Harvard Business Review | The Big Idea Series

Business History

100 Years of HBR

Reprint BG2203

Improving the Practice of Management — Then and Now

As HBR turns 100, we look back on our original mission, how we've changed, and what the future holds. **by Laura Amico and Amy Bernstein**

Published on HBR.org / September 19, 2022 / Reprint H0785O

Mario De Meyer

In October 1922, the very first essay in volume 1, number 1 of Harvard Business Review laid out the purpose of the brand-new journal. "It is pertinent to inquire how the representative practises [sic] of business men generally may be made available…and how a proper theory of business is to be obtained," wrote Harvard Business School dean Wallace B. Donham. Without such a theory, "business will continue unsystematic, haphazard, and for many men a pathetic gamble." To remedy that situation, HBR would seek to provide "a better theoretical basis for executive action."

At the time, the business world had reason for optimism. The First World War had ended just a few years before. The Spanish flu pandemic had subsided. The economy had weathered a brief depression, and the outlook was decidedly improving. In that first issue, writing about the taxation of capital gains, accountant George O. May said as much, noting that, in the U.S. at least, business was getting "back to more normal conditions."

But the normality May saw in 1922 proved to be fleeting. In just a few years, the stock market would crash, followed by the Great Depression and another world war. If a proper theory of business was desirable in optimistic times, surely the tumult that marked so much of the century would make it all the more essential. The need to understand how business and organizations function, to learn from the experience of others, and to detect patterns in seeming chaos has only gotten stronger.

So, what can we learn from the past 100 years of management thinking?

For this Big Idea series, we asked experts to look back — and forward — to help us understand what good leadership should look like, how successful organizations are structured, what qualities make up a job people love, and what needs to change to improve business's relationship with the rest of society.

We also admit that management advice hasn't always gotten things right, and that what worked for one era may not for another. So we asked an array of researchers which management practices should be retired for the next 100 years. Their answers point to the impact of increasingly fluid organizational structures, the need for more-proactive retention efforts, and why union busting must end, among other ideas.

Finally, our contributors dug into our archive to gain insight into what occupied us over the past 100 years and why. Tejas Ramdas, Raffaella Sadun, and Nicholas Bloom created a visual representation of how our topic mix — and the issues that are most pressing for managers — has changed. Colleen Ammerman and Boris Groysberg analyzed when, and how, HBR has covered women over the decades. And our audience engagement editor, Kelsey Gripenstraw, compiled a list of our most popular articles. The variety might surprise you!

This package shows us how the world that HBR covers has evolved. Our readers still care about balance sheets and operations, but their scope of responsibility has expanded to include issues far beyond the strict purview of their businesses and rarely — if at all — considered in 1922: urgent social issues involving race, gender, and other dimensions of diversity; political polarization; and the existential threat of climate change. And while readers from HBR's early decades would witness the emergence of such marvels as jet engines, transistors, lasers — and space exploration, computers, and the internet not long after — they weren't yet imagining the promise of artificial intelligence or the challenge of the Great Resignation.

Just as the concerns of our readers have evolved, so has our understanding of leadership. Most obviously, the white, male, U.S.-centric perspective of HBR in 1922 has expanded to include people of every race, gender, and background. We have also shifted away from assuming that companies should be hierarchical and leaders all-knowing authorities, and toward embracing flatter, more networked structures that demand a more humble and open-minded approach —

one that requires great leaders to motivate their teams rather than issue edicts.

Organizations have gotten more complicated, as has the challenge of running them. They need leadership at all levels, not just at the top. They need managers who can think not just about the bottom line but about the culture they help shape. Leaders must learn how to bring out the best in their teams, their organizations, their partners, and their communities. They must understand that to accomplish anything substantial — internally or externally — they have to reach across the boundaries of functions, business units, organizations, and even sectors.

In 1922 leadership was the province of the few. In 2022 we believe that anyone who wants to become a good leader can do so with the right kind of guidance. Perhaps what we're still talking about is the "better theoretical basis for executive action" that Wallace B. Donham envisioned 100 years ago. Providing that essential insight is still what drives us. And we hope it continues to inspire you.

Explore HBR's First Issue

Download and read the full 1922 debut edition of HBR.

This article was originally published online on September 19, 2022.

Laura Amico is a senior editor at Harvard Business Review.

Amy Bernstein is the editor of Harvard Business Review.

@asbernstein2185

What Makes a Great Leader?

Mastering the ABCs of innovation at scale. **by Linda A. Hill, Emily Tedards, Jason Wild, and Karl Weber**

Published on HBR.org / September 19, 2022 / Reprint H0785V

Greg Mably

When Ajay Banga took over as CEO of Mastercard, in 2010, he knew that disruption of the payments industry was imminent. But rather than compete for market share within the 15% of global payments that were already electronic, he decided to focus the company's growth on the 85% that were still made by cash and check transactions. For him, the financial inclusion of individuals and small businesses that lacked access to the formal financial system became both a business imperative and a societal responsibility. It called for new mindsets and behaviors around talent, clients, the market, technology, and government.

To innovate for an increasingly diverse customer base, Mastercard's employees needed to grow and diversify their core while also building new businesses. But at the time, those employees ranked "innovation" 26th out of 27 factors important to the company's future success. Something needed to change, both internally and in how the company collaborated with the customers, communities, and governments it wanted to serve. So Banga tasked one of his executives, Garry Lyons, with infusing Mastercard's culture with innovation. With a significant incremental investment, and free rein to spend it as he saw fit, Lyons accepted the opportunity to be what Banga described as a "catalyst of change."

To create that change, Lyons developed Mastercard Labs, a global R&D network designed to show employees, customers, and stakeholders, in his words, the "art of the possible." During Banga's 10-year tenure Mastercard Labs was instrumental in accelerating the company's transformation from a nonprofit association of banks to an independent global technology company in the payments sector. As a for-profit corporation, it saw its market cap grow by more than 360%.

This story comes from a new business-case series that one of us (Linda) taught to a group of high-potential executives at Harvard Business School. Even though the class knew how the story would turn out, only *three* students out of 85 said they would have accepted Lyons's position. By the end of the class discussion there were a few more recruits — but also an entire blackboard filled with all the formidable barriers to innovation that Lyons faced. Although the participants lamented the pressures of short-termism and organizational inertia arising from age and size, their most fundamental concerns were the emotional and intellectual challenges inherent in innovating at scale.

Their reluctance to step into a challenging but necessary leadership role gave us pause. Their nervousness wasn't unwarranted: In the twenty-first century, leadership has become harder as stakeholder expectations have increased, global execution has become more complex, digital transformation has become an imperative, and innovation is ever more critical to sustained success. But according to our research, the type of leadership the world needs today is what Banga and Lyons embody: a mixture of skills that spark innovation *within* an organization and *across* external organizations and ecosystems.

In this article we will explain how various streams of research over the past decade led us toward this discovery. We will examine the characteristics of this new type of leadership — characteristics we describe using the terms *architect, bridger,* and *catalyst,* or ABCs — and why helping more individuals develop an innovative mindset and skill set is so crucial for the future of business and society.

What Great Leadership Means to HBR Readers

A good leader must have inclusiveness in their DNA.
— Anirban, Kolkata, India

Vulnerability is the most underrated leadership competency. By sharing our mistakes and how we overcame them, our weaknesses and how we seek support, and our privileges in how our identities are seen and received by society, we can develop deeper bonds of trust on our teams.
— Ashley, Charlotte, North Carolina, USA

A good leader is a person with open-mindedness who is able to understand other people's ideas and motivations. A good leader also has confidence, accountability, resilience, integrity, and a vision.
— Seraphine, Nairobi, Kenya

The leader gets their team in a car and gets to the strategic destination, with all team members helping reach it.
— Joe, Branchburg, New Jersey, USA

Active listening, a willingness to admit mistakes, and humility.
— Jeya, Aotearoa, New Zealand

A good leader listens, displays empathy, and knows when to coach versus when to mentor versus when to simply support the choices an employee makes.
— Dutch, Denver, Colorado, USA

A leader walks with you and takes you to the goal.
— Rakesh, Chennai, India

These are lightly edited responses to a survey that HBR editors shared with our LinkedIn group in July 2022.

Leading Innovation: Collective Genius 1.0

For the past 20 years, in collaborations with young researchers and executives, Linda has been conducting longitudinal on-the-ground research on leaders at the cutting edge: those who have built organizations that can innovate not just once but routinely. In 2014 Linda, Greg Brandeau, Emily Truelove, and Kent Lineback shared initial research in their book *Collective Genius,* which explored the intersection between leadership and innovation.

With hindsight, it's clear that this book captured a paradigm shift in what makes for great leadership *within* organizations. The business world was moving into an era in which agility, innovation, and digital technology were key drivers of competitiveness. In this new world the job of leaders was no longer about getting others to follow them into the future; instead it was about inviting others to co-create the future with them — a process driven by teams composed of individuals with diverse expertise and experience who were willing and able to collaborate, experiment, and learn together.

All the leaders in the book were visionaries who knew that innovation was rarely the result of an individual genius's having an "aha" moment Consequently they adopted an inclusive definition of leadership and did all they could to democratize innovation. They believed that everybody had a "slice of genius" — their talents and passions — that could be unleashed and leveraged to develop innovative solutions to stakeholders' pain points and ambitions. They successfully managed the paradoxes of innovation: supporting bottom-up creativity, initiative, and improvisation while establishing structures, performance metrics, and guardrails to minimize outsize risk-taking and keep people aligned. They also removed barriers to innovative problem-solving and built what we called "community cultures," in which members were bound by a common purpose, shared values, and mutual rules of engagement that served as the foundation for co-creation.

Instead of being at the front of the stage, showing others the way, these leaders learned to set the stage and create an environment in which others were willing and able to do the hard work of innovation. That required emotional resilience, courage, and patience to amplify diversity of thought and navigate potential conflict, experiment and iterate a path forward with many false starts and missteps along the way, and hold options open so that even opposing ideas could be integrated in creative and useful ways.

Scaling Genius: Collective Genius 2.0

After the publication of *Collective Genius,* Linda continued to explore questions surrounding co-creation. She joined with Emily, Jason, and Karl to conduct qualitative longitudinal studies of leaders in 18 countries and 21 industries whose ambition was to transform their organizations into innovation engines. Linda and Emily also partnered with Sunand Menon and Ann Le Cam to conduct executive roundtables in three dozen countries and survey more than 1,500 executives in some 90 countries about key leadership challenges and opportunities in the digital world.

When these two research streams were brought together, what stood out the most was how successful leaders were able to build not only innovative organizations but also networks and ecosystems that could co-create across organizational boundaries. These people mastered what we have come to describe as "scaling genius" (the working title of our upcoming book). In doing so they took on three interconnected functions: architect, bridger, and catalyst.

Leader as architect. Scaling genius requires leaders to create the culture and capabilities that will encourage everyone *within* an organization — from frontline workers to senior executives — to be willing and able to innovate. That was the key leadership task explored in *Collective Genius*. What is different now is that the stakes are higher: Innovation matters more, and digital tools and data are key enablers of co-creation. In our new research, we describe how architects use five levers to design, build, and evolve their organizational architectures to support innovation over time: leadership style, talent, structure, operating model, and tools. With these levers they remove barriers that limit creativity and build the mindsets and behaviors required for co-creation.

Take, for example, Rakesh Suri, the former CEO of Cleveland Clinic Abu Dhabi — a pioneer in robotic cardiac surgery and a leader we identified as embracing the tenets of leading for innovation. Cleveland Clinic had been at the forefront of medical innovation since its founding; scaling up to include Abu Dhabi was a bold initiative to expand access to quality health care across the globe.

From the moment Suri took over as CEO, he and his executive team worked closely with the CEO of Cleveland Clinic, Tom Mihaljevic, and colleagues in the United States and with Waleed Al Mokarrab Al Muhairi, the chairman of Cleveland Clinic Abu Dhabi's board, who represents the investment company Mubadala (Cleveland Clinic Abu Dhabi's joint owner). Together they strove to create a health care organization in which every caregiver (their term for anyone who works in the hospital) had the mindset and the digital tools required to be an agile, innovative problem solver in behalf of patients, fellow caregivers, and the community.

Video Available Online
To view, please visit this article at HBR.org.

Watch Linda A. Hill explain the ABCs of leading innovation.

When we spoke to Suri in March 2020, he was confronting his toughest leadership challenge yet: managing the hospital from home while he was in travel-related quarantine for the required 14 days. While he was physically absent, his colleagues continued to transform the hospital's operating model as Covid-19 began to take lives, overwhelm health care systems, and shut down economies across the globe.

At first Suri thought his immediate challenge was to take charge and steer the ship remotely. But he soon came to understand that his job was to "hyperempower" his people. Maintaining close contact with Al Muhairi and Mihaljevic, he and his executive team doubled down in their efforts to enhance caregivers' capacity for teamwork, ingenuity, compassion, and resilience by protecting their mental and physical well-being. While ensuring that the hospital had the necessary cash flow to continue operating, they provided sleeping rooms, meditation rooms, nutritious food, online workouts, and new levels of stress relief, including apps and on-site grief counseling, for caregivers. During this time Suri spoke openly about his fears and sent reassuring messages to all of Cleveland Clinic Abu Dhabi's caregivers and stakeholders. Others at the hospital followed his lead. Suri told us, "Our caregivers responded. They said, 'Thank you for showing your humanity.'"

When his quarantine ended, Suri was humbled by the caregivers' accomplishments. Within weeks the group had managed to get a full-fledged telehealth operation up and running, performing 1,500 virtual consultations a day, and the emergency department had scaled up from 200 to 1,000 visits a day. Suri notes that leaders' efforts had enabled caregivers to be "contemplative and creative, rather than reactive, problem solvers." He adds, "People had stepped up, responded, and collaborated in a bigger way than I had ever seen before in my leadership career. What was even more phenomenal was that they were more empowered."

