



The Forces of Change

As of August, 2009 – check back often, we keep having to update!

The world has changed and the world of work has certainly changed with it. Everything from the simple casual Friday to the incredibly complex global, linked networks we operate with today, has shifted dramatically in the past two decades. And the rate of change is not going to slow down. In fact, today is probably the least amount of change you are going to face. In business, six categories of change tell the story pretty well...

Communications

You can instantly connect anytime, anywhere to almost anyone via your cell phone, Skype, the Internet, your PDA, or even through your Twitter account. Twitter is the fastest growing social media in the world with an estimated 30 million users as of May 1, 2009, and next month there will be numerous new entrants in the field of communications. Blogs and sites like Facebook, which now has more than 200 million users, keep you connected to friends, family AND customers. If it were a country, it would be the 10th largest in the world. The number of text messages sent each day exceeds the total population of the Earth. YouTube is not only for the crazy antics of teenagers, it is a business tool featuring thousands of products and instructional videos. Today there are 20 hours of video loaded per minute. And you can be anyone you want to be in virtual worlds like SecondLife.com where IBM conducts internal meetings and Harvard now offers courses for credit.

Information

You are now only one or two clicks away from getting an answer to almost any question. There were more than 3 Billion searches performed on Google in January of 2009. Who did we ask before? Your morning paper is now an RSS feed that goes directly to your PDA so you get the news you want all the time and even get alerts about information important to you (like sports scores!). Wikipedia has become the largest reference website in the world attracting almost 700 million users in 2008. It is written collaboratively by volunteers from all around the world. Today, there are more than 75,000 active contributors working on more than 10 million articles in more than 250 languages. Blogging has become a way of life for thousands of people. As of December, 2008, blog search engine Technorati was tracking more than 150 million blogs. There are more people with blogs today (31 million) than had internet connection 10 years ago. LinkedIn and Plaxo now have more than 28 million users each connecting you to almost anyone you want to get to and helping you uncover who works where, doing what.

Speed & Size

It required 410 years to invent a photocopier from the moveable type method. And only 20 years to design the modern day computer from the first mainframe.

Faster and smaller is a new way of life today as well. Instant sometimes feels too long and designers and manufacturers of cell phones now face the dilemma that they have gotten too small. (How many of you have a hard time pushing the right buttons on your cell phone?).

Distance has been eliminated as a boundary. Teams can work 24/7 across the globe. You're in Paris and you decide to use your credit card. Getting credit approval involves a 46,000-mile journey over phones and computers. In a matter of two seconds everything is done. If there is a minor hiccup in the system, the ten second delay feels like forever!



Technology

ENIAC, commonly thought of as the first modern computer, was built in 1944. It took up more space than an 18-wheeler's tractor trailer, weighed more than 17 mid-size cars, and consumed 140,000 watts of electricity. Computers are more affordable and more portable than they have ever been. Computer power is now 8,000 times less expensive than it was 30 years ago.

The average consumer today wears more computing power on their wrists than existed in the entire world before 1961. Look around. Is there anything that has not been significantly impacted by the advances in technology? And who knows what's to come...

Competition & Customers

Over one million products are available to the average shopper at a grocery store today. The number of Frito-Lay chip varieties is at about 78 today, up from ten in 1978. Over-the-counter pain reliever choices went from 17 to 141 in the same timeframe. And your customer might be satisfied with the service you do provide, but they still don't return unless the experience met their needs. The number one predictor of customer satisfaction today is "will you refer me to a friend?" "Do I trust you enough to include you in my network" is what drives consumer behavior more and more. Social media (see above) has changed the game of customer satisfaction and trust in brands.

Another key difference in our world today is the elimination of barriers to entry for most businesses and products. The ability to share information instantly around the world coupled with the ability to access it easily means that it is less complicated than ever to start a business. Garage start ups don't appear any differently to their customer via the web than large, brick and mortar structures. And now, more and more companies are connecting to their customer through social media like MySpace and Facebook. Approximately 50% of the video time on YouTube today is for business purposes.

Co-opetition is more common today as businesses, industries and products overlap. Vendors are also customers are also competitors. We have to constantly examine and re-examine our views of who we serve and how, and constantly adapt to a wide variety of stakeholders.

And customers are not only finding products online, they are turning to the Internet for every aspect of their lives. One out of seven couples married in 2008 met online.

Generations & Diversity

The United States has four generations at work for the first time ever. The differences in values, needs, wants, and desires are enormous providing us almost unending perspectives on every aspect of our business, product and service. Diversity, including race, age, ethnicity, political, and religious beliefs, as well as gender, is prevalent in most communities and businesses especially those in the US. Meeting the needs, wants and desires of these diverse consumers is a moment by moment challenge.

