



Leaders Make the Future

Ten New Leadership Skills for an Uncertain World

by Bob Johansen
Berrett-Koehler © 2012
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Take-Aways

- Effective leaders “listen for the future” while staying grounded in the present.
- Indications point to a future world of “volatility, uncertainty, complexity and ambiguity” (“VUCA”) that will upset existing economic and social systems.
- To change this dire future to a better path of “vision, understanding, clarity and agility,” use 10 cutting-edge leadership skills.
- Starting with human beings’ inherent “maker instinct,” the 10 skills progress from individual behavior to collective action.
- Gain “clarity” and “flip” dilemmas to see new opportunities.
- Embrace “immersive learning” to hone your skills in unfamiliar territories and scenarios.
- Weave “bio-empathy” into your leadership style and organizational activities.
- Use “constructive depolarizing” to bridge and harmonize opposing factions and engage in “quiet transparency” without overly promoting yourself.
- Adopt the “rapid prototyping” necessary to keep pace with accelerating change.
- Engage the power of “smart mobs” and help create “commons” that benefit the world.

Rating (10 is best)

Overall
8

Applicability
7

Innovation
8

Style
8

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Relevance

What You Will Learn

In this summary, you will learn: 1) How the “VUCA World of volatility, uncertainty, complexity and ambiguity” will affect leadership in the coming decade and 2) What 10 skills leaders of the future will need to meet its challenges.

Recommendation

Three years into his latest 10-year forecast, noted futurist Bob Johansen believes his core analysis still holds true for a tempestuous world influenced by four factors: “volatility, uncertainty, complexity and ambiguity,” or “VUCA.” Johansen expands on his first edition with updated material about his prognostications, all neatly depicted in a colorful graphic. Johansen outlines emergent opportunities and provides new insights that he gleaned from more than 150 leadership workshops based on the 10 skills he considers essential for leaders of the future. Filled with intriguing examples of the 10 skills in action, the text brings a better future to life. *getAbstract* believes astute leaders and students of leadership will find hope in his remedies for turning the daunting VUCA environment into a place of “vision, understanding, clarity and agility.”

Summary

“This is the most frightening 10-year forecast I’ve ever done, but it is also the most hopeful.”

“The next big global economic driver will come from biology and the life sciences...The next big wave of change, however, will grow from biological and organic ways of thinking.”

“Listening for the Future”

Society is evolving into a noisy, chaotic world, characterized by “volatility, uncertainty, complexity and ambiguity” (“VUCA”). Elements of the VUCA paradigm have existed throughout history, but never to the extent evident in the early 21st century. Leaders who make decisions without regard to VUCA realities tend to exhibit various “dysfunctional and dangerous” attitudes and reactions, including fear, disdain, procrastination, frustration, anger and denial.

The future portends four important changes: 1) The world will become more complex, 2) leaders will face both “danger and opportunity,” 3) leaders will need nontraditional skills to shape the future, and 4) traditional approaches will no longer suffice to meet the challenges ahead. To succeed in the face of these shifts, future leaders must implement a more positive VUCA made up of “vision, understanding, clarity and agility.” To do so, they must gain and use the “leadership skills of the future,” abilities they will need to handle the negative impact of the “external future forces,” the powerful drivers that will shape society’s main problems:

- **“Diasporas”** – Mass pilgrimages will continue, though their causes will vary from commerce to climate change.
- **“Financial disruption”** – Various sources of financial risk – from health care to currency conflicts – will breed discord.
- **“New commons”** – Emerging self-governance platforms address public concerns about policy, food, health and education.
- **“Open-source warfare”** – People will use emerging technologies to combat network-based assaults on social, economic and political systems.
- **“Food webs”** – Access to food and water will correlate with disparities between the rich and the poor.

"Being a leader is much harder than studying leadership."

"Leaders will make the future, but they won't make it all at once, and they can't make it alone. This will be a make-it-ourselves future."

"The quest for certainty will increase over the next decade because people will have an urgent need for certainty in the frightening face of uncertain times. [Yet] the number of leaders who are clear, certain and wrong will increase."

"Leaders can't absorb everything, so they must filter out extraneous information and learn how to recognize patterns as they are emerging."

