# Chapter 3

# The urgency for change:

# Enabling people to flourish in a radically transforming and disruptive world

When I first started writing this book the pace of change was speeding up with much talk of how our work, social and personal lives would change with disruptive businesses, new technologies and ever more sophisticated AI to come. Adopting the military term VUCA, the discussion was around how organisations would navigate the world of volatility, uncertainty, complexity and ambiguity. That discussion seems tame now in light of a world battered by the Covid-19 virus pandemic and where the scale of volatility and uncertainty has leaped upwards in giant steps and gone off the scale.

We have yet to understand the full repercussions of this pandemic and how it will change working practices, peoples’ priorities and future skills needs. However there are also other changes that are impacting social, consumer and economic norms that managers need to be aware of. I say managers rather than organisations because the latter can often wake up too late to realise what changes need to happen but aware managers can move quickly and shape practices, performance and outcomes in their realm of influence and responsibility immediately.

In this changing and unpredictable world we need people who flourish and move organisations further into survival and success more than ever. We need highly trained managers who can take them there even more than before.

Lets turn to look at the key changes impacting our world and what that means for managers and how they lead people.

**The post-Covid world**

The global economic downturn is an inevitability at the time of writing. But how can managers and people counter the worst outcomes in this predicament? Gallup reported that companies with a high number of engaged employees recovered from the 2008 recession at a faster rate than industry equivalents. In the post recession rebound in 2009 having an engaged workforce became a strong differentiator in earnings per share (EPS). Conversely companies with average engagement scores saw no increased advantage over their competitors during this recovery period. The Covid-19 situation highlights the need for engaged staff more than ever before. Engaged employees are the most productive and are the only ones who move the organisation forward according to Gallup. With engagement standing at only 15% worldwide it means that only a fraction of your organisation’s employees are the ones keeping your organisation surviving at a critical time of economic downturn. Since the manager is key for engagement the need for developing their people skills has never been more urgent.

Greater remote working is likely to become a bigger part of working life and its success will depend on self-managing people and managers who trust. On a personal basis this suits many people as it cuts down stressful and expensive commuting or driving costs and car parking fees. For organisations it has the benefit of cutting down real estate costs as well as utility and supplier costs such as catering and maintenance. It looks like remote working or at least hybrid working is here to stay. This will require a different style of management where trust and accountability is key to success. Micromanaging or keeping checks by spontaneously calling people during the day will not endear people to be fully engaged. Lets be realistic here. Someone may go off to the gym at 11am but work later in the evening or start work early and then do the school run. There will be a greater need for autonomy not just in work but also how lives are lived around work. The focus should be on the end result – if the job KPIs or milestones are delivered on time, with quality that’s what matters, not the hours logged or start times. If work isn’t being delivered on time then this is the time for review. Does the person need better guidance on expectations, some examples from the manager or more one on one time?

One of the risks of remote working is that it can make work more transactional with a flow of commands devoid of any ease of conversation, body language or humour. It can also block visibility of great performers and allowing them credit in the eyes of a wider audience such as senior leaders. This is where managers have to step up and be conscious enough not to lap up all the glory but ensure work is credited to the rightful owner such as ensuring sources of information or date are named in reports or email distributions.

Working away from the office loses a lot of opportunistic factors such as observing how others do things, exchanging useful information when you bump into someone in the staff restaurant or catching 5 minutes with the boss to check his requirements. This means managers will need to be proactive and lean in even more with support and anticipation of needs. Communications and online meetings should not only be one way or transactional but present opportunities for 2 way communications and ease of conversation especially as its more difficult to offer spontaneous thoughts and read others body language. Managers also need to ensure they are accessible and approachable and build in ways to make this happen such as ad hoc 1 to 1 chats and asking if they’re facing any challenges working from home. This is important for enabling personal support especially when managers cannot see if someone is stressed such as when working in extreme uncertainty over the health of the organisation and job security.

Managing when there is uncertainty and unpredictability will also test the personal character of managers as well as their skills of critical thinking, agility, problem solving and judgement. We may even be in a situation of constant uncertainty and disruption for many years to come or forever. The Covid-19 situation has decimated once solid industries such as travel, food and beverage and hotels and those who will survive will have to implement drastic steps such as reducing costs, streamlining operations, cutting staff numbers and services and introduce new business models. No one can say what all the implications are and what world we’ll be living in over the next few decades. However we have some indications of what kind of managers we will need to navigate this uncertain world.