Two other underlying forces that have a massive impact on managing and leading in our world of work today are **expectations & certainty**. There is a lot more of the first and a lot less of the second. Good enough is not even close today. We have an enormous number of choices, lessening tolerance, more self-interest, and a dramatically different definition of customer satisfaction and loyalty.



So what is critical to be a great manager or leader in today's world?

You have to have a more complete set of competencies, skills and traits. EQ (emotional intelligence) and IQ are critical – it is not an either/or proposition. Today it is clearly an and/both equation.

To keep up, a leader and manager today has to **DO** well at the following:

Get back to basics when everything around you diverts you into complexity.

- Make strategic planning a way of life in your organization
- Set clear expectations of what excellence looks like
- Communicate constantly about your strategies and excellence
- Build a high performing culture that supports your strategies and brings them to life
- Provide continuous feedback
- Constantly learn and unlearn

What Remains...What Evolves

Certain aspects and behaviors of leaders and managers that were important twenty five years ago are still critical today and will likely still be important 100 years from now. These include acting with integrity, leading by example, developing talent, and ensuring customer satisfaction/loyalty.

However, there are vast differences between the old-style of administrating and directing and the new idea of guiding and inspiring. Today's managers and leaders are faced with a whole new set of expectations in the way they motivate the people who work with or follow them, setting the tone for most other aspects of what they do. People today not only don't want to be managed, in most cases, they simply won't be managed. Today's employee wants to be led. They want to participate and engage in every aspect of their job. Creating a two way relationship is critical especially considering that many knowledge workers today know more about what they are doing than their boss does.

Another significant shift for managers and leaders today is the necessity of thinking globally. The impact of globalization has affected all aspects of business. Appreciating and leveraging diversity is a shift that correlates to our world becoming smaller and smaller; the broad expansion of businesses spans seas, cultures, and religions. In addition to these actions and areas of focus, leaders and managers today must be more innovative and more proactive, anticipating problems and opportunities as well as entirely new markets and products.

The following chart captures the changes that are both occurring and necessary.

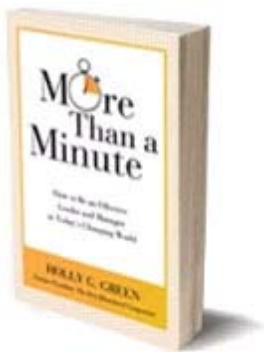
Area	25 Years Ago	Today
Environment	Stability	Constant change
Focus	Managing work	Managing results AND leading people
Thinking horizon	Short term	Short term AND Long term
Approach to work	Plans details	Sets direction and monitors
	Fine tuning what is	Creating entirely new/what could be
	Transactional	Transformational
Decision making	Made them	Facilitates them
	Reactive	Proactive
Energy	Controlling others	Passion for the work, the company, the industry and the people
Risk taking	Avoided it	Takes it and enables others to take it
Rules	Made them and measured to them	Breaks them and encourages others to do the same
Conflict	Avoided it	Uses it
Concerned with	Being right	Doing what is right



How do you keep up as a manager or leader today?

Focus on continual learning **and** unlearning. There are almost no jobs left that will remain the same over time, and the demands of leaders and managers are continuing to evolve. The really great ones are constantly learning and developing themselves and they have the following characteristics in common. They:

- ***Like to master things***
They are motivated and driven to constantly get better, knowing full well that they will not, and should not, be perfect.
- ***Are observant and flexible***
They can consider multiple perspectives to create general guidelines that help them make sense of what is around them.
- ***Focus on problem solving***
They consider current issues from the perspective of making things better versus blaming or worrying.
Their thinking is characterized by a balance of the ability to visualize what might or could be, and an effective day to day approach to get the right things done.
They can distill complexity.
- ***Are self aware***
They are constantly working to become even more aware of their own intentions as well as their impact on others.
They admit mistakes and learn from them.
- ***Are specific, direct and candid with others***
They expose any agenda they have and use good listening skills to really hear what others have to say rather than simply planning their next response.
- ***Have a broad range of interests***
They are genuinely curious about others.
They are able to make comparisons easily while seeing and appreciating the complexity in the world.
- ***Think strategically***
They are able to see, understand and appreciate the current state as well as see possibilities.
When dealing with today's issues, they operate from a broad, long term perspective rather than taking a narrow view or focusing only on short term implications.
They are able to gather information and make decisions in a timely manner.
- ***Are action oriented***
They get things done, making timely decisions.



More Than a Minute, how to be an effective leader and manager in today's changing world provides a guidebook – I constantly note in the book, there is no one right way to do all of the things we talk about as important for success. There are advantages and disadvantages to almost every approach. Make sure you are making informed choices and are clear on the trade-offs.