Leader as bridger. It's already challenging enough for a leader to encourage innovation across functions or geographies or business units *within* an organization; it's even more challenging to encourage employees to work closely with people *outside* the organization. But that's exactly what a bridger must do: systematically gain access to talent and tools that cannot be found within the walls of a single department, division, or company.

In many cases this is attempted by building separate innovation labs, incubators, and accelerators to enable diverse parties to co-create. To do that effectively, the bridger must establish social connections — a sense of mutual trust, mutual influence, and mutual commitment — across organizations, sectors, industries, and geographies.

Nicole M. Jones did just that as the head of Delta's new innovation center — dubbed The Hangar. Through three months of benchmarking, Jones learned that many existing corporate innovation labs and accelerators "chase shiny objects" from the world of high tech but fail to scale up their impact in the core business. Part of the challenge, she observed, was translating and integrating internal and external talent and capabilities. We've had similar findings in our research. Often innovation labs fail because the role of bridger is neglected: Too many leaders focus on contracts and intellectual property and fail to weave the social fabric required for collaboration, experimentation, and learning with diverse others.

Using her background — a combination of customer experience, tech, and business strategy — Jones established the culture, strategy, and methodology for Delta's innovation center and built a team of design thinkers, technologists, and strategists to bridge Delta's core business, Atlanta's academic communities, and various startups around the United States. One project involved collaborating with a startup, a government agency, and an array of cross-functional stakeholders inside Delta to create a biometric boarding pass that would streamline the end-to-end customer journey through the airport. As the bridgers, Jones and her team acquired the right partners, aligned them around shared intentions, and integrated their capabilities into a coherent solution. Within 90 days they had a pilot up and running, and in less than a year Delta had deployed the solution to all its Sky Clubs. That was just the first of many innovative solutions that Jones and her team helped scale up — and they represented only some of the innovation efforts at the company. In January 2020 Delta was featured at an unexpected venue for a legacy airline — the annual Consumer Electronics Show, a convention dedicated to leading-edge consumer technology innovation — and walked away with eight innovation awards.

Just a few months later, with the onset of the pandemic, Delta went from using fingerprints to facial biometrics in Atlanta's international terminal to provide contactless (and more sanitary) boarding experiences for travelers and gate agents.

Leader as catalyst. Scaling genius often requires individuals and groups in an organization's broader ecosystem to co-create *independent of the organization*. To move ideas to impact faster, the catalyst's job is to encourage and accelerate those multiparty collaborations.

As Mastercard progressed in its digital transformation and began developing digital payment solutions for customers, it realized that some financial institutions did not have the capabilities in-house to deploy those solutions. The company proceeded to catalyze co-creation by connecting legacy organizations in its ecosystem to fintechs that could help them see new opportunities and develop new capabilities. With its ability to "stitch partnerships and ecosystems together," as Mastercard's chief administrative officer, Tim Murphy, put it, the company transitioned from a gatekeeper at the heart of commerce to a collaborative facilitator of commerce and economic opportunity.

Catalysts proactively manage the web of interdependencies in which an organization is enmeshed. They map those interdependencies and energize and activate key players, recognizing that to enable the organization to fulfill its purpose, they must empower other organizations to work differently. In many cases these others are "unusual suspects" — companies, governments, or individuals outside the industry or sector, over which the catalyst has little direct control. If leaders can't identify and work with these unusual suspects, their organizations' innovation efforts may be stymied.

For example, in 2016 Akira Fukabori and Kevin Kajitani, aeronautical engineers at Japan's All Nippon Airways (ANA), began to wonder why, in a world of accelerating globalization and digital connectivity, people living in remote villages or impoverished urban areas could not access high-quality education or health care. With only 6% of the world's population flying annually, they contended that the airline industry was failing to address the fundamental challenges of mobility.

The two devised a bold, futuristic solution: an "avatar service platform" — a global infrastructure of general-purpose avatar robots that individuals could rent and eventually embody with their five senses to remotely perform tasks in distant physical environments (for example, surgery, defusing a bomb, visiting elderly grandparents, attending classes, or traveling on vacation).

Fukabori and Kajitani understood all too well the number and variety of actors they were dependent on to fulfill their ambition. Robotics and telecommunications technology, for instance, were far from where they needed to be to make avatar-enabled mobility a reality. Still, they embraced the complexity and scale of the task, did some preliminary mapping of the partners they would need, and got to work. They catalyzed "a movement," to use their term — without positioning themselves at the center of the emerging ecosystem.

How? Here's one example. Early on, the two sought out industry leaders who had been working on various aspects of tele-operable hand technology — a critical bottleneck in the avatar robotics industry. In 2018 Fukabori and Kajitani obtained the necessary funding from

ANA to activate a collaboration across three leading startups, which self-organized, ran joint experiments, and came up with an innovative solution. In June 2019, after less than a year of partnership, the companies debuted the first-ever bimanual tele-operable hand system at the Amazon Mars event. Jeff Bezos himself demonstrated it, fueling public interest in this relatively new technology.

In addition to catalyzing technological progress, Fukabori and Kajitani worked to generate demand for avatar services. Among other things, they worked closely with local governments in Japan that were grappling with an aging population and eager to use avatar robots to compensate for workforce shortages.

By 2020 Fukabori and Kajitani had built a global avatar ecosystem of 800-plus technologists, startups, corporations, nonprofits, and governments. Given their progress, ANA's board agreed that they could better increase their impact as a separate startup, avatarin. Although they feared that the pandemic would kill their business, lockdowns created widespread demand for avatar services. Fukabori and Kajitani's catalyst mindset enabled them to grow avatarin much faster than anticipated, and as a result, they fulfilled what they saw as a humanitarian need.

Learning to Let Go of Formal Authority

More and more leaders will find themselves having to perform the functions of the architect, the bridger, and the catalyst. Undergirding all three is a view of leadership that differs from that of the past. When people first become managers, most believe that their power derives from their position in the hierarchy. Yet they soon discover that their direct reports, especially the most talented, don't follow orders. And although they may think that compliance is what they want, *commitment* is what they need. If people aren't committed, they won't take the initiative or the risks required to execute or engage in even incremental innovation.

Today these realities increasingly constrain even the most experienced senior executives. In leading innovation, formal authority is a very limited source of power, because innovation is a voluntary act. Command-and-control — even as the big boss — doesn't work; leaders must invite people to innovate and give them the space to do so.

So how can leaders get their organizations to become agile, innovative powerhouses, able to move from idea to impact at scale? They must be prepared to transform themselves. That means getting comfortable exercising influence well beyond their formal authority. It also means collaborating, experimenting, and learning with unusual suspects inside and outside their organizations. We can no longer afford leaders who avoid situations in which there are "too many cooks in the kitchen." As one executive in our research put it, you can never have too many cooks in today's competitive environment: The job of a leader is to "get many top chefs to cook a delicious meal together that others will want to pay for."

That's a daunting challenge for most, as the classroom discussion about Mastercard Labs revealed. It's tough to build something new when there is so much pressure to focus on more-immediate goals — delivering products, services, and experiences to customers and profitability to shareholders. And it's easy to give up on the more challenging roles that scaling genius requires. As the head of R&D for one global consumer-goods company observed, people came to the company with an ambition to be both value creators and game changers — wanting to work on "shoulds" and "coulds." But they quickly learned that working on "coulds" can be a career killer. People didn't want positions that required influence without formal authority, working with diverse groups, and the missteps and failures that come with trying to do something that has never been done before. But agile leadership characteristics are becoming a prerequisite for building competitive businesses, and those who hope to lead must be able to perform the three key roles we have described.

As we reflect on the challenges that business and the world are facing, it's clear that we desperately need people with these mindsets and skills. Linda began her work on leading innovation more than 20 years ago, just before the start of a new century. Ironically, that same year she attended a prescient talk about *when,* not *if,* we would confront new pandemics. The speaker called for more leadership and investment in public health and vaccine development. In other words, he stressed the importance of public-private partnerships and scientific innovation that only scaling up collective genius can provide. As it turns out, Michael Ku, one of the leaders we have been studying for six years, a consummate architect, bridger, and catalyst, heads the global clinical supply-chain team for Pfizer. By helping to complete the Covid-19 vaccine trials in well under a year, he and his team contributed to making the impossible possible and saved millions of lives.

Our leadership challenge today is an existential one. When faced with crises, we humans tend to default to our muscle memory. But how we have led in the past will not take us where we aspire to be. The time has come to embrace a new kind of leader who is prepared to take on the promise of innovative problem-solving — who is willing and able to unleash the abundant talents and passions all around us and leverage them to create a better world.

This article was originally published online on September 19, 2022.

Linda A. Hill is the Wallace Brett Donham Professor of Business Administration at Harvard Business School, the author of *Becoming a Manager,* and a coauthor of *Being the Boss* and *Collective Genius*.

Emily Tedards is a doctoral student at Harvard Business School in the Organizational Behavior Unit.

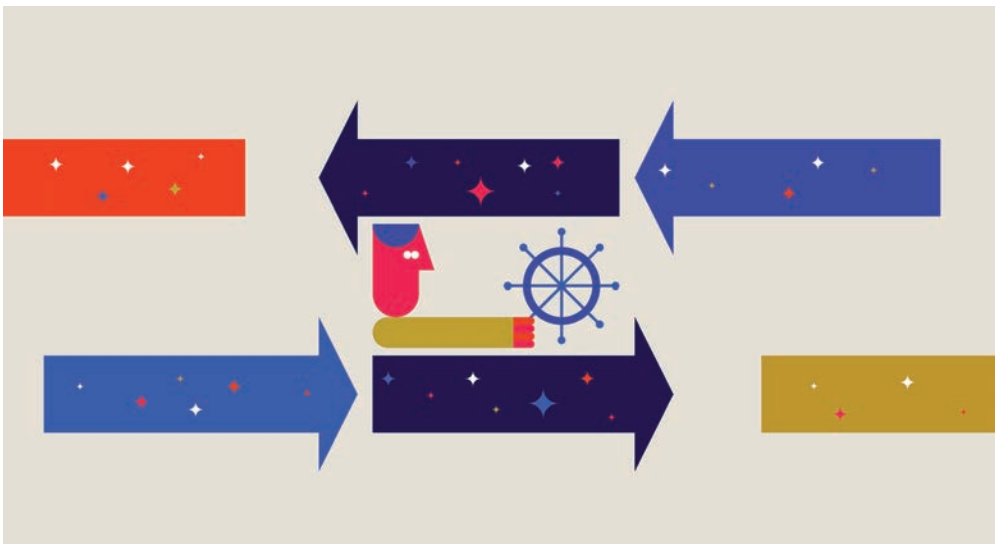
Jason Wild is the vice president of CEO co-innovation and customer engagement at Microsoft.

Karl Weber is a writer, an editor, and a publisher of books on business and social issues.

What Defines a Successful Organization?

In our age of discontinuity, you need the ability to continually shift.
by Ram Charan

Published on HBR.org / September 19, 2022 / Reprint H0785Z



Greg Mably

Organizations succeed over time only when they adapt to the speed and character of external change. Every aspect of an organization — from how it operates and is structured to how it is led — must match the current yet ever-shifting context in which it exists.

As the world changes at a faster pace than ever before, companies must change more rapidly as well. Yet the practices, structures, and behaviors at many large companies are not designed for such responsiveness. A century ago companies implemented such approaches because control, consistency, and predictability were top concerns; core competencies were cherished foundations to build on; and leaders viewed the world from inside the organization looking out.

To thrive today, however, companies must be able to detect external changes from the outside in and have a built-in fluidity so they can continually adapt. They need to focus on individual customers, make their core competencies dynamic, and rely on teams instead of a hierarchy — all by using the power of data and algorithms.

As we look back on a century of Harvard Business Review, we should also take time to look ahead — and recognize what the next iteration of a successful organization looks like.

Where the Organization Has Been

Since its founding, HBR has sought answers to fundamental questions such as these: What's the best way to organize a business? What is the right structure, and how should day-to-day decisions be made?

About a century ago Henry Ford had a world-changing answer to these questions. He built a business around top-down management and assembly line mass production. By standardizing his automobiles and the steps taken to manufacture them, he lowered the cost per unit across the entire end-to-end value chain. That innovation, combined with his decision to raise workers' pay to $5 per day, was adopted by other companies. This change drove industrial activity — making it possible for millions more people to own and enjoy everything from cars to Coca-Cola — and raised living standards around the world. Even as Ford's company grew, though, its structure remained the same: a hierarchy in which business decisions were made in the C-suite and functions reported up to the president and chief executive.

Alfred P. Sloan, Jr., CEO of Ford's major competitor, General Motors (GM), decided to pursue a new strategy by offering different makes and models of cars for every budget in a range of styles and colors. GM used consumer research to segment the market, but it always kept the focus on markets large enough to ensure the manufacturing would be cost-effective. To manage multiple products and brands, Sloan realized that GM needed a different organizational structure too — one with divisions that each had a top leader responsible for profit and loss (P&L).

After World War II, large companies became even larger as they extended their sales and production and built networks of suppliers (what we now call "ecosystems") in countries and even on continents other than their own. Many multinational corporations adopted a P&L organization structure to maintain control of their sprawling businesses.

In the 1950s, as industrial manufacturer General Electric (GE) prepared to adopt a P&L structure, it consulted with leading management thinker Peter Drucker, who pointed out that executives would need training to make the new system work. That led GE to create a 16-week course on how to be a general manager, birthing its now-famous training center in Crotonville, New York. Soon after, Harvard Business School created an Advanced Management Program course (which I taught for 30 years), and consulting firms created product lines around leadership training.

Companies continued to expand in size, breadth, and hierarchical levels, yet they also needed to coordinate across their existing structures. A host of companies — including TRW, Bechtel, Citibank, and Texas Instruments — began to use a matrix arrangement in which reporting relationships and accountability were shared across product, functional, and geographic structures.

In the 1990s, of course, the internet changed everything. Marc Andreessen co-created a browser that made the web useful for commercial purposes, coders began developing software and then algorithms to make decisions more quickly than humans can, and computer processing capacity became increasingly cheaper and more powerful.