In times of financial crisis heavy handed commands will come from the top leadership such as cancelled projects, recruitment freezes and capped expenditures. On top of that looms the threat of job insecurity and redundancies. On the other hand for industries who have benefited from the disruption such as online retail, technology companies such as zoom and supermarkets, they are living with opportunity and innovation as well as adaptability to suit new lifestyles such as more home cooking or gardening.

Working with uncertainty requires a host of super human skills and character which managers are rarely trained for. Agility in the workplace is one such skill and it has been a popular topic in the last few years but is more important than ever; it gives the cliché that the most adaptive not strongest survive more credence in this era of drastic change. Agility is the speed of responding to changes in the environment and can refer to business processes, new products and services. Balancing this with processes, quality measures and sound judgement without impeding speed is crucial. Agility, which is important for both managers and people also refers to the self too. The ability to adapt, respond quickly with confidence, be open to untried possibilities while assessing multiple scenarios and risks simultaneously requires the right mindset as well as cognitive skills. For managers these are the skills which they have to model and encourage their people to be fluent in. This way of working fits in elegantly with people who flourish because they have support from their managers, the courage and resilience that comes from psychological safety and the confidence to step into unfamiliar territory and explore options.

Another characteristic that is critical in times of uncertainty is resilience in the face of the unknown and personal impact such as job insecurity. On top of that managers have to remain dependable and strong for their people even when they’re feeling vulnerable. Managers, especially in large traditional corporations are rarely trained for managing in uncertainty; the core of the business and its operations has remained largely the same with development and innovation happening incrementally at the product and service level and the decision making structure being bureaucratic, cautious and slow. Managing people in uncertain times requires authentic and honest communication and taking on board the stress that people may be going through. It requires managers to be resilient and to ensure that the manager’s concerns about personal job security don’t overshadow the responsibility to the team and endeavours to keep them focused and performing at high levels. This is where a manager has to pull out all the best of their emotional talent and resilient mindset. For example, there is a need for honest and authentic communication to keep people updated with important information. When I was working in the airline business a valuable piece of feedback received from customers arriving at airports and encountering a flight disruption such as a system breakdown or natural disaster such as the excessive smoke in airspace from a volcanic eruption was that they could accept the problem but they needed to be kept updated with genuine information and not be fobbed off with inaccurate or useless statements. The same principle applies here. If a manager doesn’t have concrete information, as is often the case then this needs to be said. Otherwise the rumour mill starts to work overtime and sets in more stress and anxiety.

People who flourish will also be armed with high personal and emotional skills to move forward should they be out of a job. This is where the qualities of self-belief, resourcefulness, exploring possibilities and resilience will come into play, when deciding the next move in their career be it with another organisation, be self-employed or to gain new skills. If managers can leave people with these possibilities in the most difficult times then they have made a difference to people on a whole new level.

**The acceleration of technical change**

The radical speed of new technologies will continue to emerge, accelerating change in many parts of our lives faster than we can catch up with. These include artificial intelligence (AI), robotics, genetic engineering, mass data collection, virtual realty, 3D printing, biotechnology and much more in addition to many things we haven’t even conceived of yet. To illustrate how impacting this transformation has already been, Harvard Business Review[[1]](#footnote-1) showed research that since 2000 52% of companies in the US Fortune 500 have either gone bankrupt, been acquired or ceased to exist as a result of digital disruption.

We’ve already been seeing the changes in our personal lives such as Apple’s Siri, proposed driverless cars, yoga classes and coffee mornings via Zoom, increasing shifts to online buying and more personalised offerings in programme streaming services. However it’s the business world that is being radically reshaped not only in the innovation of products and services but also in transforming internal processes and operations. It is likely that the disruptive events of 2020 will only accelerate radical changes through the pursuit of cost saving, productivity gaining and product innovation gains. Although technology will be leading much transformation other roles will rely more on human skills according to a 2018 World Economic Forum report entitled The Future of Jobs Report. These are in areas such as customer service, sales and marketing, training and development, people and culture, organisational development and innovation management.

