesn’t end there. Future leaders also have to instill a new ethos that keeps the organization iterating into the future. If the work done to drag the organization up to the technological present stops, the technological gulf problem will just reappear again in the

years hence. The only difference is that the gulf may widen much faster in a much shorter period of time than it did in years past.

## **Future Leaders Need to Balance Organizational Inputs**

As you bring your organization up to today and transition into the future, another key consideration is balancing the technological and human inputs within your organization.

**We have reached a time in which future leaders need to carefully assess technological advancements against the organizational mission.**

It may be that even though cheaper and better technology could replace a human's touch, the organization decides not to implement the technology because it would detract from the organization's mission. We can illustrate this with an example from Costco.

The Costco near my home has recently installed a kiosk-based ordering system for the food court. On a pedestal away from the cashiering stations are a number of touchscreen displays where people can order pizza slices and hot dogs and churros. You order and pay for your food at the kiosk and then wait to hear your

order number called from the pickup station. While the food requires somebody to prepare it, the transaction requires no staff to facilitate. There is no interaction between the face of Costco—its people—and the customer at this particular touchpoint.

Now, I want you to consider this example from the future leader's perspective. Kiosk stations, already popping up in a number of fast-food restaurants, are cheaper, faster, and less prone to mistakes. The kiosk does not call in sick, and does not require breaks or health insurance. On paper, the kiosk is the clear, long-term winner from a bottom-line point of view.

Does this technological alternative, though, best align with the organization's mission? Does replacing an employee who interacts with the customer and has the opportunity to help keep that customer coming back make sense in this particular instance? It might, or it might not. The future leader will have to make that call, and these decisions will become more complicated.

The ordering kiosks are only the opening salvo when it comes to automation in certain businesses. At Costco, let's look at another job that could become automated.

When you enter Costco, there is a person at the entrance. This person acts as a greeter and checks your card as you enter. From what I understand, that person is counting bodies and relaying it to other staff who can then prepare for the approximate demand later on at the checkout lanes. We have technology today that can eliminate the need for that job. Technology can count bodies more reliably and for less cost. Place a sensor above the door and it will perform the counts and relay that information automatically. However, imagine Costco without a greeter.

Next, Costco could implement technology similar to what Amazon has put into its new grocery store in the South Lake Union neighborhood of Seattle. This isn't about creating more of possibly the worst invention of all time—the self-checkout lanes—but

about eliminating the cashiering phase of the customer experience altogether. At the Amazon grocery store, you can walk in, grab a bag, fill it with products, and then just walk out. Amazon tracks the interactions you had with their products and emails you a receipt when you leave.<sup>25</sup> Thread these concepts together and you can see a potential future for Costco.

Using kiosks for ordering food removes one of Costco's customer touchpoints. This is probably not a big deal in and of itself. Removing the greeter would take away another customer touchpoint. Maybe this still wouldn't be a big deal. Getting rid of cashiering would be another lost customer touchpoint. Now, is it a big deal? Maybe.

Removing the cashiering experience altogether might be too much of a trade-off against what Costco has identified in its Code of Ethics. Costco's second bullet point in its Code of Ethics says the company will "take care of our members."<sup>26</sup> To elaborate on this bullet, Costco says, "if we don't keep our members happy, little else we do will make a difference."<sup>27</sup> I know this might sound like typical corporate BS, but it is actually true for organizations that depend on returning customers to stay alive.

If most customer touchpoints are automated, though, how does that keep me happy as a Costco member? I don't connect with robots; I connect with people. Maybe Costco starts to feel more like a shed in the backyard where people go in to grab something and then leave. No connection or interaction required. For future leaders balancing the technological and human inputs of implementing these changes, how sticky would you guess I would be as a customer? Would I be more open to competitors since I have less of a human connection? Maybe. Maybe not. Maybe there are a number of us who would love to do their Costco trips without having to interact with anyone. It's a difficult call the future leaders of Costco will have to make.

Future leaders will have the new job of balancing the human and technological inputs to create the best outputs. This hasn't been a significant part of a leader's job up until now. It will be possible in the years ahead to take technology too far, thereby changing how we view and interact with organizations. Incorrectly balancing the inputs has the potential to create more problems than technology can solve.

## **Future Leaders and the Force of Rapid Technological Advancement**

As a future leader, you will need to bring your organization into the technological present, keep your organization in the technological present, and thoughtfully implement a balance of technology and people with the bigger mission of the organization in mind. Failing to do so may mean the force of rapid technological advancement runs roughshod over your organization, creating a number of problems along the way. These problems could grow in severity so quickly that the organization won't be able to effectively respond before their cash runs out.