Jeff Bezos saw the internet growing at 2,300% per annum, left his job at investment firm DE Shaw, and founded an online bookstore called Amazon, which has since morphed into not just the "everything store" but also the leading provider of web services to a host of other companies.

What Makes a Successful Organization, According to HBR Readers

An organization that not only delivers on customers' expectations today but also caters to their future, undiscovered demands.
— Sahil, Riyadh, Saudi Arabia

An organization is successful when people enjoy waking up in the morning to dedicate their skills and time to deliver the organization's value....Its purpose and outcomes are human- and planet-centric, desirable and responsible, and innovative and versatile.
— Daniela, Lisbon, Portugal, and Berlin, Germany

An organization that can satisfy a need in society and at the same time provides satisfaction to employees in terms of purpose, compensation, and challenge.
— Ricardo, Tijuana, Mexico

Understanding how people, process, and tech fit together, then enabling those for the benefit of the customer and society.
— Jessica, New York, New York, USA

A successful organization is one that considers all stakeholders in decision-making — employees, customers, the community, shareholders, and suppliers. The organization is not afraid to engage with stakeholders in two-way communications.
— Kimberly, Brooklyn, New York, USA

An organization works to help employees have the right balance between work and family time.
— Andrés, Bogotá, Colombia

Goal-driven, not trend-driven.
— William, Tokyo, Japan

An organization is successful when it can quickly adapt to give its workforce what it needs as society and the economy change.
— Ute, Holle, Germany

These are lightly edited responses to a survey that HBR editors shared with our LinkedIn group in July 2022.

Where the Organization Is Now

Bezos discovered early what every twenty-first-century leader should now know: We have entered an age of discontinuity in which breaks in the external world are deeper and more frequent, rendering prevailing organizational structures and practices ineffective, if not harmful. Successful organizations exploit those changes, as Amazon has since its inception, and take advantage of what's new.

Current realities make it imperative that companies shift in several ways:

1. From mass market to markets of one. Bezos recognized that an online retailer could offer far more choices than a local shop could, along with the convenience of delivery right to the customer's home — all at a lower cost. This kind of affordable personalization and service was a new value proposition. What's more, each transaction provided Amazon with data that its algorithmic engine could analyze to ensure that future offerings were better tailored to each consumer's preferences, needs, and desires, or what I call "markets of one."

Businesses that use technology to predict and personalize what a vast number of individuals want at low incremental cost can scale up and increase cash gross margins. Companies that don't make this shift will find it hard to compete.

2. From building on core competencies to routinely replacing them.
The conventional wisdom has been that companies should use their core competencies to sustain a competitive advantage. But in an age of discontinuity, this approach doesn't work for long.

Leaders of every company today must ask these questions: Given changing external realities, is this core competence becoming less important or irrelevant? Do we still need to expend resources to support it, or are there new competencies we need to build and shift resources toward?

Right now, for example, if you don't have a core competence in using algorithms, you will need to acquire or develop this capacity. Amazon eclipsed many retailers that were too slow to adapt, but now we see brick-and-mortar competitors such as Walmart building their data analytics and e-commerce capabilities.

Recruiting the right people and deploying them in ways that allow them to apply their expertise and energy are core competencies themselves and critical in the age of discontinuity. In an escalating war for talent, businesses that are the most skilled in acquiring and developing these competencies will have a distinct competitive advantage.

3. From hierarchical layers to a team-based structure. Nearly every company needs to reduce the hierarchical layers that have accumulated in their organizations over time and channel more work to teams.

The benefits of doing so are manifold. When teams include people who are on the front lines, the information flow is both faster and more accurate; with this increased speed comes greater flexibility to respond to customer and market changes. The improved flow of information also creates transparency that removes a lot of organizational politics and encourages collaboration.

Fidelity Investments, the financial services firm, recently restructured its personal investing group in a team format. Each team has a clear mission and much autonomy in how to accomplish it. The roughly 5,000-person organization now has just three layers below the president and operates at lower cost and with shorter cycle times for innovation. The control function that managerial layers used to perform is now done through software that generates detailed metrics. Reports are produced 24/7 and highlight any red flags in the data.

4. From inside-out to outside-in management. To keep a company competitive over the long term, leaders must know what is happening far beyond their own industry, geography, and existing customers.

Societal issues around sustainability, racial justice, and geopolitics affect many aspects of business, from strategy to the ability to hire the best talent. Today, for example, it is impossible to ignore the tricky issues raised by China's intermixing of business and the Chinese Communist Party, which has a presence in every major Chinese company.

Business leaders need a wide lens and a routine for detecting early-warning signals of external changes. Some leaders set aside 10 minutes in every team meeting to discuss any new dynamics people are observing, sometimes prompted by a newspaper article or an outside event. When leaders repeatedly ask, “What’s new?” — as Jack Welch used to do when he was CEO of GE — they can help the organization develop an awareness of subtle shifts that might indicate where things are heading. The goal of such vigilance is to get the organization ready for change so it’s poised to drop what won’t work in the near future and jump on new opportunities.

The Path Ahead

Amazon is not alone in its adaptation to the age of discontinuity, but it continues to lead the charge, always reinvesting in its future.

Others must choose: Adapt or die. Some may be getting a late start in developing technologically driven personalization, dynamic core competencies, flatter and team-based hierarchies, and an outside-in focus. In many industries and geographies, however, there is still ample opportunity to build the structures and processes that take advantage of the new external realities. As companies start on that task, they should recognize that the best way to organize and manage a business is always changing — and that the answers to fundamental questions may be very different 100 years from now than they are today.

This article was originally published online on September 19, 2022.

Ram Charan advises the CEOs and boards of some of the world's biggest corporations and serves on seven boards. He is the author or coauthor of 33 books, such as *Talent, Strategy, Risk: How Investors and Boards Are Redefining TSR* and *Talent Wins: The New Playbook for Putting People First* (both from Harvard Business Review Press), and four of which are best sellers.

Visualizing a Century of Management Ideas

How HBR's coverage has evolved over time. **by Tejas Ramdas, Raffaella Sadun, and Nicholas Bloom**

Published on HBR.org / September 19, 2022 / Reprint H07861

HBR Staff

Over the course of Harvard Business Review's century-long life, its articles have introduced leaders to new ideas and tools designed to keep them on the cutting edge of running a successful business. During this period, management has evolved from a relatively specialized trade discipline to a field characterized by an ever-increasing ambition to explain how organizations function and how they can be improved.

For the magazine's 100th anniversary, we decided to take a close look at the nature of HBR's coverage during its history, paying particular attention to patterns of change. The patterns we discerned, we felt, might serve as a revealing and interesting proxy for how the theory (and, to some extent, the practice) of management has changed during the past century. In particular, by studying which topic areas gained or lost traction over time, we hoped to shed some light on the evolving nature of the challenges faced by managers across the decades. Which managerial ideas have actually been most relevant for practice? Has the set of "relevant" ideas evolved over time?

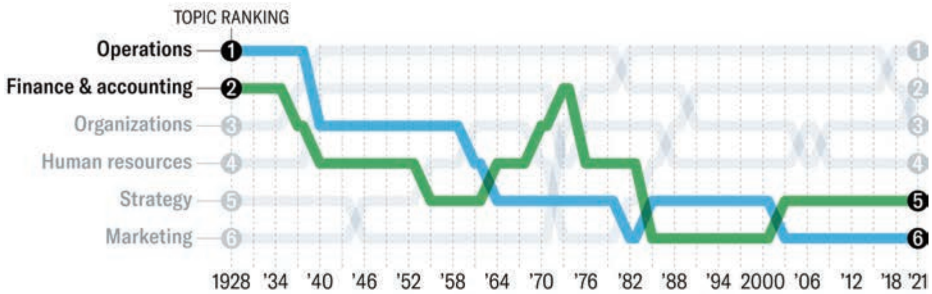
To perform our analysis, we first digitized every article that HBR published from its first issue, in 1922, to the last issue of 2021 — 14,777 articles in all. We then employed machine-learning techniques, statistical text analysis, and a healthy dose of our judgment to identify significant management terms, grouping them into six managerial topic areas: *finance & accounting, human resources, marketing, operations, organizations,* and *strategy.* (For more detail on our methodology, see here.) Together, these topic areas loosely correspond to the topics taught in the classic MBA curriculum.

In analyzing our data, we observed distinct changes in emphasis over the course of HBR's history. We've illustrated those changes in this animated time line. You can also see their evolution in the chart "A Century of HBR Topics."

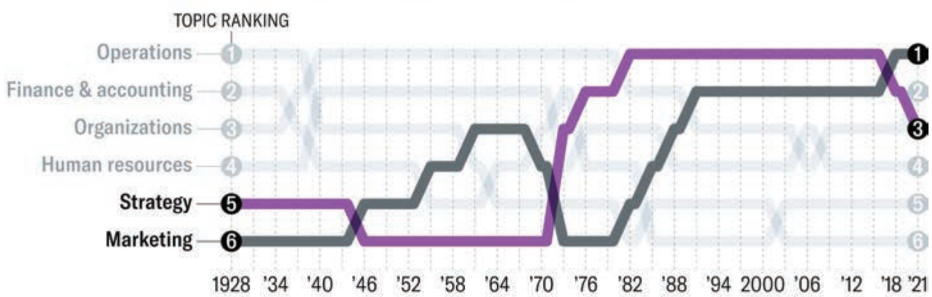
A Century of HBR Topics

A language analysis of every article HBR published from 1922 to 2021 shows three key patterns about which topic areas gained or lost traction over time.

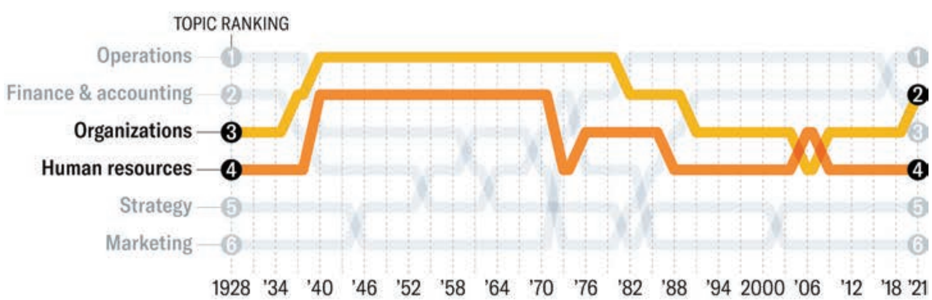
Pattern 1:
A decline in language relating to operations and finance & accounting.



Pattern 2:
An increase in language relating to strategy and marketing.



Pattern 3:
A steady showing of language relating to organizations and human resources over the decades.



Note: Because the information sourced for these charts derives from moving averages, the reporting begins in 1928 using calculations starting with 1922 data.
Source: Tejas Ramdas, Raffaella Sadun, and Nicholas Bloom

HBR

See more HBR charts in **Data & Visuals** on HBR.org.

As these illustrations show, we found three main patterns in our analysis: an early preponderance of language relating to *finance & accounting* and *operations,* followed by a steady and gradual decline; a steady and substantial increase in language relating to *strategy* and *marketing;* and a persistent and substantial share of language relating to *organizations* and *human resources* (HR).

These findings suggest that HBR has gradually shifted its focus away from the tangible aspects of management, such as how to allocate financial resources or organize production, and toward the intangible ones, such as how to build a sustainable strategy or develop a valuable customer experience. This pattern is consistent with what other scholars have found when studying the evolution of management ideas in the past century. In studies published in HBR and elsewhere, scholars have documented the growing demand for leaders with strong social skills (as opposed to just technical, administrative, and financial expertise) and the increasingly important role that intangibles are playing as drivers of value creation at the macroeconomic level.

We also found that HBR's coverage fell into three main chronological periods. In its first few decades, the magazine focused most of its attention on concepts relevant to manufacturing and other large, capital-intensive industries and on the financial, operational, and organizational challenges they present. Aspects of management relating to the workforce came to the fore in the 1940s, as did the subject of collective bargaining, reflecting the growing importance of unions in mediating this relationship. Key terms during this period, and their corresponding categories, include:

1920s: Cost accounting (*finance & accounting*); industrial relations (*organizations*); inventory control, mass production (*operations*)

1930s: Capital structure (*finance & accounting*); brand (*marketing*)

1940s: Human resources (*human resources*); collective bargaining (*organizations*)

From the 1950s to the 1970s, HBR gradually shifted its attention toward new aspects of production — notably quality control — and began to focus on organizational structure, possibly reflecting the importance of conglomerates. The magazine's focus on HR also evolved, with more coverage of how firms could relate to employees rather than to organized labor. In the 1960s and 1970s in particular, important new topics emerged in personnel management, finance, and technology. Key terms, and their corresponding categories, include:

1950s: Interpersonal relationships (*human resources*); organizational structure (*organizations*); quality control (*operations*); customer behavior (*marketing*)

1960s: Performance appraisal (*human resources*); options (*finance & accounting*)

1970s: Corporate governance (*finance & accounting*); information systems (*operations*)

In recent decades (the 1980s to 2021), HBR trained its attention on competition and strategy (especially in the 1980s) and on customer-centric marketing ideas. In the 1990s a new focus arose on the role of innovation, especially disruptive innovation, and on new structured managerial approaches to maximizing operational effectiveness and control, among them Six Sigma and the balanced scorecard. Similar trends were apparent in the 2000s and 2010s, with new managerial frameworks for strategy coming into play. Both marketing and innovation as a form of strategic differentiation grew consistently in importance. Key terms, and their corresponding categories, include:

1980s: Customer satisfaction, marketing strategy (*marketing*); competitive advantage, strategic management, strategic planning (*strategy*)

1990s: Balanced scorecard (*finance & accounting*); Six Sigma (*operations*); disruptive innovation, core competency (*strategy*); market segmentation (*marketing*)

2000s: Risk management (*finance & accounting*); value chain, blue ocean strategy (*strategy*)

2010s: Customer experience (*marketing*); open innovation, value proposition (*strategy*)

Of note in this time line is a gradual increase in HBR's coverage of marketing over the years and the explosive emergence of strategy. We also see coverage moving away from generic topics and toward specific managerial frameworks and ideas — for example, from mass production to Six Sigma in *operations*, from cost accounting to the balanced scorecard in *finance & accounting*, and from brand to market segmentation in *marketing*. One way to interpret these changes is that HBR, and perhaps the management discussion more broadly, has increasingly shifted its attention toward pragmatic ideas with immediate applicability within organizations.