What are the implications for managers and the people they lead?

Firstly, lets look at the nature of such work. Products and services will be constantly evolving, and improving but also disrupting and transforming as the technology becomes more sophisticated. Very little will be static for a long period of time unlike some of the age old ‘legacy’ systems and operational processes that had existed for decades when I first joined the airline industry. Developing as well as enhancing new business models requires a whole new mindset, one divorced from the entrenched DNA embedded in traditional organisations but at the same time aligned closely to its objectives.

Working on new, disruptive business models or complex technical solutions requires a different approach to work. Even if the end vision is clear, how to get there often is not. The work is investigative, iterative and complex. It requires curiosity, focus, dedication and a commitment to getting the best possible results. It requires mentally multi-tasking holding several possibilities in your mind and knowing the implications of all of them. It needs a beginners mind and a clean slate to enable brand new concepts to arise and at the same time retained knowledge of how the business works. This calibre of contribution and enthusiasm arises from people who are feeling good about themselves and their work; it does not arise from people who are stressed or limited in any way to be their best. Working at this level also calls for discretionary effort and inner volition – You work at this level of depth and dedication because you want to and not because you have to.

This type of work cannot always be specified in detail especially in how solutions will be met nor people managed and controlled to ensure specific outcomes will be delivered. It requires managers who enable their people to come out with their strengths and give them the support to own the work, be the experts and be the shapers of the outcomes.

This is even more crucial when managers are less technically informed than the people they manage, as was the case with some of the complex online systems I had specified in my former role as a manager. I was often reliant on the technical minds in my team and the IT department for whether my requirements could be delivered and always reliant on them for how they could be developed and in some cases how my requirements could even be enhanced because of the available technology. I depended on their knowledge but also how much of it they wanted to give and how much of their discretionary effort they contributed in working out complex solutions. People who flourish do this. People who are neutral, disengaged or disgruntled do not.

Organisations that still operate in a traditional one way cascade of commands from the top should rethink how they best collaborate rather than command with these intelligent knowledge workers. In some of my past corporate experience the top leadership team didn’t have enough knowledge of the possibilities of new technology and were usually forced into action because of the shifts in the industry such as introducing online channels of business in the late 1990s. Although visions and direction may come from the top, there will be a greater need to open up channels of contribution, ideas and possibilities from people with the expertise. For example you could have a group of people come together to hammer out possibilities for how a strategic goal could be designed and delivered. The vision from the top could lead to concepts and possibilities that would be fleshed out and even enhanced by the contribution of technical experts and those who can think innovatively and come up with new business models. Such as group would be organised on the basis of expertise and contribution and not rank therefore a board director could be with marketing and product managers, revenue analysts and technical experts – as well as new roles yet to emerge for example, creativity facilitators. In such a scenario managers would have to be comfortable with empowering members of their teams and allowing them visibility with senior leaders.

It is easy to get swept away with the idea of technology commanding all aspects of our lives and many jobs disappearing as a result. But human intervention will always be needed and not only in creating vision and design but also in bringing forth the best of the human spirit such as the qualities that emerge when people flourish – their commitment to quality work, their joy of work and feeling good about their contribution towards a great result.

**The high demand for specific skills**

Linked-In reported in 2020 that the most in demand skills were for cloud computing, AI, analytical reasoning and block chain. The immediate future will see demand for these skills remain robust as well as new job roles emerging. Other areas that will require skilled people are likely to be the care economy, sales, marketing and content including digital skills, people and culture including learning and development and green economy.

The pace of growth is confirmed by ambitious government goals such as the one in a UK government policy paper entitled Regulation for the Fourth Industrial Revolution published in June 2019 that stated:

*We want to build on our strengths in developing and deploying ideas to become the world’s most innovative economy. We want to raise our total investment in R&D to 2.4% of GDP by 2027, the biggest increase on record.*

There is no reason to suggest that the events of the 2020 pandemic will change this goal, in fact the disruption to many businesses will have speeded up the need for innovation and transformation especially to aid cost reduction, higher productivity and creation of new business models, products and services.

