



## Innovative Workplace (the changing world of work)

### Introduction

Our environment scanning at talentsmoothie has identified a number of significant changes that will continue to impact the way organisations operate over the next 5-10 years.

It's very clear that leaders these days often have to operate without all the facts or a full understanding of the forces that may be influencing their companies. Those that succeed, do so because they listen, understand and adapt to the challenges and opportunities in their marketplace.

The purpose of this Factsheet is to highlight some of the trends, that are already affecting organisations and that will continue to do so in the future, and to identify ways in which you can stay ahead of the game. As we paint this picture, we also pose important questions for business leaders and HR executives to consider.

We believe that the research we have conducted at talentsmoothie places us in a unique position to help you explore and answer these questions in your context.



## Challenges and opportunities

### A complex and unpredictable environment

The VUCA acronym (standing for volatility, uncertainty, complexity and ambiguity) may derive from a military context, but its use in strategic leadership conversations is increasingly commonplace, and with good reason. Change is relentless and the landscape in which we work is constantly shifting. Disruptive challenges that once took months to emerge, now strike without warning.

To stay ahead of the competition, businesses need to continually innovate. What got you here won't get you where you need to go.

### We live in a Millennial world

The so-called 'new generations' don't just use social media like Facebook, Instagram and Snapchat— they invented it. Generations Y and Z are fundamentally different from their Gen X and Baby Boomer predecessors, and getting the best from them requires new thinking and enlightened leadership.

A life spent online for the new '30-somethings' has shaped attitudes like these:

- **All ideas compete on an equal footing**
- **Contribution counts for more than credentials**
- **Hierarchies are natural, not prescribed**
- **Leaders serve, rather than preside**
- **Tasks are chosen, not assigned**
- **Groups are self-directing and self-organising**

These ideas translate into their expectation of leaders; that leaders should coach and facilitate, rather than try to control.

What's more, as Millennials are used to 'just in time' communication and collaboration in their personal lives, they expect the same at work.

### A new generation of consumers

The new generations think and act differently as consumers too. Here's how:

- **They don't just want to be sold to, they want to be entertained and stimulated by something interesting**
- **They want products and services that speak to their conscience**
- **They want things that make them happy**
- **They want a quick stimulus, and then to be left alone**

Get ready, because they:

- **will expect to have conversations with you about your products, and to be heard**
- **are diligent researchers who will expect to test your products, physically or virtually, before they buy**
- **want to be able to get creative with your products, to customise them to their needs**
- **will want to know your company's position and activity around recycling, conservation, green choices and community activity**

### The pervasiveness of the internet

A commentator recently said that in the development of the Net and its impact on society, we're at a point equivalent to Gutenberg having just invented the printing press. Things have changed so much, in such a short period of time, that to make long-term predictions seems more impossible than ever.



One thing we can be sure of, is that the amount of data that can be gathered and analysed will continue to increase. This will create opportunities, for example, in the ability to customise products and services to meet the needs of customers and employees. It will also present challenges, as people scrutinise and publicly comment, for good or ill, on an organisation's behaviour.

### **Scientific discovery**

While some developments in brain-sensing technology are outside talentsmoothie's scope, findings into the way the brain reacts in different learning situations are very relevant. Recent research, into the types of environments and challenges that create stronger memory, has important implications for learning design in the future.

### **A talent shortfall**

The demand for educated talent will outstrip supply in the UK and many parts of the world by 2020. In the UK over the next ten years there will be 13.5 million job vacancies, but only 7 million school and college leavers to fill them. The implication, for businesses reliant on knowledge workers and those with deep technical skills, is that we are facing a chronic shortfall in talent.

The good news for the economy and society at large is that there is an untapped source of people who can potentially fill this gap.

### **Baby Boomers aren't finished yet**

According to a recent talentsmoothie study, 60% of older workers would rather continue working than retire. The prospect of an extended career, beyond the normal retirement age, appeals for financial and personal satisfaction reasons.

The challenge arises because our research indicates that most organisations invest little effort in understanding what their older workers want. In the absence of an open conversation about individual preferences and future opportunities, organisations run the risk that their marketable employees will vote with their feet.

### **The lure of self-employment**

In the past three years in the UK, the over-50s accounted for 85% of new business start-ups. This trend is not restricted to older workers. It is estimated that 40% of the entire US workforce will be freelance by 2020.

The challenge is how to create an environment within the organisation that's more attractive than self-employment or entrepreneurship.



The Millennial generation's desire to make a difference and their belief that anything is possible are key drivers of this trend. When running a blog from your family home seems to offer more security than a job in an office or factory, why not start your own business?

### **Creating the future**

#### **Innovation**

Organisations will need to innovate continuously to stay ahead of the competition, and new approaches to innovation will be required to develop winning products and services.



Are you committed to recruiting great innovators?

Do you understand what helps and hinders innovation in your company?

Innovation comes from people, people with their finger on the pulse of what is happening outside the organisation, and who are prepared to challenge traditional ways of doing things. Your workforce needs to reflect the diversity of your customer base.



## Collaboration and networked intelligence

If it's the professional information and brilliant ideas in your people's heads that make the difference, then increased collaboration is the way to tap this potential. This is partly about assembling experimental project teams, but also about promoting a culture of collaboration across your firm. Remember, your young people want and expect to do this.

Encouraging employees to build and leverage their internal networks will help innovative solutions to emerge. And don't ignore external networks. Few organisations have adopted creative ways of working with external resources, and yet accessing this networked intelligence may provide the extra help you need to tackle your most complex problems.



Is the primary mindset of one part of your business to help, or compete with, other parts?

Can you see the value of more fluidity between internal and external networks?