It's likely that many factors have helped bring about this shift. Organizations have grown bigger, more diverse, and more complex, requiring different kinds of leadership and management. New technologies have arrived, changing how and where work can be done.

The role of managers has changed dramatically. And management science itself has matured: Many of the financial and operational questions that once dominated the attention of leaders and scholars are now, for better or for worse, perceived to be less topical. In their place have arisen new questions, such as how best to adapt to organizational complexity, globalization, the diversification of the workforce, and the advent of remote work.

As HBR moves into its second century, we look forward to finding out what guidance it will offer companies and leaders as they grapple with these questions, and others that have yet to come to the fore.

This article builds on ongoing work conducted with Michael B. Christensen, M.J. Yang, and Jan Rivkin.

This article was originally published online on September 19, 2022.

Tejas Ramdas is a PhD candidate in statistics and management at Cornell University.

Raffaella Sadun is the Charles E. Wilson professor of business administration at Harvard Business School.

Nicholas Bloom is a professor of economics at Stanford University.

What Is a Good Job?

It's where you feel seen for being the best version of yourself.

by Marcus Buckingham

Published on HBR.org / September 19, 2022 / Reprint H07863

Greg Mably

Have you ever listened to a gruff, bald entrepreneur wax lyrical about the crystalline shape of a chandelier? I have, as part of what I call my Love and Work Research Road Trip. Whether I'm at yoga, out to dinner, or on an errand, if I see someone excited about work or evidence of this excitement in my surroundings, I get supercurious. Who did this? How did they get into this job and line of work? Do they feel as much magic in their work as I do on the receiving end? One of my colleagues knew all about my Research Road Trip and suggested we visit the downtown San Diego restaurant Herb & Wood. I took in the sight of the massive marble bar, the ultrahigh wood-beamed warehouse ceilings, and the large brick fireplace encircled by giant palm fronds, then sought out the owner, Chris Puffer, to discuss chandeliers and much more.

Musician, college dropout, dishwasher, kitchen manager, entrepreneur, experience-maker — once I got Chris talking, it was hard to get him to stop. He talked about how the blue in the pictures on the wall is similar, but not quite identical, to the blue leather of the banquets, and how the marble of the bar is thicker than most stone cuts because customers just feel happier and safer sitting at a thick piece of stone. Chris finished his thesis about marble thickness and dove into a treatise on the psychology of entrance design and why the precise position of his host stand makes customers feel smarter.

Chris clearly loves his job. But does that mean his job is a good one? And does it matter?

There's been a lot of talk lately about our changing relationships to our jobs. Some have said the pandemic has forced us to confront the brevity of our lives and the need to devote ourselves to work that "really matters." Perhaps this is why around 4 million people in the United States quit their jobs in most months in 2022 so far: to find more-meaningful work.

Others have said that work has this name for a reason. Work is toil, a transaction, a place you'd rather not be and something you'd rather not be doing. You are paid for your time and talents. Employers often view workers' efforts as a transaction as well, echoing a lament attributed to Henry Ford a century ago: "Why is it that whenever I want a pair of hands, I get a human being as well?" Many experts — Douglas McGregor, Jane Jacobs, and Warren Bennis, to name a few — have sought to weave "human" characteristics into life and work. Work is still seen as so degrading, so destructive to the human experience, however, that, as I write this article, the United Kingdom is conducting the largest study ever done of the psychological effects of a four-day workweek, based in part on the view that because work is so bad, fewer hours of it must be good.

History informs our ideas about a job's purpose, too. At the turn of the previous century, for example, Max Weber's conception of the Protestant work ethic reinforced that all work is good work because our work displays our commitment to values such as discipline and dedication. Then, two world wars not only brought millions of women into the workforce but also reminded us that good work helps a nation prevail against its enemies. Eminent management consultant Peter Drucker was more pragmatic, saying that a good job adds to a firm's stated objectives.

So, what *is* the definition of a "good" job? When I worked as a researcher at Gallup, we began with a simple, practical, and noncontroversial definition: A good job is one where you feel you are paid fairly for, and really good at, what you do.

With this in mind, what does research tell us about who has a "good" job, as well as what characteristics of a job can make a worker view it as such?

HBR Readers on What Good Jobs Look Like

Reliability and security.
— Shewanthi, Melbourne, Australia

When employees are treated as people and not simply "human capital."
— Thomas, Kerrville, Texas, USA

One that makes you smile both when you wake up and go to sleep.
— Max, Amsterdam, Netherlands

One that gives you space to make things happen — and incentive to maintain passion.
— Andrés, Bogotá, Colombia

A good job motivates you to be better every day, gives you the ability to balance your time, pays you well enough to cover your bills, and gives you room for upward mobility.
— Seraphine, Nairobi, Kenya

Any job where you start the first day in a panic and you truly believe there is no way you can do this work. Otherwise, you will soon be bored and therefore completely ineffective.
— William, Tokyo, Japan

Autonomy, transparency, and clarity.
— Sriya, Abu Dhabi, United Arab Emirates

Empowerment, room to grow, a ladder to climb up, good management, and a healthy compensation package.
— Aleya, Dhaka, Bangladesh

One that you find fulfillment in and that makes you want to jump out of bed every day because you can't wait to do the work.
— Belinda, Phoenix, Arizona, USA

These are lightly edited responses to a survey that HBR editors shared with our LinkedIn group in July 2022.

Who Has a "Good" Job?

Data from the ADP Research Institute (ADPRI), where I've been the head of people and performance research since 2017, tells us that someone considered to have a good job likely matches this description: *You are a California woman between the ages of 40 and 54 and have a four-year college degree. You work in construction and related trades, are a middle manager who has been with your company for more than eight years, and* *are allowed to split your work hours between home and the job site. No one in your family, including yourself, has had Covid-19.*

“Well, OK, Marcus,” you might say. “That’s just math. Surely there is more to figuring out who has a good job than just running a regression analysis against the dependent variables of ‘paid fairly’ and ‘good at what I do.’”

The stats can be revealing, though they don’t tell the full story. For example, if you use our simple definition, the people *least likely* to have a good job are teachers and nurses — the people caring for our kids and sick loved ones — who are younger than 40 and work on-site full-time. I think we can all agree that these workers, and the people they serve, deserve better.

What else does research reveal about who has a good job? Longitudinal and global ADPRI survey data offers more insight for answering this question — using stratified random samples, we do a monthly survey of 2,500 U.S. workers each month and a global study of 27,000 workers in 27 countries twice a year.

Perhaps predictably, you are more likely to feel you have a good job if you are male because men, particularly those under 40, report lower levels of discrimination and higher levels of job security than the average worker. Some women, however, say they have a good job; those who feel they are paid fairly fall into this category, and our data reveals that women are *more* likely than men to feel they are paid fairly, even though, on average, U.S. women earn 83 cents on the dollar compared with men. Women also report higher levels of confidence in their company’s future, a key aspect of the definition of a good job. In these cases, gender isn’t a predictor of whether people believe they have good jobs.

Being a member of a racial minority group, though, can hinder your feeling that you’re in a good job — with caveats. According to our global surveys, individuals from racial minority backgrounds experience levels of discrimination five times higher than what other workers report — which is real, and wrong — but, interestingly, they are *more* likely to feel engaged and resilient than workers who are part of the racial majority. This is an entire area of work that deserves more study and careful measurement, but for now, what’s apparent is that the feeling of having a good job isn’t tightly or neatly tied to a person’s race or gender.

Instead, with closer scrutiny of the data, it appears that for many workers, their perspective on whether their job is a good one is influenced by not only the job itself but also their personal experience in that position.

A Good Job Defined

During my time at Gallup and ADPRI, I’ve used the surveys we conducted about work to examine how workers’ feelings drive retention or productivity. Using the data we’ve gathered, I’ve extended the simple definition of a good job that I mentioned earlier, because the idea of a good job as merely a transaction where you’re good at what you do and paid fairly is surely incomplete, even cynical. For many of us, work can be one domain — though certainly not the only one — in which we express our unique strengths and are seen for the very best of who we are.

Let’s consider a new and more nuanced definition that covers traits that can be reliably measured by survey instruments: A good job is one where you feel seen for being the best version of yourself; you sense that your colleagues have your back; you don’t feel discriminated against based on your gender, race, or sexual orientation; you feel your position is secure; and you have confidence that you'll get help navigating constant changes in the working world.

If you want a job that meets these criteria, make sure you are part of a team with a leader you trust. The likelihood that you will actively look for a new job increases dramatically if you report lacking both a team and trust. (So, to all those predicting that the job of the future is one where we are all a bunch of self-employed free agents — sorry, I'm afraid the data doesn't support this.) A good job *always* appears to be one where someone is part of a trusted team. If you happen to be one of the 16 million self-employed Americans, the more intentionally you cultivate a feeling of being on a team with clients and vendors, the more likely you are to feel you have a good job.

Interestingly, however, being part of a team isn't a cure-all. Those who say they are part of multiple teams are *less* engaged, resilient, and emotionally connected to their colleagues. The stress of having to answer to many bosses and competing priorities can add tension and anxiety to workers' lives, making them more likely to leave a job. This should give pause to all of us building or working in highly matrixed organizations.

A good job can also be stressful, which may seem counterintuitive. In our research, however, we split stress into two buckets: eustress (a type of psychological stress that's moderate and beneficial) and distress. To measure eustress, we ask workers questions such as "Do you have trouble stopping thinking about work?" and "Do you often lose track of time while working?" To evaluate distress, we ask, "Do you leave work feeling you have nothing else to give?" or "Do you feel your family suffers from you having no time for them after work?"

When you feel lots of eustress (you are excited about and a bit obsessed with work and can't stop thinking about it) and are devoid of distress (you don't feel drained by each day and disconnected from those you love due to work), you have all of the feelings listed in our definition of a good job: You are more likely to feel your strengths are seen and valued, you're more resilient and connected to your colleagues, and you're less likely to say you're actively interviewing for a new job.

Even though they lead to radically different outcomes, these two forms of workplace stress seem confusingly similar. What's the difference between them?

Passion for the Work

Think back to Chris Puffer. He was obsessed with chandeliers, blue paint, the thickness of the marble, and the location of the host stand — so obsessed that he'd created an entire theory of restaurant experience psychology. Wherever I am on my Research Road Trip and whomever I am interviewing, I hear this obsession, this passion.

It's not merely a passion about the purpose of the work, though Chris loved taking care of guests; more accurately, it is passion for the detailed day-to-day activities of the job, such as figuring out chandelier shape, marble thickness, and the location of the host stand.

All jobs, even those that can seem repetitive and monotonous, are full of specific moments, tasks, and interactions that can provide energy. Different people who have the same job draw energy from different activities. I interviewed one great salesperson, for instance, who loved learning the technical details of a product, while I met another who got the biggest kick out of figuring out each prospect's "closing cues." One anesthesiologist reveled in the pressure of holding a patient hovering between life and death, while another was in her element only immediately after a procedure, when she could find just the right words to calm a patient.

A good job is not one where we love *all* that we do. ADPRI has no data that shows this to be the case, as people who love their jobs report loving 73% of the job — clearly not all that a job requires. Instead, a good job has at least some activities you love and pay attention to each and every day. People who have a job involving such activities are 4.4 times more likely to be engaged, 3.8 times more likely to be resilient, 1.5 times less likely to experience discrimination, and 2.3 times less likely to be interviewing for another job.

The fact that Chris gets a kick out of certain activities in his job is what makes it a good job — not for you and me, perhaps, but certainly for him.

What Does the Future Hold?

Given what we know about what makes a good job and who usually has one, what does the future hold for ensuring more people have what they consider good jobs? I am optimistic about where we're headed, for a few reasons.

First, while the question of whether robots will take our jobs (so to speak) is complex, the best-case scenario is that this evolution will free us up to do work that's uniquely human and to build jobs that only humans can do well — those that require us to innovate, create, build trust, empathize, calm, collaborate, joke, touch, feel, and share feelings.

Second, while we still have work to do to ensure more women and individuals from minority backgrounds feel as positively as white men about work, and to get better at creating great teams and feelings of eustress, these topics are now on the radars of leaders and managers alike — which can lead to essential and lasting changes.

Finally, there will always be companies that echo Henry Ford's complaint and whose leaders insist on designing loveless jobs built around conformity and requiring managers to spy on employees. But I believe these companies will always lose out to organizations that reject this antihuman approach to work. Winners will rely on automation to pick up the inhuman tasks, then create jobs in which people are challenged to do their best: to pay attention to details that excite and nourish us and, with our trusting teams, use what we've learned to innovate, collaborate, and contribute.

This article was originally published online on September 19, 2022.