The vast majority of high demand skills and the new roles are skilled roles with higher education qualifications. Much of these fall within the STEM category – Science, Technology, Engineering, Maths, - highly cognitive and intellect based skills. In 2018 the UK government declared concern at the shortage of STEM skills. According to STEM Learning[[2]](#footnote-2) there was a shortage of 173,000 workers with an average of 10 unfilled positions per business and costing an annual £1.5 billion through recruitment, temporary staffing, training and inflated salaries. What this means for organisations is that the skills shortage is likely to continue for the next few years. STEM employment is also more resilient to economic shocks and during recessions tend to be associated with higher productivity and employment growth. They are also non-routine and difficult to automate and replace with robots thus keeping the demand high.

Those with the in demand skills will be able to pick and choose with greater choice and leave a job if it doesn’t suit them knowing they’ll have other options to go to. Organisations must offer more than pay and benefits to attract and keep high demand skilled people. If market rates equalise in the war for talent then the only advantage a company will have is the organisational environment of which work relationships especially with your direct boss will be key. Pay will be valuable to a point but it has a ceiling for ensuring retention and offering value. After that it is how good your workplace makes you feel. And that is largely down to your direct manager.

As I showed in chapter 2 offering a modern culture with great wellness benefits won’t ensure these people will stay if they aren’t able to work in their best and most fruitful capacity and with a boss who supports that.

Organisations will need to think deeply about their most effective retention strategies – their managers and how effective they are in enabling intelligent, skilled, knowledge workers to flourish into their best selves and produce work that more than meets the goals set.

This trend also opens up the debate on how best to manage intelligent, qualified workforces. And this also goes for non-STEM workers such as professionals in the Care, Sales and Marketing and Human Resources who will also be in an expanding job market[[3]](#footnote-3). Attempts to control or direct such people closely or to not allow them to take responsibility and be accountable will stifle their potential and their discretionary effort. But allowing them to work and contribute their best possible work will enhance engagement significantly with great effects on productivity and innovation.

This debate shouldn’t be a risk management plan in reaction to the threat of people leaving if they don’t like their work. It should be a review on what conditions enable intelligent, skilled people with lots to offer to rise to their potential, offer their best and love where they work. These conditions are to implement the motivating factors introduced in chapter 1 and these are enabled by the manager. An untalented people manager will certainly not enable these conditions to manifest.

**A higher educated workforce**

The number of higher educated people - that is education following secondary schooling and includes college, university and vocational courses, has increased significantly since statistics began. This means the profile of the ‘typical’ worker has changed significantly in the last few decades and continues to change as more students enter higher education and subsequently, the workplace.

According to statistics from the OECD[[4]](#footnote-4) 44% of 25-34 year-olds held a degree in 2018 up from 35% in 2008 across OECD countries and the number of higher educated people is now larger than the proportion with upper secondary education only. Furthermore the number of university degree graduates within this age group is forecast to grow to 300 million by 2030 from 137 million in 2010. Two of the largest graduate populations in the world are forecast to be in (non-OECD) China with 27% and India with 23% – half of the world’s graduate numbers.

In terms of percentage of population some of the world’s most educated countries have 50% or more of their population with tertiary education - that is education following secondary schooling and includes college, university and vocational courses. Figures from 2018 OECD data include the following top ranking countries:

Korea 69.6%, Russia 62.7% (2017), Canada 61.8%, Japan 60.7%, Iceland 56.2%, Lithuania 55.6%, Luxembourg 54.8%, Australia 51.4%, Switzerland 51.2%, UK 50.8%, USA 49.4%.

With 85% of higher educated graduates employed and more resilient to long term unemployment[[5]](#footnote-5) this means a higher educated workforce with demand remaining high despite a large pool of graduates. The need for tertiary education will remain high as it fuels innovation, technology and product development –the ingredients in the fourth industrial revolution.

There is also a strong correlation between higher education and productivity that will keep the demand for tertiary educated people constant - or at least for those high demand skills such as STEM, despite challenges to the economy from 2020. A 1% increase in the share of the workforce with a university degree raises long-term productivity between 0.2% and 0.5%[[6]](#footnote-6).