- **The "blue economy" of oceanography** – Leaders must employ scientific and political tools to confront climate change and meet growing needs for food and fuel.
- **"Amplified organizations"** – Businesses will boost their results by integrating future leaders' operational and research skills.
- **"Pervasive eco-monitoring"** – This new level of fact-finding will drive environmental regulation and waste control.
- **"Body innovation"** – People with disabilities represent a growth market for innovative, inclusive design.
- **"Neuro-futures"** – Science will enhance the human body's ability to think, remember and enjoy happiness.

Two more future forces are "known unknowns." While their presence has emerged, their behavior remains unpredictable, and their potential impact remains uncertain.

1. **"Digital natives"** – People who are younger than 17 in 2012 constitute the first generation coming of age in the digital world. Electronic socialization during their formative years will have an unknown impact on their cognitive and social skills and their personal well-being.
2. **"Cloud-served supercomputing"** – Computing is moving into the cloud, and "new forms of connections, collaborations and commerce" will arise. People will carry cloud-based filters and enjoy connectivity hitherto available only to large firms.

Enduring Leadership Principles

Some classic leadership skills will endure in any present or future scenario:

- **"Get there early"** – Recognize opportunities and dangers before others do.
- **"Physical and mental exercise"** – Build excellence through personal discipline.
- **"Active attention"** – Carefully filter the data you trust, set the right priorities and stay centered in your values.
- **"Readiness discipline"** – In the face of uncertainty, preparedness is a great benefit.
- **"Urgent patience"** – Know when to ease pressure and when to press forward.
- **"Storytelling and listening"** – Use compelling stories to inspire hope.
- **"Humble strength"** – Act authentically on the basis of "courage and clear intent."
- **"Synchronicity"** – Explain connections and patterns to help others find meaning.

Ten New Leadership Skills You Will Need in the Future

As the "VUCA World" evolves, you will need to internalize 10 new leadership skills, which run "from instinctive to transformative":

1. **"Maker instinct"** – People possess an inherent instinct to make things, whether tangible like products or intangible like progress. Use this predisposition to harmonize your vision with the "maker skills" of other people. You will need maker skills in the VUCA World for discerning the opportunities and dangers of creating new pathways, products and services. Maker leaders of the future will be "less controlling" and "more engaged" as they embrace connectivity and become the central modules of networks moving in a unified direction.
2. **"Clarity"** – The VUCA World will leave many people confused. They will expect their leaders to see through "messes and contradictions" and to provide real solutions. Clarity is different from "certainty," which is more restrictive and rule-oriented, and thus more delicate. The best leaders digest input from others, discern and

"The broken-planet issues will be daunting, and networked connectivity will create incredible opportunity."

"The good news is that dilemmas can present new opportunities to create win-win strategies, beyond the I win-you lose models common to the world of problem solving."

"Immersion is close-up engagement in a world that is different from your own, whether it is a virtual world or just a world with which you are not familiar."

"You must experience something in order to learn it well, to learn it viscerally. It is much easier to make a future if you've had a least a taste of it."

communicate the best path without providing "false hope," and embrace uncertainty as they determine their "strategic intent."