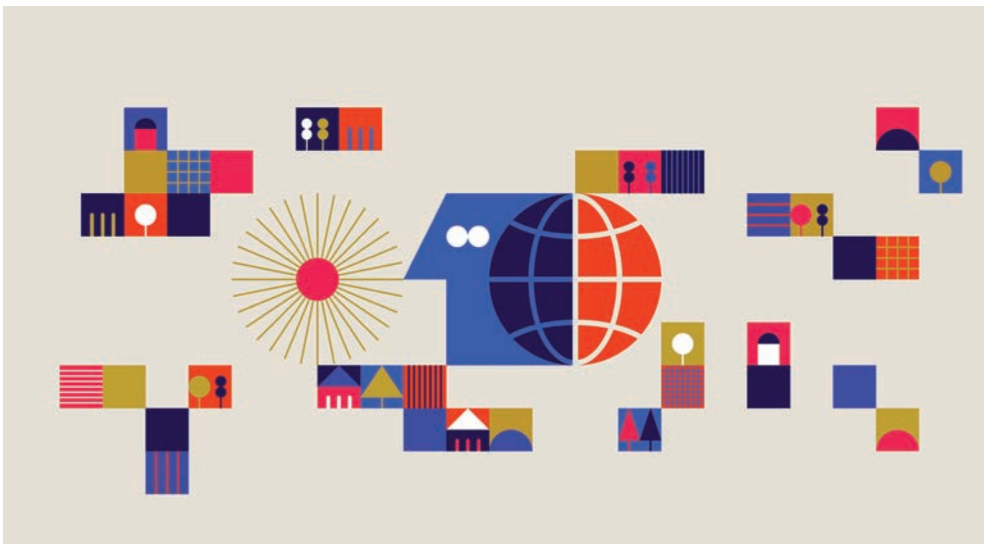
Marcus Buckingham is the head of people and performance research at the ADP Research Institute and a coauthor of *Nine Lies About Work: A Freethinking Leader's Guide to the Real World* (Harvard Business Review Press). His most recent book is *Love + Work: How to Find What You Love, Love What You Do, and Do It for the Rest of Your Life* (Harvard Business Review Press).

What Role Should Business Play in Society?

We must reconsider how value is created in capitalist economies.

by Mariana Mazzucato

Published on HBR.org / September 19, 2022 / Reprint H07865



Greg Mably

The private sector is often considered to be the heart of wealth creation and innovation — the late 1990s and early 2000s success story of Silicon Valley being a prime example. In this model, shareholder value is seen as the ultimate measure of a company's success. Indeed, the idea that businesses are the most productive actors in the economy has served as a convenient justification for high incomes and great wealth.

Today, however, many businesses also claim to be purpose-oriented; they are not just wed to *shareholder* value but are dedicated to creating *stakeholder* value. This concept, which has been floating around business schools and corporate boardrooms for decades, argues that the public sector, local communities, philanthropy, labor, and others should all be part of, and benefit from, business decisions. It has opened a door to a world in which considerations beyond the interests of investors and corporate leaders are possible and in fact necessary.

And yet stakeholder value has largely followed the same fate as corporate social responsibility (CSR) and environmental, social, and governance (ESG) frameworks: Its transformative power has been watered down and hollowed out by overuse and underaction. It's been value-washed. If we are to walk the talk of true stakeholder value, we must reverse two key trends: the financial sector's propensity to invest in itself, and businesses' prioritization of stock buybacks. As those trends are reversed, companies and governments must embrace a new way of creating and distributing value, and that will transform society.

Why Stakeholder Capitalism Has Stalled

When companies talk about providing stakeholder value, they usually frame it as a means to an end — stakeholder engagement as a productive and moral way of increasing shareholder value in the long run. But those efforts don't go far enough, for two reasons.

First, the financial sector continues to invest largely in finance, insurance, and real estate (FIRE) — in other words, in itself instead of in things like infrastructure or innovation. For example, the glut of loans in the system — which only increased during the Covid-19 pandemic — has brought the amount of private debt, and especially household debt, to record levels. And because household consumption has outpaced the rise in disposable income, finance has bridged this gap with credit — furthering the financial sector's expansion. Rents and interest payments have increased, promoting the concentration of income and wealth in the financial sector and in the hands of the most wealthy. But to build a truly multistakeholder approach, the financial sector must be transformed in a way that creates value for everyone.

Second, companies outside financial services, such as those in manufacturing, are spending more on share buybacks and dividend payouts than on human capital, machinery, and R&D. While buybacks boost the stock price in the short term, the repurchasing of a company's own stock reduces its means for reinvestment into its capabilities and hampers productivity over the long term. Even the 1% tax on share buybacks that was recently signed into law in the United States is unlikely to put an end to the buyback mania.

The combination of these two factors puts most people in society at a disadvantage. The insufficient redirection of finance toward the real economy and labor continues to widen the divide between those that hold capital and those that do not. For example, because CEO pay is often heavily dependent on share price performance, share buybacks are one factor behind the rise in the ratio of CEO pay to workers' income. It is the lack of reinvestment — not robots and AI, as it is often claimed — that threatens jobs most. The prioritization of shareholder value and executive pay, accomplished through share buybacks, is an *active* choice not to distribute the value created to wage earners.

These trends make it hard to argue that social purpose is really at the core of the private sector. Although there has been much talk about the social goals and responsibilities of businesses, the value they create has not been distributed to all. This is because the core elements of shareholder-oriented business plans and investment strategies remain untouched.

Rethinking How Value Is Created

To truly rethink the role that business should play in society, companies and governments need to radically reconsider how value is created in our capitalist economies: who creates it, who extracts it, and what happens when extraction is rewarded over creation. A true commitment to stakeholder value requires more than words, gestures, or speeches of goodwill. It requires purpose to be put at the center of how value is defined in firms and in governments.

In my book *The Value of Everything: Making and Taking in the Global Economy*, I argue that we need to stop confusing value with price and instead recognize the collective efforts that go into value creation. The sharing of rewards must occur among all value creators: public institutions, private institutions, and civil society. Otherwise, we end up socializing risks and privatizing rewards.

This dysfunction is visible in many sectors. The U.S. pharmaceutical industry is a good example. While the investments in drug innovation come from publicly funded research labs, philanthropies, and of course businesses, the largest pharmaceutical companies are the ones that benefit the most financially. The taxpayer-funded National Institutes of Health invests more than $40 billion a year in drug innovation, but the high prices of drugs do not reflect that — indeed prices can be as high as the market will bear. Nor do intellectual property rights reflect that: They are too wide (including publicly funded research), too strong (hard to license), and too upstream (preventing further innovation). And the most prominent measure of an economy's health and size — GDP — does not recognize the value of essential public services like free health care, only its costs. The system is designed so that private profit is essentially prioritized over public value.

To change, we need inclusive funding and governance structures that spur mission-driven investments that are *not* centered around shareholder value but around a true common good. I call this a *mission economy* — one that brings private purpose and public missions together. This is not about top-down steering but about setting a clear direction of travel and crowding in those who are willing to innovate toward common goals. This requires not loose talk about partnership but a fundamental redesign of the contracts involved to be truly symbiotic. It allows for citizens, workers, and community organizations to partake in the financial and political operations and outcomes of capitalism. National and transnational economies need a new social contract between the state, capital, and labor to promote equality of opportunity, social justice, and a fair distribution of resources.

An excellent example of what this can look like is NASA's Apollo program, a purpose-driven partnership between a capable public sector and a willing private sector that got a crew of astronauts to the moon and back. The difficult mission was completed through a massive amount of collaboration and the collective intelligence of 400,000 people — and through a carefully designed contract between the U.S. government, for-profit businesses, and research institutions. Procurement went from being cost-plus to a fixed price with incentives for quality improvement. And a "no excess profits" clause was included, making sure space would not become a casino that overcharged contractors and rewarded inefficient management. This last piece was crucial because it meant that *all* contributors should earn rewards, not just a few in "excess" of the value actually created.

The Apollo mission also illustrates what governments as pioneering risk-takers can look like. The project was not just an innovation in aerospace but also in materials, electronics, nutrition, and software — and additional economic value was created from that innovation rather than from an ex ante obsession with efficiency. Camera phones, foil blankets, baby formula, and software were just some of the hundreds of spillover innovations that we still benefit from today. Without Apollo-based technologies we wouldn't be able to swim in chlorine-free pools or receive treatment in cases of cardiac arrest.

In the context of the current challenges we face, such as the climate and the cost-of-living crises, there is little political appetite for publicly funded programs on the scale of Apollo. Indeed, most space launches have moved to the private sector. The point, however, is not about bringing back public spaceflight programs but about building a public sector that is equally capable of tackling today's grand challenges.

HBR Readers on the Role of Business in Society

The role of business in society is that of a lending hand. A business should not treat people in society like they do not count. Do for them as they have done to you.
— Ajala, Abuja, Nigeria

Make a better and enjoyable life.
— Mohamed Saad Tantaoui, Safi, Morocco

To generate employment and keep cash flowing.
— Sarthak, Delhi, India

Business's role should be to improve the standard of living. It should be working for the greater good of the society — and be equally committed to the environment.
— Mariam Susan Cherian, Kochi, India

To create a better answer to society's challenges.
— Mohammed, Saudi Arabia

To ensure society's operational functionality — and progress — while contributing to a financial foundation that allows people to live according to

their values.
— Wilhelm, Gothenburg, Sweden

These are lightly edited responses to a survey that HBR editors shared with our LinkedIn group in July 2022.

The Next Stage of Creating Value

While Apollo serves as a great example of the impact public missions can generate with private business, contemporary challenges are of course more complex — they require not just technological change but also social, regulatory, and behavioral shifts. There is no straightforward way to approach most problems we are facing today. We cannot solve our way out of the climate crisis or inequality through new technologies alone. These problems are socioeconomic in nature, raising questions about social justice, economic security, and political stability. Global cooperation and a clearly defined industrial strategy are necessary to tackle these problems in a coordinated way. At the same time, to successfully cooperate across regions and industries, decentralized governance structures within the projects themselves can incentivize bottom-up innovation. This is quite different from NASA's centralized mandate in the case of the space race.

Asking three questions can help businesses and governments create and distribute public value equally to help tackle the grand challenges of our time. Some of these are directed more toward businesses than governments, and vice versa, because both have important roles to play.

What should we create? Governments and businesses don't need to start from scratch. A good starting place is the 17 Sustainable Development Goals (SDGs) from 2015 — concrete goals that have been signed onto by more than 100 countries. Neither the public sector nor the private sector alone can solve the 169 targets related to those goals, such as reducing the rate of youth unemployment or doubling the global rate of improvement in energy efficiency. Governments in particular can use the goals to set missions that require many different organizations to invest in and innovate around.

Sweden provides an insightful example of how the SDGs can serve as a starting point for mission-driven partnerships between the public and private sectors. In line with SDG 11, "make cities and human settlements inclusive, safe, resilient and sustainable," Sweden made a large investment in green technology and infrastructure. A project initiated by the government-commissioned Council of Sustainable Cities aims to increase knowledge in sustainable urban development and to promote dialogue and collaboration with artists, residents, businesses, and nonprofit organizations at national, regional, and local levels. By engaging in conversations about key proposals, for example, the council gave residents a direct stake in their community's development. These conversations uncovered new areas of cooperation between the Council, the residents, and the for-profit companies involved in each project.

To date, this initiative has given the council a broader spectrum of competencies to tackle the capital-intensive and bold missions the private sector would not be able to shoulder alone. The same mission-oriented approach could be used for other SDGs and regions: a strong direction set by governments to solve a problem, which purposeful organizations and residents then tackle together.

How should we evaluate social impact? Governments need to evaluate the organizations they fund and partner with based on whether their actions will result in concrete successes for the highest number of people — across different firms, sectors, and countries. In other words, policy needs to be designed not to pick sectors or technologies as "winners" but to pick the *willing* by providing support that is conditional on companies moving in the right direction.

This requires dynamic tools of evaluation that capture the wider implications of investment and strategy, moving beyond static cost-benefit analyses. Public value mapping, a qualitative policy-evaluation framework, is a useful approach to assess whether a project or investment is contributing to previously defined societal goals or not. Setting immediate milestones allows for reflexive evaluations of ongoing projects. Continuously tracking the progress of a mission also enables agencies to stop funding failing projects early on. Like any other investor, the state will not always succeed; failure is inevitable. Through a diversified portfolio, however, the returns of successful investments can compensate for the unavoidable losses.

To accomplish this, governments should worry less about handouts and more about using instruments like procurement and prize schemes to incentivize the bottom-up solutions they need from companies. And intellectual property rights should stop being used to extract rents through more exclusionary models of patenting: To promote innovation, they can be narrower and weaker and thus easy to license.

In companies, this process should be about taking concrete steps to help solve problems with government partners and citizens in ways that are mutualistic, not parasitic. To ensure that value is not extracted easily and shamelessly, for example, organizations need a new way to govern innovation systems and the innovation spillovers that result from public investment.

How should we share? Answering this question is necessary for an equitable partnership between the public and the private sector. As Warren Buffet says, "[S]ociety is responsible for a very significant percentage of what I've earned." William H. Gates Sr. echoes that sentiment: "Success is a product of having been born in this country, a place where education and research are subsidized, where there is an orderly market, where the private sector reaps enormous benefits from public investment." But what has been more difficult for people in the business community to acknowledge is how these collective efforts require the sharing of rewards, not only risks.

One solution involves governments keeping more of the returns from the upside of projects to cover the downside losses that risk-taking requires. Indeed, when the U.S. government provided approximately $500 million in guaranteed loans to Tesla and Solyndra, it ended up bailing out the failed Solyndra while not getting a penny from the successful Tesla. Rather than stipulating that the government would get 3 million shares if the loan was not paid back, the agreement should have been the opposite: The government would get shares if the company was successful *and* paid back the loan. The government would have earned more than enough to cover the Solyndra loss as well as the next round of investment.

This kind of "entrepreneurial state" thinking is precisely why Israel became a "startup nation," with public venture-capital entities like Yozma viewing their role not as lenders of last resort but as active investors of first resort. This, of course, requires in-house capabilities that are missing in most governments. But they can be created by investing in the training of the civil service instead; the trend of massive outsourcing has hollowed out government capacity.

• • •

Too often, companies benefit from public investments in the form of subsidies, guarantees, loans, bailouts, or procurement agreements that have no strings attached. These are missed opportunities for governments and businesses to successfully work together in creating and distributing collective value, shaping innovation, and achieving economic outcomes that align with their missions.

We need a new social contract that recognizes that the revolutionaries and innovators of our time are not only situated in Silicon Valley or New York boardrooms. There is not one form of capitalism. Whether capitalism does "good" or "bad" things in society depends on the concrete configurations of business models, institutions, and structures of government that constitute the system. Instead of only talking the talk of shareholder value, businesses should walk the talk by building a truly cooperative model of multistakeholder capitalism, sharing the rewards of collective value creation.