The Future Leadership Framework will assist leaders with respect to the force of rapid technological advancement. Work that clarifies the organization's mission, sets the organization's strategy, and rebuffs the ability of technology to erode true leadership is all a part of this model. More on that framework is coming up in Part II of this book.



## KEY IDEA

The force of rapid technological advancement describes the creep of ever-improving technology that has the potential to radically change what work is and how it gets done. As the technological curve continues skyward with each passing day, future leaders may have to change how they evaluate and implement new technology. Leaders no longer have the luxury of implementing potentially cost effective technology without considering the organization's mission. Nor can they overlook technological improvements simply due to their expense or complication. Technology implementation in the years ahead will require more thought and care than it does today.

# 5

## Win the Future

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### LEVERAGE THE POWER OF LEADERSHIP

SO FAR WE HAVE SEEN that the leadership effectiveness baseline is too low for too many organizations, and we have seen that these same organizations, already at a competitive disadvantage because of this underperforming leadership, are getting further stressed by the forces of generational churn and rapid technological advancement. Considering all of this, how can we win?

Leaders can win the future by fully leveraging the power of leadership. A lever is something that multiplies effort. Archimedes, the Greek mathematician, mentioned that with a lever long enough, the whole world could be moved. Leverage, for the sake of this book, is the ability of the future leader to direct their time, energy, and attention to activities that multiply their effort.

Creating leverage through leadership requires two actions. First, leaders will need to focus their time, energy, and attention on developing the lead domino skills that will best move other people to action on the organization's mission. Of all the skills a leader could choose to develop, the leader should focus on the skills that will improve the leadership effectiveness baseline, and best respond to the forces of generational churn and rapid technological advancement.

Second, as leaders develop these skills, they will need to spend more time on leadership activities and less time on technical activities than they might have in years past. Most leaders I know have a leadership component to their work and they have a technical component to their work. They are working leaders. But, to fully leverage the power of leadership within the same number of hours in a typical workday, these leaders will need to spend more time doing the work of leadership and less time doing their technical work. This may sound counterintuitive at first, but if we keep in mind that the work of leadership (when done correctly) multiplies effort, then it starts to make more sense. Ultimately, we want to invest more of our time on activities that multiply our effort instead of spending our time on things that don't.

I can already hear you protest because, if you are like others I have worked with, you don't feel there is enough time to do everything anyway, and now I am asking you to do more. But, let me nudge you a bit on this. You are right that there is not enough time to do any more. You are right to protest if you already feel overburdened. Most of us have reached the zenith of what we are able to cram into a single day. Since we can't do any more, the only other solution is to change what we do. To become leaders that effectively transition our organizations from today to tomorrow means we must rebalance how we allocate our time each day. I want you to strategically drop some things you spend your time on for other things you can invest in.

**When we spend our time, it is gone. When we invest our time, we receive dividends later on.**

To rebalance your time in this way means you will have to hear about it. It will likely create friction. Some people you work with won't like it. You might get sideways looks or unhelpful comments from your coworkers or managers. This happens with every change and it is unavoidable. But, I am way more interested in your success than keeping your coworkers' comments at bay. So, now that we know what to expect we can confidently move forward with the understanding that none of this will necessarily be easy, but it will be worth it.

We understand that we need to focus our time, energy, and attention on those skills that will raise both the leadership baseline and combat the forces of generational churn and rapid technological advancement. And, we also understand that to do this well means we must spend more time on leadership activities than other activities. To fully leverage leadership means we must invest in developing and deploying the skills found in a new leadership framework especially designed for the times. This framework I call the Future Leadership Framework.

As a future leader who deploys the Future Leadership Framework, you will use your time, energy, and attention to find, clearly define, and effectively communicate organizational goals in a way that inspires and motivates others. You will also develop and hone the interpersonal skills that will create an almost magnetic ability to attract and retain the most skilled talent. And, you will foster an environment where insane levels of productivity become an unremarkable norm.

We begin unpacking the Future Leadership Framework with the Creativity ability. Creativity, as it is applied in this framework, may not be what you expect.

## **YOU HAVE REACHED THE END OF PART I**

Part II details the ten skills that make up the Future Leadership Framework.

Part III is the Future Leader Quick Start Guide, a workbook designed to help you implement the ideas found in the Future Leadership Framework. This guide also includes a Future Leader self assessment.

To get access to the remaining chapters, please purchase this book by visiting: [FutureLeaderBook.com](http://FutureLeaderBook.com)

If you would like to reach me, please visit: [jonathanwilson.co](http://jonathanwilson.co)

Thank you for reading!