3. **"Dilemma flipping"** – The unsolvable dilemmas facing future leaders share certain qualities. They're "recurrent, complex and messy, threatening, confusing, puzzling," and "potentially positive." The best leaders will find positive twists to address dilemmas, although they have no single right or wrong answers. These leaders will expect their employees to address problems, since problems have solutions.
4. **"Immersive learning ability"** – As leaders progress up the corporate ladder, they become increasingly isolated from their workers and customers. The CEO and top executives of an industrial cleaning products company learned this lesson when they tried to clean dirty rooms at a cheap motel so they could relate to the workers who use their products. For less fearless product testers, video gaming provides lessons in alternate realities, sensory and information overload, and pattern recognition.
5. **"Bio-empathy"** – Leaders in biology and organic life sciences will propel the next wave of global economic development, driven by societal concerns for individual "health, wellness and well-being." Leaders with bio-empathy will adopt "biological and organic ways of thinking." They will see institutions not as machines but as organic entities subject to the natural cycles that govern everything in life. Perceiving "from nature's point of view" will shape leaders in a VUCA World, where humanity's impact on the natural world engenders unavoidable ecological repercussions.
6. **"Constructive depolarizing"** – The next decade will be "the most uncertain [age] any generation has ever faced." "Polarized and polarizing" voices that advocate "clear, certain and wrong" solutions will abound. Society must not give credence to dangerous zealots who would separate rather than unite. True leaders embrace and try to understand all sides of every issue, depolarize differences and create harmony. Society's greatest dividers include ethnicity, nationality, religion, age, gender and disability. Constructive depolarization calls for "grace across barriers of any kind" – that is, a willingness to listen deeply and interact with all people while honing your ability to diffuse tense situations.
7. **"Quiet transparency"** – Cultivate your ability "to be open and authentic about what matters – without being overly self-promoting." Makers inherently want to know how experts make things, where the components come from and how the manufacturers treat their workers. They want to know what the shop's safety rules require and whether the production process harms the environment. Technological advances will enable closer regulatory and societal monitoring of corporate activities, from production to accounting. Grassroots groups will demand in-depth answers as firms and the public turn to social networking to fill in the gaps. Transparency is a true dilemma, for no objective standards exist – or are likely to emerge – for measuring it. If you, as a leader, cannot measure and demonstrate your firm's transparency, others will do it for you.
8. **"Rapid prototyping"** – When you build anything, create a prototype first. That's the basic trial-and-error approach to production. Advances in cloud-served supercomputing radically accelerate and amplify the prototyping process, making rapid prototyping the modern way to "fail early, fail often and fail cheaply." Those who make fast prototypes must relinquish the notion of ownership, since innovation blurs the sources of contributions to iterative improvements. Rapid prototyping's flexibility ideally suits the environment of the future when the rule of thumb will be "less planning, more learn-as-you-go action." Work to become comfortable with this

"Thriving in the future, as opposed to just trying to survive it, requires plenty of advance preparation."

"We need great clarity about direction but great flexibility about the details."

"Clarity includes knowing what it is you don't know. Certainty does not."

"Leaders are what they can organize."

process and sharpen your ability to see patterns across prototypes. "Rapid prototyping accepts failure as critical to success."

9. **"Smart-mob organizing"** – People who share a common cause – ideas, activities and concerns, among others – via social media create a smart mob. It is smart because of its technological infrastructure and it is a mob because its mass behavior is unpredictable – as the spontaneous uprising in Cairo in January 2011 demonstrated: Thousands of unemployed young people formed a smart mob to protest government policies. In the future, smart mobs will gain greater prominence and significance, as social media evolve in as-yet unknown – but assuredly more sophisticated – ways, and as the digital-natives cohort grows older and savvier. Visionary and author Howard Rheingold, who coined the term "smart mobs" in 2003, describes them as "the power of the mobile many." Leaders who want to organize smart mobs need not be personally expert in social media, but they need sufficient vision and skills to direct knowledgeable support staff.

10. **"Commons creating"** – Traditional commons are geographic spaces devoted to the public good, such as "parks, town squares, beaches and markets." In the electronic global economy, however, creating common ground broadens the basic "ability to make common cause with others for greater benefit" to a more inclusive market level where a "platform of shared assets...allows competition to take place at a higher level." Consider the eBay platform and its protocols for trading in an open environment, or the Svalbard International Seed Vault facility near the North Pole, a commons that preserves "crop diversity for future generations." Evolving forms of commons include the OScar open-source auto design project and the COMPASS marine ecosystem management project. Future commons will rely on "reciprocity-based innovation" ("RBI"), which extends the value of participation beyond the individual. RBI works like karma: You "give things away in intelligent ways," with the expectation of receiving more in return. RBI may be the most difficult skill for a leader to learn and implement, but cloud-based computing opens the potential for anyone anywhere to innovate in unprecedented ways.

"Future Immersion for Leadership Development"

Design your approach to preparing future leaders with your students' needs in mind. Don't restrict their lessons to "lecture- or classroom-based training" or limit the scope of their learning only to the subjects a company requires. Use immersive experiences to give students opportunities to enhance their skills in "assessment, challenge and support." Compare your current training program with the 10 skills future leaders must have, search for alignments and gaps, and adjust as necessary.

"Learning the 10 Future Leadership Skills for Yourself"

If you are unable to participate in a formal leadership development program, use a self-guided strategy that answers a set of revealing questions, and practice specific actions relevant to each of the 10 leadership skills. As a leader, you must adapt your past and present skills into the required proficiencies as the VUCA World unfolds.

About the Author

Bob Johansen, author of several books, was president of the Institute for the Future from 1996 to 2004, is its current Distinguished Fellow and has created 10-year predictions for more than three decades.