This article was originally published online on September 19, 2022.

MM

Mariana Mazzucato is a professor in the Economics of Innovation and Public Value at University College London, where she is the founding director of the UCL Institute for Innovation and Public Purpose (IIPP). She is the author of *Mission Economy: A Moonshot Guide to Changing Capitalism*.

@MazzucatoM

How HBR Has Covered Women and Business

From articles on "Successful Wives of Successful Executives" to "Women Rising: The Unseen Barriers." **by Colleen Ammerman and Boris Groysberg**

Published on HBR.org / September 19, 2022 / Reprint H07867

An office pool in the late 1950s. George Rinhart/Corbis via Getty Images

When Harvard Business Review was established in 1922, it went without saying that managers — who were seen as the magazine's core readership — were men. The notion that significant numbers of women might hold higher-status roles in business, or might be readers of the magazine, seemed unthinkable. Starting in the 1950s, however, the magazine began paying attention to the growing role that women were playing in management due to shifts in the law, corporate policies, and social norms. Today HBR writes for readers of all genders, and it regularly publishes articles that address such management concerns as gender bias and discrimination, work-life balance, and diversity, equity, and inclusion.

While researching our 2021 book, *Glass Half-Broken: Shattering the Barriers That Still Hold Women Back at Work,* we took a careful look at how HBR has covered women and business over the years. This article, which is adapted from a Harvard Business School case study that we wrote on the topic, traces the ways in which the magazine's approach has evolved. In the 1950s, articles mainly discussed whether female managers would ever be fully accepted and, on one occasion, how wives should help advance their husbands' careers; in recent years, it has included in-depth explorations of such questions as why women still get promoted less than men and what forms of subtle discrimination they still face.

[1953–1964]

The Early Years: New but Narrow Paths

A woman loads punch cards and two men view a printout from an IBM accounting machine in Cleveland, Ohio, in February 1951. Underwood Archives/Getty Images

In 1953 HBR took up, for the first time, the topic of women in business. For their article "Opportunities for Women at the Administrative Level," Frances M. Fuller and Mary B. Batchelder (the first two women to have bylines in the magazine) interviewed 47 women and 128 men at 95 organizations across the United States. What opportunities were there, the authors wondered, for women who were better educated than most of the women of their time? And how were they received by the men who would have to hire them?

The authors struck a hopeful tone in their introduction, citing the growing number of women in the labor force, but they reported that even those interviewees — both men and women — who were "enthusiastic about women's capabilities" didn't see their opportunities as extending to the top of the corporate hierarchy. In fact, the authors found that even when women were doing the same work as their supervisors, their jobs were classified as "clerical." As one woman complained, "We do the same work but the men get the titles."

The authors went on to document various beliefs about women's lesser aptitude and appetite for professional work. Such views, they noted, were "contradictory and can be 'proved' or 'disproved' by numerous examples" but were also "a powerful force in determining a woman's career." The question of likability was also top of mind. "No matter how much technical skill a woman exhibited on the job," the authors wrote, "the final evaluation of her tended to be in terms of her *behavior*. 'Do people *like* her or don't they?'"

This article anticipated decades of research on barriers to women's career advancement, making HBR a pioneer in the discourse about women in the workplace. However, it would be more than 10 years before the magazine would again turn its attention to working women — and in the interim, in 1956, the magazine published "Successful Wives of Successful Executives," by W. Lloyd Warner and James C. Abegglen, a primer for how wives could help advance their husbands' careers. "It is the task of the wife," the authors wrote, "to cooperate in working toward the goals set by her husband. This means accepting — or perhaps even encouraging — the business trips, the long hours at the office, and the household moves dictated by his business career." As for the husband, they wrote, "He may meet someone who conforms more closely to the new social standards he has acquired while moving socially upward; he may discard his wife either by taking a new wife or by concentrating all his attention on his business."

By the beginning of the 1960s, such ideas were rapidly becoming outdated. Women were making meaningful inroads into the professional workforce, and the national conversation about gender roles was changing. Harvard Business School began admitting women into its full MBA program in 1963, and in 1964 the Civil Rights Act prohibited sex discrimination in employment.

[1965–1979]

Changing Times: Women's Opportunities Widen — Somewhat

Unemployed women look at job vacancies at the first self-service office opened by the London Department of Employment, in May 1971. Fox Photos/Getty Images

In the mid-1960s, in light of the enormous policy changes ushered in by the Civil Rights Act, HBR conducted a survey similar to Fuller and Batchelder's in 1953, only larger. This time it involved 2,000 executives — 900 women and 1,100 men.

The resulting article, "Are Women Executives People?," by Garda W. Bowman, N. Beatrice Worthy, and Stephen A. Greyser, probed the extent to which gender stereotypes determined the career paths of women in nonclerical roles. Many of the men interviewed categorically opposed the prospect of having more women in management positions: The article reported that 41% were "anti-woman executive in principle," and 51% believed women to be "temperamentally unfit for management." Amid these attitudes, the women interviewed were reasonably optimistic — only 47% were "of the opinion that the business community will never wholly accept women executives" — but they agreed with their male peers that only unusually capable women could prevail. Ultimately, the article concluded that women in senior positions should not focus on combating discriminatory practices in their companies. "When women act like people, ask no special privileges, and display no undue temperament," the authors wrote, "they are more likely to be treated like people."

In the years that followed, the magazine began to more forcefully critique discrimination and encourage business to evolve. Public discourse and federal policy also took a harder line. Feminist advocacy groups like the National Organization for Women were bringing attention to employment discrimination, and in 1972 the passage of the Equal Employment Opportunity Act gave teeth to the enforcement provisions of the Civil Rights Act. In 1973, AT&T, then the nation's largest private employer, paid millions in back wages and pay increases to white women and employees of color to rectify discriminatory recruiting, hiring, and promotion practices.

Throughout the 1970s, HBR explored the consequences of the Equal Employment Opportunity Act. One article, titled "How GE Measures Managers in Fair Employment," by Theodore V. Purcell, described a successful initiative at General Electric to increase the proportion of women and racial minorities in managerial and professional roles. Less sanguine was “EEO Compliance — Behind the Corporate Mask,” written by Frances Lear, the female founder of an executive search firm, which argued that many companies, while paying lip service to the act’s goals, had “developed an intricate corporate dance to keep [women and minorities] out.” (At the time, “EEO” was a common way to refer to the Equal Employment Opportunity Act.) This more critical tone was consistent with other articles that HBR published in the latter half of the decade.

Sexual harassment, though it wasn’t referred to as such, made its first appearance in 1978, when the magazine asked 500 subscribers (250 women and 250 men, about 100 of whom responded) to comment by mail on a case study. How should a manager react, the case went, when a junior staff member reports that, on a recent trip, her male colleague told offensive jokes, failed to introduce her to clients, and insinuated to a buyer that they were engaged in a sexual relationship?

[1980–1988]

A New Era: Obstacles for Women Become Company Problems

Many talented Japanese women, like Junko Yoda, a vice president at Goldman Sachs in the late 1980s, earn their MBAs in the U.S. and then return to Japan to work for an American company. Karen Kasmauski/Corbis via Getty Images

In 1980 the Equal Employment Opportunity Commission, the body established in the 1964 Civil Rights Act to enforce laws barring discrimination in the workplace, issued new guidelines that defined two types of sexual harassment — quid pro quo and hostile work environment — and held employers liable for enabling them. The following year, HBR published “Sexual Harassment…Some See It…Some Won’t,” by Eliza G. C. Collins and Timothy B. Blodgett, which probed gender differences in views about what constituted harassment, and what harm, if any, it caused. “There is a male code of silence regarding harassment of females that has to be broken,” one executive said. But others were unconvinced. “This entire subject,” another executive said dismissively, "is a perfect example of a minor special interest group's ability to blow up any 'issue' to a level of importance which in no way relates to the reality of the world in which we live and work."

Meanwhile, pay disparities were spurring gender discrimination lawsuits throughout the United States. For example, in 1983 women employees of the state of Washington were awarded $838 million in raises and back pay when a federal court ruled that the state had paid workers less for jobs that were predominantly held by women, despite the jobs being equal in value to similar ones filled mostly by men.

That same year HBR took up the question of "comparable worth" by asking subscribers in a survey, "Can and should jobs of equal value be compensated equally regardless of other factors?" The resulting article, "Compensation, Jobs, and Gender," by Benson Rosen, Sara Rynes, and Thomas A. Mahoney, sought to pinpoint the causes of the gender pay gap, spell out how to narrow it, offer advice on determining job worth, and predict the consequences of pegging salaries to a standard other than market value. Men and women, not surprisingly, expressed strikingly different views about the causes of pay differences by gender: Men tended to blame women for choosing low-paying jobs, and women tended to blame biased organizational practices and social norms.

[1988–1999]

The Great Debate: Do Women Belong at the Top?

Metro Police Commissioner Jane Pepino of Canada takes her three-week-old daughter, Victoria Jane, to work with her, in March 1983. Ron Bull/Toronto Star via Getty Images

HBR didn't address what we call work-life balance until 1989, at which point women made up over 40% of the U.S. labor force.

It did so in 1989 with "Management Women and the New Facts of Life," which proposed an alternative career track for women who wished to combine careers with motherhood. Written by Felice N. Schwartz, the founder of Catalyst, a firm advocating for women in the workplace, the article argued that the typical organization's lack of support for women with children was a form of gender discrimination, and it pointed out that working women were viewed unfavorably regardless of their approach to balancing parenting with profession. "Women who compete like men are considered unfeminine," Schwartz wrote. "Women who emphasize family are considered uncommitted."

Schwartz argued that companies should view high-performing mothers as valuable assets and should invest in training and retaining them. She urged companies to actively plan for and manage maternity leaves, offer job arrangements with more flexibility, and provide affordable childcare as part of their talent strategy. The New York Times labeled Schwartz's proposal "the mommy track," a term that came to have a pejorative cast, largely because women who took advantage of such accommodations tended to be steered into lower-paid, lower-status roles. But the very notion that working mothers were a valuable talent pool was provocative.

Later that year, "Business and the Facts of Family Life," by Fran Sussner Rodgers and Charles Rodgers, went a step further, asserting that family responsibilities also affected working men. It was crucial, the authors argued, for organizations to recognize the caregiving obligations of their workers, pointing to studies that found that male employees' reports of struggling to balance career and family nearly doubled from 1985 to 1988. The magazine gave further attention to the issue in 1993, with an article on the changing views of working fathers, who increasingly wanted to be more involved at home but feared that taking advantage of flexibility programs designed with mothers in mind would cost them respect and status. These articles hinted at the ways that profound changes to expectations for women had begun to shift masculine gender roles too, with related disruptions to traditional workplace norms.

Questions of gender and leadership became prominent as the twentieth century drew to a close, and women began to appear in the pages of HBR less as problems to be solved and more as capable professionals. The magazine regularly interviewed women leaders and published case studies in which they were featured as protagonists. But uncertainties remained. Was there a distinct "female style" of leadership that businesses now needed to adapt to?

HBR addressed this question in 1990 with “Ways Women Lead,” by Judy B. Rosener, which argued that women did indeed tend to lead differently from men, and that their “nontraditional” style was salutary. But in 1992, in “Women as a Business Imperative,” Felice N. Schwartz argued that companies didn’t seem to truly want women in senior management. Addressing a fictional CEO, Schwartz asked, “If women are as smart, capable, and eager to exercise their skills as men are, all of which you say you believe, then why are the highest two levels in your company almost exclusively male domains?”

[2000–2019]

21st-Century Women: No Longer the Exception

A group of Citibank employees take part in the Pride in London parade in 2017. Jenny Matthews/In Pictures via Getty Images

The early 2000s ushered in a cascade of articles on women in management, and the range of topics they explored was wide. Women were still underrepresented in the very top jobs in corporate America, but they were no longer limited to clerical roles. Having a female supervisor was not an uncommon experience for employees in many fields. Workers' caregiving roles were a topic of serious public discourse and policy debate, not a private dilemma of mothers. And legal recourse for discrimination was far more robust than it had been in the mid twentieth century.

HBR devised its own measurement of progress in 2006, when it repeated the survey of U.S. executives first conducted in 1965 for "Are Women Executives People?" (a survey it had also repeated in 1985). The new survey, by Dawn S. Carlson, K. Michele Kacmar, and Dwayne Whitten, found that male executives' attitudes toward their female counterparts had become far more positive. The percentage of men who held favorable attitudes toward women in management increased from 35% in 1965 to 88% in 2006. And 71% of men now said they would feel comfortable working for a woman, a considerable change from 27% in 1965. However, views about women's opportunities had diverged. The statement "A woman has to be exceptional to succeed in business today" elicited nearly unanimous agreement from women and men in 1965, but in 2006 only 32% of men agreed, as compared with 69% of women. "Men tend not to see those barriers," the authors commented. "But look at the numbers: Women hold fewer than 20% of corporate office positions in *Fortune* 500 companies."

As that statement pointed out, progress for women in the white-collar workforce was incomplete. At the dawn of the twenty-first century, women's compensation still trailed men's; gender stereotypes continued to influence hiring, assignment, and promotion decisions; and women still faced the no-win trade-off between being liked and being respected. In 2010 "Women in Management: Delusions of Progress," by Nancy M. Carter and Christine Silva, summed up the situation. "Reports of progress in advancement, compensation, and career satisfaction," they wrote, "are at best overstated, at worst just plain wrong."

HBR began publishing numerous articles aimed at helping managers better understand the barriers to women's advancement so that they might do their part to combat them. In 2000 "A Modest Manifesto for Shattering the Glass Ceiling," by Debra Meyerson and Joyce K. Fletcher, proposed a strategy of "small wins" in which organizations would identify and gradually eliminate the subtle barriers for women embedded in everyday practices and norms. Later in the decade, "Women and the Labyrinth of Leadership," a cover story by Alice Eagly and Linda L. Carli, took issue with the glass-ceiling metaphor, which suggests that women's paths are blocked only as they near the very top. In reality, the authors argued, different obstacles appear at each career stage, and together they require a range of specific remedies.