University research by these higher educated people also impacts the wealth of an economy. The Digital Marketing Institute[[7]](#footnote-7) reported that British universities contributed £95 billion to the country’s economy, Australian universities generated $25 billion and Canadian universities created $55 billion. In the United States, technological advancements developed in universities and colleges contributed $591 billion to the national GDP between 1996 and 2015 alone.

What does this mean for managers? It means that they will be increasingly managing a higher educated workforce with a people management approach that has hardly changed in the last 40 years. There is little discussion and research around the role of managing intelligent workforces. This is huge blind spot for organisations given that most economies will continue to increase graduate and skilled recruitment.

Intelligence and higher education doesn’t automatically confer wisdom, personal skills or emotional maturity but it does indicate a person’s ability to understand, process things and learn at a sophisticated level. It also demonstrates a commitment to enhancing yourself and an ambition for high aspirations.

Intelligent people have a treasure trove of precious potential locked up inside them. They want to use this, apply it and see it contribute to positive results. Furthermore they want their intelligence to continue unfolding and developing and being put to good use. They have opinions, insights, initiative and quite often egos that need to be acknowledged and made to feel good. Managers need to open up to their contribution on suggestions and ideas and be resilient enough if alternatives are suggested. This may be challenging for more obedience orientated cultures such as Japanese and Chinese styles of management however diverse opinions can be presented respectfully and usually are with people focused managers who have gained the respect and often adoration of people whose work lives have become so enriched because of their manager.

Just as the points made in the previous section on managing high demand skilled STEM workers intelligent people need to work in conditions that enable them to flourish and bring forth everything that makes them contribute their best – with absolute enthusiasm and willingness. This means implementing those all important motivating factors.

It’s important to note that no matter how self-directed these workers are they do need some guidance, direction and support from managers. This is the benevolent leadership I have described and is detailed in part 2. The manager remains accountable for the team’s outcomes however direction and guidance for people is not about control and closely managing – unless there is a performance issue, it is about clarity over requirements, clear communication about standards to be met and how their work fits into the overall goals of the department or organisation.

**Diversity in the workforce**

Diversity in the workplace means including people from different groups such as race, gender, ethnic groups, age, religion, sexual orientation, and mental and physical conditions as well as other groups such as class or body size. Inclusion of diverse groups has been a growing topic of debate for the last few years and as younger generations become more diverse in race and other identities such as sexual orientation, managing such a heterogeneous workforce effectively is increasingly becoming a critical priority for organisations. However nothing has catapulted the discussion on diversity into the spotlight as much the issue of race and unconscious bias following the incident of the death of George Floyd in USA in 2020 and the subsequent growing movement for Black Lives Matter. The UK too has seen growing demands for inclusivity in many areas such as media, TV, politics as well as the workplace. In both these countries racial diversity has come to mean fair representation of ethnic groups other than white, the traditional holders of power structures however what always gets overlooked is how non-white managers lead white, black or other ethnicities in these countries but also in other countries such as the territory of Hong Kong where for example Chinese managers manage western or Indian staff. This is a greatly unexamined topic but according to research by 2055 the USA will have no single racial or ethnic majority so this scenario will become more common.

All diverse groups matter however given the sensitivity and urgency around racial diversity this is one of most urgent priorities to tackle.

Organisations in the USA have reacted quickly to implementing implicit bias training ever since the 2018 incident in a Starbucks in Philadelphia where 2 black men were refused access to the toilets because they hadn’t made a purchase as they were waiting for an acquaintance. The branch manager called the police and although the 2 men were not charged the incident caused a huge outcry of anti-black behaviour by Starbucks resulting in all of its 8,000 US shops closing in May 2018 for the staff to attend racial bias training.

Implicit or as its also called, unconscious or racial bias is the bias we have towards another racial group but we may remain unaware of it. They are our beliefs or attitudes formed mostly though our upbringing from parental attitudes or media representations. For example someone may tell herself she’s not racist but not hire anyone black because of an unconscious belief.

To tackle this sensitivity many workplace leaders in the US are sending their employees to compulsory implicit bias training spawning a multi-million training industry. But does it work? The evidence shows it doesn’t especially if it’s a short workshop where attendance is compulsory. In fact under these circumstances it can be counter productive as they can introduce resentment through being forced to think and feel in a certain way and can therefore even activate bias!. This was shown by research undertaken by Dr Alexandra Kalev, professor of Sociology and Anthropology from Tel Aviv University and Dr Frank Dobbin, professor of Sociology from Harvard University[[8]](#footnote-8) after analysing 30 years worth of data from 800 US firms. Furthermore any positive effects from training rarely last beyond a day or two. They do not induce any behaviour change. The researchers say it’s better to do nothing rather than mandate such training.