## Organisational purpose and design

When an organisation goes through tough times, employees and customers need to have confidence in its core values and purpose. This is what attracts people in the first place, and builds their commitment and loyalty.

As organisations evolve and change, it's important that their senior executives connect the past with the future. As regards the future, the Millennial generation will want to know where the company stands on issues such as corporate ethics and environmental responsibility.

In this environment, how do organisations successfully re-invent themselves?

It's clear that top-down, control-based organisations are becoming uncompetitive in a world where most work is done via lateral, rather than hierarchical, processes. Leaders need to be resilient and agile, while at the same time providing sufficient clarity of focus for people to be motivated.



Do you support the idea of flexible, de-centralised and empowered networks operating within a structure of strategic intent?

Do your leaders have the capability to manage laterally as well as vertically?

Businesses need to learn to manage matrix organisations with three or four different dimensions. Resources, particularly top talent, need to be shared across the firm and concentrated where they are needed most.

## Company culture

Too often, senior leaders assume that changing structures will automatically deliver the desired results. However, it is changes in human thinking and behaviour that make structures work.



What are you doing to remove blocks to cross-organisational collaboration?

How innovative are you in recognising and rewarding leaders that share resources with other parts of the business?



## Leadership development

Leading adaptive, networked organisations in a world of complex interdependencies and stakeholder expectations requires a new leadership paradigm. Commentators have variously described this as 'collaborative' and 'eco' leadership.

At a practical level we will need to develop leaders who are capable of: balancing tensions; fostering innovation, but managing the steady state; coping with ambiguity, while listening and building trust; getting things done through influencing rather than control.

We need our leaders to be great 'talent spotters' too. They will have to identify diverse and unnoticed people from the periphery of the organisation, who have something special and different to bring to project teams, and eschew over-reliance on more conventional 'movers and shakers'.



In our fast-paced world, are we giving leaders enough time to stop, reflect and make sense of their new role and responsibilities?

Is your development approach truly preparing 'future fit' leaders?

## The HR world

These ideas from across the world of HR will help you build a high performing, 'future-fit' organisation.

### Attraction

We know that Millennials and Baby Boomers have high expectations of organisations, and that a freelance role is an attractive alternative option for many.

What is it about your organisation that makes it an exciting place to work whether you are 25 or 65 years old?

### Recruitment

Are you looking for the right things through your recruitment process?

Most accountants can count, and most salesmen can sell, but do their values and motivators match yours?

Are the people you're hiring not only professionally competent, but excited about being part of an innovative, collaborative organisation?

### Reward and recognition

If creating the future organisation is about changing attitudes and behaviour, are you rewarding the things you want to see more of? For example:

Are rewards shared inclusively, fairly recognising everybody's contribution to success?

How do you celebrate employees who write popular blogs and/or have large Twitter followings?

### Learning

Future-test your learning strategy with these questions:

Does your culture nurture informal, social, independent learning that's owned and created by the learners themselves?

Does your formal training reflect the real nature and challenge of the workplace, thus providing an immersive experience?

Have your learning professionals made the shift from owning training through a course calendar, to facilitating access to learning as and when it's needed?



## Career management

Our research confirms that careers matter to all generations in the workplace. People want to understand the potential pathways open to them and how they can access and prepare themselves for opportunities across the organisation. Most of all, they value an open, honest career conversation with somebody who is well-informed and interested in their development.

Does your career management approach balance the availability of online resources with the human touch?

## Flexible benefits

Much has been written about the benefits and work environment that will appeal to Millennials. These include fitness programmes, free food, and sabbaticals.

Perhaps Google has the best answer to balancing what makes people happy and what is good for business. People analytics and applied experiments drive their decisions about how to manage and maintain a productive work environment. For example, Google consciously designs its workspaces to maximise opportunities for enhanced learning, fun, and informal collaboration. Its research has clearly demonstrated that these three factors lead to increased innovation.

What is driving your strategy on employee benefits, opinions or data?

### How 'future proof' is your current 'People Deal'?

talentsmoothie's work helps clients to develop a winning and sustainable Employee Value Proposition (EVP). A 'People Deal' that's fit for the future.

Starting with a rigorous assessment of existing employee opinion survey data, we gather new information via interviews and focus groups to establish what really matters to your people in your business context.

Pilot testing the draft EVP provides employees with the opportunity to shape the final approach, and is an enjoyable and stretching engagement activity in itself.

Finally, we help you to operationalise your customised strategy, by ensuring that all your communications and people processes align and reinforce your EVP.

Where does your EVP need re-vamping, and how might you benefit from the objective and experienced perspective that talentsmoothie brings?



## Find out more

We'd be delighted to talk to you about your Innovation Workplace Strategy and how we can help you feel confident about the future and stay ahead of the game.

Please contact Justine James on +44 (0)20 7127 4741 to find out more.



## We are talentsmoothie, organisational development consultants

We are experts in Employee Value Proposition (EVP), Employee Engagement, Effective Leadership, Employer Brand and Recruitment, and creating Innovative Workplaces (the changing world of work). Sometimes our work fits into one of these areas. Other projects span them all. From one-off reviews, assessments and workshops to global strategies and large-scale implementations, the talentsmoothie team is ready to tackle any challenge to get you the results you need.

For more detail about how we help organisations succeed, please visit the talentsmoothie website at [www.talentsmoothie.com](http://www.talentsmoothie.com) where you can learn more about our work, read client case studies, download our other free Factsheets, Action Sheets and Position Papers, join our mailing list of valued contacts, and get copies of our research reports.

Or if you'd like to talk through anything you've read in this Factsheet, or any business challenge you're facing right now, please email [hey@talentsmoothie.com](mailto:hey@talentsmoothie.com) or phone +44 (0)20 7127 4741. We'd love to hear from you.



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