Different rates of promotion, and not just for C-suite jobs, are one outcome of systemic bias. In 2010 "Why Men Still Get More Promotions Than Women," by Herminia Ibarra, Nancy M. Carter, and Christine Silva, diagnosed women's relative lack of sponsorship as a key driver of this disparity. While women were mentored at rates similar to those of their male peers, the authors found, they weren't reaping many benefits because their mentors didn't have the organizational clout to funnel meaningful opportunities their way. This and other articles went beyond the magazine's earlier efforts to explain and discourage explicit discrimination. They urged readers to see that women were prevented from reaching their full potential by a combination of organizational structures originally built for men, a failure to consider the differential impact of policies and practices, and gender biases so deeply embedded that most of us are unaware we hold them.

In investigating the dearth of women in senior management, HBR also addressed supposed gender differences in key leadership characteristics. The 2004 article "Do Women Lack Ambition?," by Anna Fels, described the lives of girls and young women as full of "microencounters" in which they were expected to deflect attention. When women appeared less ambitious than their male colleagues, the author argued, it wasn't because women innately lacked the drive to achieve and be recognized, but because powerful social patterns encouraged them to downplay their aspirations, particularly in the presence of men.

As the 2010s advanced, gender became a topic of greater and greater interest for the business community, and articles on a range of related topics accumulated in the pages of HBR and on its rapidly expanding digital platform, HBR.org. By this time the magazine had been covering inequality in the workplace for decades and had to acknowledge that, while much had changed, much remained the same. One 2013 article, "Women Rising: The Unseen Barriers," by Herminia Ibarra, Robin J. Ely, and Deborah M. Kolb, described how discrimination had gone underground, becoming embedded in such processes as performance evaluation, which on their face were impartial yet in reality pushed women off the leadership track. The authors provided a framework for identifying and addressing these subtle inequities, which they called "second-generation gender bias."

The magazine didn't shy away from calling out this bias, publishing, among other articles, "Dysfunction in the Boardroom," by one of us (Boris) and Deborah Bell, which revealed that male leaders tended to view the dearth of women in high-status positions such as corporate directorships less a problem of barriers and more a reflection of women's capacity. Most male board directors responding to a survey from the authors did not agree that female directors faced distinct hurdles, and many characterized the lack of gender diversity on boards as a pipeline problem. The vast majority of female directors surveyed, by contrast, mentioned not being fully accepted, respected, or heard in the boardroom. The assumption that gender disparities stem from women's choices or characteristics rather than bias was also challenged in "Rethink What You 'Know' About High-Achieving Women," by Robin J. Ely, Pamela Stone, and one of us (Colleen), and "What Most People Get Wrong About Men and Women," by Catherine H. Tinsley and Robin J. Ely.

[2020s]

The More Things Change?

In recent years the Covid-19 pandemic put unprecedented pressure on women workers, and worldwide protests over the murder of George Floyd breathed new life into racial justice movements. Businesses have become increasingly committed to addressing inequality and fostering diversity, or at least increasingly aware that many stakeholders expect as much from them.

The twin crises of the pandemic and racial injustice, like the #MeToo movement a few short years earlier, galvanized employees and citizens to call on business leaders to acknowledge and confront the inequalities in their organizations. In addition, mainstream discourse evolved to recognize what scholars had been noting for years: Sexism, racism, and other forms of discrimination are entangled with one another and cannot be rooted out with platitudes or pat solutions.

In this climate of urgency, HBR continued to grow its coverage of women and the ways that other identities intersect with gender to create barriers that impede some women far more than others. Critiques of, say, the tiny share of Fortune 500 CEO seats held by women now had to acknowledge that white women made up almost the entirety of that small club. The expansion of digital content on HBR.org created more space for increasingly nuanced conversation about inequities in the workplace, while the growth of diversity, equity, and inclusion as a field and a practice brought more voices into that conversation. The discussion about inequality had moved from the margins to the center, across the business press and certainly in the print and digital pages of HBR.

Yet workplaces have not solved the problem. The business community has been wrestling with gender bias for decades, but women are still not on equal footing with the men around them. Women who inhabit additional marginalized identities — such as lesbian women, trans women, women of color, and women with disabilities — are particularly disadvantaged.

Where does that leave us? Laws and policies have addressed many of the most overt forms of gender discrimination in the workplace — with more success on some fronts than others. The task ahead of us now is to confront more its subtler, deeply embedded forms. Doing that will require sustained engagement from the many managers who do the daily work of developing, assessing, and supporting their colleagues and employees. We hope that HBR will continue to help them understand and address the challenges that lie ahead.

This article was originally published online on September 19, 2022.

Colleen Ammerman is the director of the Gender Initiative at Harvard Business School and coauthor, with Boris Groysberg, of *Glass Half-Broken: Shattering the Barriers That Still Hold Women Back at Work* (Harvard Business Review Press, 2021).

BG

Boris Groysberg is the Richard P. Chapman Professor of Business Administration at Harvard Business School, a faculty affiliate at the HBS Gender Initiative, and coauthor, with Colleen Ammerman, of *Glass Half-Broken: Shattering the Barriers That Still Hold Women Back at Work* (Harvard Business Review Press, 2021).

@bgroysberg

What Will Management Look Like in the Next 100 Years?

A panel of global experts weigh in on the practices that will — or should — change. **by Dagny Dukach**

Published on HBR.org / September 19, 2022 / Reprint H0786A

Carson McNamara

As the era of "unprecedented times" refuses to end, many of us have become accustomed to an almost exclusive focus on the here and now. Recent years have delivered a nonstop crash course in putting out fires as we contend with simultaneous social, environmental, health, and economic crises (not to mention the ordinary frustrations and challenges of everyday life).

In an unpredictable world, a bit of tunnel vision is only natural. But at the same time, it's still critical to zoom out and consider the bigger picture. With Harvard Business Review celebrating its 100-year anniversary this fall, we wanted to better understand how the practice of management has transformed over the past 100 years — and how it might change in the next 100. And so we asked a diverse group of researchers from around the world the following question: *What management practice from the past 100 years will not — or should not — be continued in the next 100?* Their edited responses follow.

[~]

Guiding Principles of Management

Managing for Fluid Organizations

Sut I Wong *is a department chair and a professor of communication and leadership at BI Norwegian Business School.*

The fourth industrial revolution — defined by disruptive growth in blockchain technology, robotics, artificial intelligence, high-performance computing, and other core digital capabilities — is fundamentally transforming how organizations operate. New tools are enabling increasingly decentralized, autonomous, and boundaryless business relationships, including labor models such as crowdsourcing, on-demand gig work, decentralized autonomous organizations (DAOs), and other forms of democratized and participative decision-making. What does this mean for management?

Nearly a decade ago, management scholar Rita Gunther McGrath identified three eras of management. In the *execution* era, managers took a command-and-control approach. The second era emphasized *expertise*. McGrath argued that this era would ultimately make way for one of *empathy*, in which work is centered around value creation conducted through networks and collaboration between machines and humans rather than through rigid structures and relationships.

Although McGrath's framework predated the concept of the fourth industrial revolution, the development of new technologies has led to exactly the kind of empathetic management practices she envisioned. With the proliferation of digital tools enabling increasingly dynamic organizational structures, full-time employees are joined by gig workers, crowdsourced workers, and community members, necessitating a new approach to management and decision-making. Practices tailored to a static corporate structure may have been effective in the era of expertise, but they are unlikely to apply in the tech-enabled empathy era of the future. Instead, we need to rethink the rigid management practices of the past and develop, test, and iterate on practices better suited to value-driven fluid organizations and a rapidly changing world.

• • •

From the Art of War to the Art of Seduction

Frédéric Fréry *is a professor of strategy and innovation management at ESCP Business School.*

Price war, target market, chain of command. Why do executives so often sound like generals on the battlefield? A hundred years ago, the distinction between business and the military was far less clear than it is today. As recently as the 1970s, business strategy was often taught by military officers who looked to generals such as Sun Tzu and Carl von Clausewitz for management insights. That made sense, because the businesspeople of the day were almost exclusively veterans, for whom it was only natural to apply wartime experiences to business endeavors.

But the analogy has become less and less relevant. After all, the goal of business is not to annihilate competitors — it's to attract customers. Business is not about conquering a territory, subjugating its people, and capturing its resources; it is about understanding the needs and desires of customers and delivering a product they choose to buy of their own free will. Modern management is as much about persuasion as it is about command. So rather than endlessly study the art of war, managers in the next hundred years might look to master the art of seduction.

• • •

A Decentralized Approach to Global Expansion

Lele Sang *is a global fellow at the Wharton School of the University of Pennsylvania.*

In the past, multinational corporations often took a highly centralized approach to managing their overseas divisions, developing a single global strategy and asking each region to adopt it essentially wholesale. That often led to impressive economies of scale, low costs, and other efficiencies — but it's no longer tenable to ignore the unique characteristics of individual markets.

For example, the Chinese market operates orders of magnitude faster than many more-mature markets do. New competitors can become major threats overnight; new consumption habits, such as digital payments and livestreamed shopping, can take hold seemingly without warning; and new policies and regulations can rapidly impact business. Succeeding in this environment requires fast decision-making and customized solutions. Relying on standardized global strategies won't work.

Moreover, asking regional managers to adhere to global strategies that may or may not make sense in a local context can be extremely demoralizing to on-the-ground teams. In my research I've seen time and again that limiting local employees' autonomy is a recipe for dissatisfaction, disengagement, and turnover.

To understand the benefits of decentralization, I interviewed executives at Sequoia Capital, which has made such a shift. When Sequoia first expanded overseas into the Israeli market, it employed a traditional, centralized strategy that ultimately led to failure. But it learned from its mistake and took a radically different tack when entering the Chinese market several years later. Sequoia entrusted its China team with developing its own strategies and making its own investment decisions, with little interference from headquarters. The company was united by shared values, culture, and financial interests, and of course it had some systems in place to monitor and coordinate international operations. But gaining traction in China would have been impossible without its fundamentally decentralized approach.

[~]

Tactical Management Policies

A More Proactive Approach to Retention

Rachel Spivey *is the head of Google's Stay and Thrive team.*

According to exit interview data compiled by my team in 2021, 67% of employees leaving Google reported that their managers made no attempt to retain them before they gave notice.

Despite the well-known costs associated with turnover, it's all too common for companies to let employees walk away without making any effort to persuade them to stay — but this archaic mindset has no place in the next hundred years. Indeed, Google recently began to explicitly acknowledge the myriad benefits of proactively retaining employees, from increased engagement and improved employee performance to a more diverse workforce, and we have transformed our approach to management accordingly.

Our new philosophy has multiple components. First, managers must adopt a mindset that prioritizes retaining the talent they worked so hard to recruit. That means paying attention not only to performance but also to factors that could fuel attrition. Second, retention-focused managers must work to develop and improve business processes designed to keep employees engaged. And third, they should make a concerted effort to understand the distinct factors that motivate each employee. That involves, among other things, determining what kinds of recognition matter most to individual employees, what career aspirations drive them, and which benefits are most important to them.

Responsibility for retaining employees doesn't rest solely on managers' shoulders, though. Senior leaders and HR teams must not only provide managers with the necessary tools but also empower them to use those resources to support their teams in whatever ways will be most impactful. An organization might offer internal career-growth support, retention bonuses, or customized leave options, for example, but those perks will boost retention only if managers are equipped to leverage them. In the end, it's all about fostering a direct, transparent, and empathetic approach to management, where engagement and retention are prioritized just as much as performance is.

• • •

Flexible Work Is Here to Stay

Ashley Whillans *is an assistant professor in the negotiation, organizations, and markets unit at Harvard Business School.*

The industrial revolution made it standard practice for workers to commute to a factory, work for eight or more hours, and commute home. This pattern has since become firmly ingrained in working culture — before being completely disrupted by the Covid-19 pandemic. As a time and happiness researcher, I firmly believe that over the next hundred years, the old, rigid assumptions around how, when, and where we work must be replaced with a much more flexible approach.

There are countless arguments for flexibility. Studies have shown that flexible work arrangements can decrease stress, save time, and reduce carbon emissions. Moreover, my ongoing research has found that one of the top three predictors of employee engagement is the amount of control people have over their time. Many employees today care more about flexibility, meaning, and personal empowerment than they do about even such important factors as fair pay, good managers, and psychological safety.

Of course, flexible work arrangements work only if managed carefully and intentionally. Hybrid arrangements can exacerbate existing problems such as long hours, always-on work cultures, and gender inequality (because women are more likely than men to take on unpaid labor in the home). Many organizations have also found the shift to remote work to be a perfect example of Parkinson's law, with work expanding to fill the time previously spent commuting. According to one global study, the time spent in meetings has increased by an average of more than 250% since February 2020, creating higher levels of stress, unhappiness, and burnout among office-optional workers.

To address these challenges, leaders must cultivate a "time smart" approach, helping their teams to become more deliberate about when and where they work and developing best practices to guide flexible work policies. Most important, they must be intentional and proactive about building flexible work systems. The days of mandatory in-office, 9-to-5, five-days-a-week are long gone. It's up to the leaders of the future to invent a better way of working — wherever and whenever that may be.

[~]

The Role of Management in Society

A More Cooperative Capitalism

Akie Iriyama *is a professor of strategy and organization at Waseda University Business School.*

Much of management has long centered on trade-offs among stakeholders. In what's been dubbed *shareholder capitalism,* firms raise funds from equity investors, whose interests often diverge substantially from those of other stakeholders, leading to misaligned incentives for customers, shareholders, and employees. For instance, customer needs might drive companies to invest in R&D, but shareholders might push them to increase dividends, thus pulling managers in differing directions. That makes it hard to maintain a consistent strategy and support community interests.