One reason why this failure in training effectiveness is overlooked despite the fact that nearly all Fortune 500 companies in the US participate in it is because of the pressure many of them are under to prove that they’ve taken action in case they face legal action by an employee with claims of discrimination. With the racial sensitivities ignited from the events in 2020 there is also more urgency for organisations to declare they’re doing something.

It also points to another blind spot for most organisations – the lack of understanding the emotional drivers in people. Implicit bias has a strong irrational component and some psychologists don’t believe its possible for people to get rid of it, especially through training. Professor John Dovidio of Yale University likens it to trying to resolve fear of flying by educating people in flight safety records[[9]](#footnote-9).

So what does work?

Research shows that human values such as respect and psychological and emotional safety – that is feeling safe to express personal views without ridicule or being ignored, trusting people and feeling supported are the most powerful factors in feeling included, accepted and that you belong.

When a manager leads people with these values they trump anything diversity training can offer. This is not to say people should not be aware of cultural differences and sensitivities especially when working with people in different countries however connection, acceptance and warmth comes far more highly from the dignity given and received by humans. When this happens even cultural faux pas are forgiven. A good example of this comes from the time I was working in Cathay Pacific Airways in Hong Kong for a manager, Tom an American from San Francisco. From my British perspective Tom was *very* American – freely expressed with little self-editing, loud and very confident. This contrasted sharply with the quiet natured, obedient Chinese team (I was at that time the only non-Chinese in Tom’s team) who often didn’t understand his sense of humour or choice of words. But that didn’t matter. Everyone loved Tom because he was caring, supportive and praised us just as loudly as he made fun of us.

These values of support and recognition are also significant components in engagement however engagement has a particularly strong impact on people and inclusiveness. Gallup[[10]](#footnote-10) studied engagement where the manager and employee were of different races. When engagement was high employees’ intentions to stay with the company was higher than even engaged employees working with managers of the same race. Gallup also showed that engaged employees are more likely to strongly agree that their company values diverse opinions and ideas yet disengaged employees did not view their organisation as inclusive.

These values – respect, psychological safety and more such as care and recognition are a key part of the 3 step learning programme for managers to lead people to their highest performance and potential: emotional talent, mindset and behaviours and know-how of motivating factors.

This training transcends biases as much as possible because it puts the emphasis on developing managers to lead people for their greatest flourishing regardless of who they are. It does not scrutinise the managers’ ‘shameful’ biases and attempt to re-educate them. As professors Kalev and Dobbin stated in a Harvard Business Review article some of the most effective solutions aren’t even designed with diversity in mind. Professor Dovidio echoes this too as he says its more effective to put diverse people together in project or task groups to work together and let race or gender fade into the background. This has worked well in the military and with teams in sports.

It also puts the manager back in the driving seat as the influencer and implementer of inclusiveness – that is making everyone feel accepted, belonged and respected. This also has a big impact on people cooperating harmoniously within a team as research shows that when teams don’t feel psychologically safe they cease to look out for each other and they become more selfish as everyone looks after themselves first.

Many researchers in this field refer to the organisation as the one to be spearheading these actions but organisations are entities not humans and while they can develop anti-discrimination policy or in the case of working mothers, flexible working hours, they can’t show the care, support and dignity which can only come from one human to another. This has to come from the manager.

One of the assertions made about the benefits of having a diverse workforce is that it improves innovation because of the exchange of different views, experiences and ideas. That it makes an organisation more understanding of customer needs especially in diverse markets because of input from employees who understand those needs. In my experience this is a short-sighted view. Managers must first create a psychologically safe space for diverse opinions to be expressed. This isn’t always the case as many managers are better at creating groupthink – that is swaying the opinion of the group towards an outcome, usually of their own preference and shutting down alternative views.

