



SOPHIA ASSOCIATES

Awakening Leadership Within

Envisioning the Future

Each year most companies go through the often-painful process of strategic planning. They bring together the leadership team, comb through piles of financial data, review marketing plans and set goals and determine strategies for achieving those goals. The result is the hallowed document that ideally should point to 3-5 years of direction-setting processes, procedures and systems that need to be in place in order to achieve those goals.

Every year I hear stories from clients about their attempt to predict the future as they conduct their strategic planning so that they can set the course for their company. This is all fine and necessary. However, I also see this planning process substitute for real conversations that need to occur in the company. These conversations don't just need to occur with the leadership team. There is a need for a collective conversation that brings substance and meaning to the vision, mission and plan of a company. These conversations need to include employees, clients, customers and even vendors. Without 360 feedback on what is actually occurring in all areas of the company leaders are operating under assumptions and interpretations of the data. Numbers do not tell the whole story. As valuable as quantifiable data, analysis and information are, the stories stakeholders tell about your company are equal factors in determining future planning efforts.

Where are the fundamental, thought-provoking questions that leaders need to ask? Questions like, "Why do we exist?" "What challenges and opportunities can we imagine in the future?" "What solutions can we provide our customers to problems that may not yet exist?" "What do we need to let go of or add in order to create or access new markets?" "Who do we really serve?" "How do we serve them?" "What values or guiding principles do we as a company hold and how do we demonstrate these internally and externally?" "What are we known for/want to be known for?" "How do we develop talent to meet an unknown future?"

These questions require connected and bold conversations as a precedent to traditional strategic planning. What are some of the changes and influences that you are not yet anticipating? Here are some trends.

Work is no longer a location; it's what you do. In 2006 more than 28 million Americans worked in a virtual team at least one day per month. Now it's over 100 million. The new workplace will be a virtual workplace where productivity, flexibility and collaboration based on results management using new technologies will reach unprecedented levels. Cloud computing will shift work from traditional offices to live or online collaborative spaces, used by outsourced free agents and scheduled to work better with the way the future workforce wants to live.

The collective has the power to influence now more than ever before. With the web providing an immediate conduit for information, and opinions, messaging that is on point and that leverages social networks (which didn't even exist ten years ago) requires it's

own skill set to manage. This has been termed a "participatory economy". Crowdsourcing, a relatively new concept, is being used by Wikipedia to distribute information. The company Threadless™ uses crowdsourcing to determine which designs it will use on their T-shirts. Mobile platforms encourage people to use forums, make buying decisions and develop communities based on synergistic ideas and values.

Women in business at more influential levels in organizations are exercising an alternative management style that Catalyst has reported produces higher return on equity. According to analysis by Booz & Company, 870 million global women who have not previously participated in the mainstream economy will gain employment or start their own businesses by 2020. They are bringing a collaborative leadership style that is more conducive to meeting the emerging less hierarchal workplace. Yet companies are still not doing enough to develop women's leadership.

By 2020, roughly 60 million Americans – 1 in 6 – will be over 65. In Europe that ratio will be 1 in 5. The majority of aging baby boomers will work beyond the traditional retirement age, and many will start small businesses both for financial support and lifestyle reasons. Younger baby boomers, aged 55 to 65, will start more small businesses than any other demographic. A growing share of the workforce will be 55 years or older, nearly 25 percent in the U.S. alone, shifting the needs of workers to age-relevant products and services that enhance their lives.

Sustainability is not a trend; it is a business imperative. Consumers and business-to-business customers will increasingly demand sustainable business practices, products and services. There is government and consumer pressure to contain environmental damage and contribute to healing the planet.

These are but a small sampling of trends that will affect your future. Andrew Grove of Intel claims: "You have no choice but to operate in a world shaped by globalization and the information revolution. There are two options: Adapt or die...You need to plan the way a fire department plans. It cannot anticipate fires so it has to shape a flexible organization that is capable of responding to unpredictable events."

It will take more than data and a traditional mindset to plan for the unknown future. It will take imagination, innovation and a willingness to engage in meaningful dialogue across your organizations and communities. It will necessitate a new approach to vision-making that embraces the unknown.

Convene the substantive conversations, imagine the future and ask the crazy questions. Because it is and will continue to be a crazy, dynamic world!

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