In the coming 100 years, the shareholder equity system is likely to become a lot less relevant. Much has been written about the shift to stakeholder capitalism in general, but specifically, I believe we will see the proliferation of a co-op–based model of doing business. Instead of relying on external investors, co-ops are funded by customers in the community, meaning that the interests of customers and investors are aligned. The system is already common in many Scandinavian countries and has become widespread in Japan, where I serve as a director of CO-OP Sapporo (the largest co-op in Hokkaido, with more than $2 billion in revenue). Because the company is funded by the community, its management team is incentivized to focus on making a profit in ways that support Hokkaido's customers and society. For example, while CO-OP Sapporo's main business is supermarkets, it started a discounted (but profitable) school-lunch program to support elementary school students in areas with limited budgets. It also developed a mobile grocery store business: Trucks bring a selection of products to small villages with no grocery stores, both creating a new revenue source and providing a lifeline to communities that are underserved by traditional options. In addition, if CO-OP Sapporo earns more than it needs to support operations, it spends the extra funds on social programs such as childcare support and sustainability initiatives.

As technology advances, I expect that various kinds of tech-enabled co-ops will emerge, such as cloud-funded enterprises and DAOs. But regardless of the mechanism, we are seeing a clear trend toward stakeholder alignment — meaning we may be able to abandon management practices that were designed to compromise between various stakeholders' conflicting interests. Perhaps organizations will no longer need independent, external board members to monitor management activities on behalf of equity shareholders. We might even shift away from shareholder-specific management practices such as paying dividends and offering share buybacks to investors.

We're just beginning to see the impact of these new organizational structures — but their potential to truly align the interests and incentives of all stakeholders suggests that they could be a win-win-win.

• • •

HBR Readers on What We Should Leave Behind

Profit at any cost.
— Andrey, Stuttgart, Germany

Long-range strategic operating plans. Instead, develop (at maximum) yearlong plans that you revisit every month, allowing you to pivot at a moment's notice.
— Karthik, Montvale, New Jersey, USA

Special privileges given to family and friends instead of the qualified.
— Ferdinald, Abuja, Nigeria

The limiting belief that diversity isn't essential to innovation, progress, future proofing, and fairness — because it's foundational to all four.
— Douglass, Scarsdale, New York, USA

Favoritism.
— Pritesh, Mumbai, India

Making office work mandatory.
— Zein, Beirut, Lebanon

The five-day workweek.
— Sarthak, Delhi, India

Paying people and giving them different vacation time based on how long they work for you.
— *Lorna, Kingston, Canada*

Overstandardization that stifles curiosity and kills the employee's voice and innovation.
— *Kunbi, Lagos, Nigeria*

These are lightly edited responses to a survey that HBR editors shared with our LinkedIn group in July 2022.

Beyond Union Busting

Veena Dubal *is a professor of law at the University of California Hastings College of the Law.*

Historically, business leaders in the United States have categorically opposed sharing power and profits with workers. Companies have used whatever means necessary — from legal injunctions to state militias to armed mercenaries — to crush union activity.

In the wake of the Great Depression, U.S. legislators advanced protections for labor organizing, but that did little to stymie union-busting efforts, as businesses engaged undercover operatives and mounted Red Scare whisper campaigns to undermine workers who were fighting for better wages, shorter hours, and safer working conditions. Today union busting is a behemoth industry, with companies like

Amazon and Starbucks spending millions of dollars on consultants, lawyers, and trade associations whose sole expertise lies in subverting employees' efforts to organize.

This has to change. The United States claims the dubious honor of having both the lowest level of union membership and the highest level of income inequality of all western OECD countries, despite national surveys indicating that U.S. workers across party lines are extremely interested in unionization. C-suite executives must recognize their central role in creating workers' stagnating wages and limited social mobility and accept labor unions as partners — not obstacles or foes — in the practice of commerce.

Workers in a wide range of industries are already demanding changes related not only to wages and working conditions but also to higher-level business decisions. Employees of Amazon and Google, for example, are seeking worker seats on their company's board of directors. Unfortunately, union-busting efforts are ongoing — at a Tennessee Volkswagen plant, a South Carolina Boeing plant, and an Alabama Amazon warehouse, to name a few examples — and they demonstrate the deeply ingrained assumption that unions can only ever pose an existential threat to business.

Legal scholars (myself included) have argued for legislative fixes, aware of how contemporary labor laws and policies empower businesses to engage in antiworker campaigns. But businesses can act in the absence of legislation. Many leaders in other parts of the world have long understood the importance of worker representation in healthy capitalist societies. It's high time for U.S. executives to do the same, viewing employees as partners and co-creators — not fungible overhead.

• • •

Moving Past Scientific Management

Shaista E. Khilji *is a professor of human and organizational learning and international affairs at George Washington University and the founder of the Humanizing Initiative, a research institute and consultancy.*

Twentieth-century business was defined by *scientific management*, a theory that prioritized economic efficiency above all else. It led to unprecedented gains in productivity and innovation, and more than a century after the term was coined, the mindset still dominates in settings as varied as Silicon Valley and the U.S. military.

But times are changing. Corporate scandals and a heightened awareness of societal problems such as climate change, structural racism, and socioeconomic inequality — along with a growing expectation that companies should address those problems and contribute positively to society — demonstrate the limitations of scientific management. Toxic practices entrenched in its principles of command-and-control and profit maximization perpetuate inequalities and dehumanize workers. Trends such as the "Great Resignation" and "quiet quitting" demonstrate that employees are no longer willing to put up with them. As employees take control, rethink their relationship with work, and negotiate for better benefits, flexibility, and treatment, leaders must acknowledge the shortcomings of scientific management. They must envision and adopt bold new practices that balance organizations' need for efficiency with employees' need for dignity and well-being.

This article was originally published online on September 19, 2022.

Dagny Dukach is an associate editor at Harvard Business Review.

The Most Popular — and Impactful — HBR Articles of All Time

Highlights from a century of management insights.
by Kelsey Gripenstraw

Published on HBR.org / September 19, 2022 / Reprint H0786G

Israel G. Vargas

Your time is valuable, and at HBR we know that you'll give it only to articles that are truly useful. They have to present solutions to problems you've been grappling with, pique your curiosity, tap into your emotions, and show you, your team, or your organization the right way forward.

In celebration of HBR's 100th anniversary, we rounded up our readers' favorites through the years: the articles they read, purchased, and shared the most, plus the ones they identified as having the biggest impact on their lives or careers.

Some articles appeared in multiple categories, showing how widely their authors' ideas resonate (looking at you, Michael Porter). But for the sake of this roundup, each piece appears just once. The list offers a peek back into a few different eras — and reminds us that many of today's toughest business questions are the same as those from decades ago.

Thank you for a century of readership.

[1]

Our Most-Read Articles

Here's what you've clicked on the most, from the practical to the philosophical.

That Discomfort You're Feeling Is Grief
In March 2020, as Covid-19 raged around the world, many of us realized that we'd have to hunker down for the sake of our and others' health. Schools, offices, and shops closed; sports seasons and concerts were called off; trips, weddings, and reunions were canceled. It hurt to lose all of this. That feeling we all shared was grief, and HBR spoke to the world's foremost expert on the topic to learn how to manage it. The article has been read nearly 9 million times, making it our most popular ever.

What So Many People Don't Get About the U.S. Working Class
Published immediately after the 2016 U.S. presidential election, this article analyzed how Donald Trump was able to win over Republican

voters — and why it was shocking to so many Democrats. "What's driving it is the class culture gap," writes author Joan C. Williams, a law professor. "One little-known element of that gap is that the white working class resents professionals but admires the rich."

15 Rules for Negotiating a Job Offer

Job-offer negotiations can get complex, but you can improve your odds considerably by mastering a handful of tactics. This 2014 magazine article from Harvard Business School professor Deepak Malhotra provides a bookmarkable guide to the process.

How to Write a Cover Letter

The cover letter is not yet dead — as evidenced by the fact that this piece continues to attract so many new readers. HBR editor Amy Gallo pulled together advice from several experts to create this comprehensive guide. The highlights? Grab attention with your opening line, tailor your pitch to the job, and show how you can help the company solve problems.

Why Do So Many Incompetent Men Become Leaders?

We have fewer female leaders than male ones, but that's not because women are less qualified, explains organizational psychologist Tomas Chamorro-Premuzic. It has to do with our biased view of what leadership looks like. Men tend to project confidence, leading people to judge them as competent — even when they're not. This 2013 article, which has been read millions of times, discusses why that dynamic not only is bad for gender equity but also actively damages companies.

[2]

Our Most-Impactful Articles

In April, we asked you on Instagram: *What's an HBR article that changed the way you live or work?* Here's what you said.

What Is Strategy?

In this 1996 magazine article, HBS professor Michael Porter outlines the difference between operational effectiveness and strategy — two essential but very different drivers of performance. While operational effectiveness is necessary for companies to achieve superior profitability, it's not sufficient for ensuring their long-term success. So what is strategy, anyway? Porter says it's about choosing a unique, valuable position that's rooted in systems of activities that are hard for other companies to match, providing competitive advantage.

How Will You Measure Your Life?

The late HBS professor Clayton M. Christensen believed that we should think about our personal lives just as rigorously as we do our professional ones. In his 2010 article, he suggests asking three questions to help: *How will you find happiness in your career? How will you find happiness in your personal relationships? How will you live your life with integrity?* In this article, Christensen shares his own lessons learned from the process; notably, he says that building up others offers unmatched rewards.

Manage Your Energy, Not Your Time

We talk a lot about managing our time, but many of us could produce better (and more) work if we optimized our energy instead. "The core problem with working longer hours is that time is a finite resource," write authors Tony Schwartz and Catherine McCarthy in their 2007 article. "Energy is a different story," since it can be systematically expanded and rewarded with a few simple interventions.

Managing Oneself

Before you can manage a team or a company, you need to learn to manage yourself. In this classic article from 1999, the late Peter Drucker explains how to assess your strengths and values — and build up the skills you have — to transform yourself from an ordinary worker into an outstanding performer.

Management Time: Who's Got the Monkey?

"Why is it that managers are typically running out of time while their subordinates are typically running out of work?" ask executives William Oncken Jr. and Donald L. Wass in the opening line of their 1974 piece about delegation. As a manager, are you taking on too many of your employees' burdens? And, in a way, does that mean you're working for them? The authors break down why managers end up with too many "monkeys" on their backs — and how to get rid of them.

[3]

Our Most-Shared Articles

When you share an article with your friends or colleagues, we pay attention. Here are the top articles you've shared on LinkedIn.

Stop Telling Women They Have Imposter Syndrome

There's a wealth of advice about how to manage the feeling that you're not worthy of your job — what's called imposter syndrome. But in this article, authors Ruchika Tulshyan and Jodi-Ann Burey argue that merely managing the feeling fails to address the real problems: systemic bias and exclusion. They say it's on leaders, not individuals, to address these issues in organizations.

5 Things High-Performing Teams Do Differently

The secret to standout performance today? According to psychologist Ron Friedman, it's strong relationships. High-performing teams pick up the phone, talk about subjects unrelated to work, give and receive appreciation frequently, and are authentic at work. He identified these points through surveys of more than 1,000 office workers.

Don't Underestimate the Power of a Walk

Taking a walk is one of the best ways to boost your energy and clear your mind. In this article, coach and leadership lecturer Deborah Grayson Riegel spells out the many benefits of a simple stroll and five ways to make the most of it. One piece of advice? Pair up with a friend to squeeze in bonding time. For those who can't take a walk, she suggests finding another way to keep the brain sharp and maintain physical well-being.

How to Lead When Your Team Is Exhausted — and You Are, Too

At the end of 2020, people worldwide were dealing with increasing fatigue from the pandemic, political strife, and social unrest. Psychologist Merete Wedell-Wedellsborg shares three ways managers can help their teams press on when doing so is especially hard: Understand the difference between urgency and importance, and focus on the latter; be compassionate while also channeling employees' feelings of defiance, anger, and frustration toward action; and change things up every single day.

Good Leadership Is About Asking Good Questions

Leaders don't have all the answers. But they can ask powerful, inspiring questions to guide their teams. In this article, author John Hagel III shows managers how to use questions — such as "What is a game-changing opportunity that could create much more value than we have delivered in the past?" — to help people think beyond their day-to-day.

[4]

Our Best-Selling Articles

Individuals, schools, and companies often purchase physical copies of our articles to save, share, or teach. These are our top-selling article reprints.

Leading Change: Why Transformation Efforts Fail

Customer needs can change dramatically over time, making large-scale organizational transformations necessary. But transformation efforts are prone to failing — and do so frequently. HBS professor John P. Kotter examined 100 of them to pull out eight of the most common errors. As markets evolve ever faster, his insights will continue to apply.

What Makes a Leader?

This tribute to emotional intelligence (EI) might just be more relevant today than when it was published. Psychologist and author Daniel Goleman helps readers digest the key components of EI — self-awareness, self-regulation, motivation, empathy, and social skill — and explains why it's an increasingly important metric on which to choose and evaluate leaders.

What Leaders Really Do

Leadership and management aren't the same thing. "Management is about coping with complexity. Leadership, by contrast, is about coping with change," writes John P. Kotter in his second appearance on the list of top sellers. Embracing both helps organizations to manage through turbulent times.

The Five Competitive Forces That Shape Strategy

In this follow-up to his 1979 article "How Competitive Forces Shape Strategy," HBS professor Michael Porter explores the implications of his five forces framework. He reveals why industry profitability is what it is and how industry conditions can be turned into strategy.

Leadership That Gets Results

How do the most effective executives lead? They're flexible with different leadership styles — and time their use of each carefully. "Hour to hour, day to day, week to week, executives must play their leadership styles like a pro — using the right one at just the right time and in the right measure," writes Daniel Goleman, in another double appearance on this list. "The payoff is in the results."

This article was originally published online on September 19, 2022.

Kelsey Gripenstraw is the senior associate editor for audience engagement at Harvard Business Review.