Large corporations are also slow in opening up channels of diverse opinion. Bureaucracy and process are tightly embedded in the way things are done and can be unyielding. Product development or innovation for example comes out of clearly defined processes such as defining your target customer, market research and product design with any designed input from diverse employees unclear. The problem is less when these companies do the research in international markets and understand consumer needs shaped by cultural preferences for example the skin lightening creams made by Unilever, Johnson and Johnson and Nivea for the high demand Asia-Pacific markets – although the latter two companies have stopped manufacture on ethical grounds. There seems to be more of an issue with serving sizable diverse groups within a single country. For example Tesco – one of UK’s largest supermarkets became the first supermarket in UK to manufacture and sell plasters (Band-Aids) in dark skin tones only as recently as 2020! And even as late as 2018 a large multinational organisation for personal products was criticised in social media for thinking dark skin comes in 3 shades as opposed to 10 for light skin. Compare this with pop star’s Rhianna’s Fenty Beauty brand created with multinational LVMH and launched in 2017 which has 40 shades of foundation, the majority of which are created for medium to dark skin tones. I am also often amused with the choice of advertising on Indian TV channels in the UK for example western dating sites unmodified for a large demographic of traditional 60 year old plus Indian mothers and fathers, the up keepers of traditional, pious Indian values, unlikely to be in the market for dating.

These large organisations surely have employees from different ethnic groups inside their western offices but do they have any formal or informal process to allow them to offer opinions on the markets they themselves belong to?

Managing with respect and care for people will always appeal to the highest human needs and when people receive this especially from someone in authority it instils significance and validation in them, two powerful qualities that initiate self-confidence and self-esteem. This was how I, a British–Indian expat in Hong Kong led my teams of people, all Chinese. Even though there were some cultural differences they faded into the background in our manager-employee relationship and what surfaced for me was the human being with a job to do. I did often modify my vocabulary, refrained from using very British expressions and adapted my sense of humour but that was easy for me as I’d done that all my life when interacting with Indian elder relatives in my British-Indian life which I often refer to as my hybrid upbringing. I also loved the unique Chinese cultural characteristics such as the Chinese New Year festivities, Chinese sayings and concepts and the coming together over the communal sharing of food. The Chinese culture was for me part of the richness in this diverse world, not a source of alienation or ‘otherness’. Accepting this ‘otherness’, that is the parts within a person that are culturally different and unfamiliar will be a critical step for managers in creating a sense of belonging for all people especially as populations become more diverse.

Managing racially diverse team is covered in more detail in parts 2 and 3.

**Multi generational workforce**

For the first time in history there are five generations in the workforce today. These are the Traditionalists (1900-1945), Baby boomers (1946-1964), Gen X (1965-1979), Gen Y Millennials (1980-1996) and Gen Z (after 1997).

A single organisation could quite feasibly have four generations working simultaneously. One of the reasons for this is that more 55 plus year olds are continuing to work well into their 60s and 70s many because retiring is not financially feasible but also because today’s 60 plus year olds remain vibrant and healthy and still have a lot t o contribute.

In 2020 the global workforce percentage by generation was:

Baby boomers 6%

Gen X 35%

Gen Y 35%

Gen Z 24%

Global regions will vary in their generational composition especially countries such as Japan with declining population growths and Europe where millennial and Gen Z size is lower than baby boomers.

Much has already been written about the personal and working differences in each generation especially the millennial and Gen Z groups characterised by their individualistic, flexibility, technology and values driven motivations. For me the more pressing question is how do you manage multi generation teams and for large, traditional organisations especially, managing younger employees effectively? For new managers, how do you manage older people so that they don’t feel patronised or resentful about sharing their depth of experience?

While generational differences shouldn’t be ignored there are commonalities that remain strong across the generations. For example, meeting the desire for greater flexibility – for example remote working where younger generations design work around their mobile lives and older generations need the flexibility of managing families or caring for elders.

Focusing on individual strengths, what people love doing and contributing can also bring out the best of people whether that’s their social media mastery or devising a robust business case with solid numbers and a clear return on investment.

Ultimately however, people will all respond to the key motivating factors implemented by an emotionally talented manager: Being respected, recognised, ability to contribute ones best, learning and growing, be given autonomy and trust and having psychological safety.

For example, in this environment, channels of communication are open and authentic. In my management experience younger members of my team in Hong Kong were a great source of updates and information on current trends and obsessions happening such as with the latest mobile phones or the explosive growth of We Chat a social media platform in China. They were part of it and could explain it with all the human, social and individual forces driving these better than any data driven research.

Just as in managing a diverse workforce, the more a manager enables this and ensures inclusion the greater the team cohesion and harmony will be too. What can emerge as a benefit of cross generational sharing could be immensely fruitful and positive.

# Summary of Part 1

*People who flourish*

People who flourish engage their best skills and talents that are fired up by strong and healthy emotional and behavioural states such as commitment, drive, enthusiasm, positivity and resilience. Flourishing engages a multiple number of personal resources which when working together produce a level of performance that excels. In this state people reach levels of potential that surpass previous achievements. In this state people give their best proactively from their own volition. The organisation wins, the manager is successful and people are immensely rewarded professionally, personally and emotionally.

The direct manager is the enabler of people flourishing but has to have the emotional talent to allow people to grow to this level of success. The problem is that organisations don’t recognise this level of performance and don’t develop their managers to generate highly performing and highly fulfilled people.

*Managers are the only ones who can take people to states of flourishing*

Managers have the biggest influence on the lives of the people they lead. They impact peoples’ performance, potential and the quality of their mental and emotional health. They have more influence than organisational culture and benefits. Managers own the relationship with the people they lead and create micro cultures within an organisation that determines the quality of peoples’ working lives. The manager enables all six motivating factors identified for driving flourishing states in people. The emotional talent of the manager will determine how effectively these motivating factors will be implemented and how far people will flourish. When managers are emotionally talented they know how to create the conditions in which people thrive. They have the emotional capacity to give generously of themselves and don’t feel threatened by empowering the people they lead.

However as the state of global employee engagement is so low at 15% managers cannot be exempt from being a cause of low engagement. A self-serving style and people championing style are mutually exclusive and unfortunately the self-serving style is dominant.

*Managers’ people skills affect the bottom line*

So important are people management skills especially those that enable people to flourish that they affect the outcomes for the organisation. This calibre of people management talent generates higher productivity and lower costs. It impacts peoples’ wellbeing, innovation, customer and financial outcomes. The ability to manage people effectively is a critical skill not a soft skill only to be considered if budgets allow during times of economic prosperity.

*Managers are more impacting on people performance than company culture, benefits or the top leadership*

*The need for change is urgent*

The need to review the skills of management to lead people and to develop the calibre of high performing people for the future is becoming an urgent issue. We are in an era of uncertainty and change where people will need to be more agile and adaptive and where disruptive, innovative and technical forces will give work more complexity and changing demographics and diverse workforces will need inclusion, safety and belonging. The changing nature of work and workforces in many developed knowledge based economies require a different way of managing, one that enables people to flourish into their highest state of performance, not one which overseas people to ensure they don’t go off the rails.

1. Digital Transformation Is Racing Ahead and No Industry Is Immune, HBR. July 19, 2017 [↑](#footnote-ref-1)
2. STEM Skills Indicator on Stem.org.uk [↑](#footnote-ref-2)
3. Especially for digital and technical roles within these sectors. [↑](#footnote-ref-3)
4. The Organisation for Economic Co-operation and Development is a group of 34 member countries that discuss and develop economic and social policy. OECD members are democratic countries that support free market economies. [↑](#footnote-ref-4)
5. OECD Library [↑](#footnote-ref-5)
6. National Institute of Economic and Social Resaerch (NIESR) for UK Govt Business, Innovation and Skills Department [↑](#footnote-ref-6)
7. <https://digitalmarketinginstitute.com/blog/what-is-the-importance-of-higher-education-on-the-economy> UK data collected 2014-15, Australia data from 2016. [↑](#footnote-ref-7)
8. Why diversity programs fail, by Frank Dobbin and Alexandra Kalev, Harvard Business Review Jul-Aug 2016 [↑](#footnote-ref-8)
9. Can you train people to be less prejudiced? BBC The Enquiry podcast 21 June 2018 [↑](#footnote-ref-9)
10. Diversity and Inclusion Perspective paper, Gallup 2018 [↑](#footnote-ref-10)