



UNCOMMON KNOWLEDGE:

PEOPLE 4.0

A PERSPECTIVE ON HUMAN CAPITAL

ABSTRACT

If the human capital of your organization is its greatest asset and source of competitive advantage, a successful future depends upon defining and developing a cadre of competencies, attributes and experiences required by the organization as it *will be*, not necessarily as *it is*. But what does that look like? Uncommon knowledge is the key, providing deep insights into your organization's needs for the next generation of talent.



TOFFLER ASSOCIATES

UNCOMMON KNOWLEDGE:

PEOPLE 4.0

A PERSPECTIVE ON HUMAN CAPITAL

ABSTRACT

Exceptional people have always been a critical determinant of an organization's ability to achieve its strategic and financial growth goals. In today's turbulent world, properly selecting, developing and deploying those people is complicated by accelerating change. Change that is shifting the familiar dynamics and boundaries upon which organizations once planned and competed. Change that is creating new strategic imperatives. Change that is altering the dimensions of organizational operating environments, demanding new skills, competencies and experiences from the people who comprise its workforce. Change that can result in future success . . . or failure, depending upon an organization's response.

Change can be managed by focusing on the future. It requires understanding the context in which an organization will operate, including the convergence of forces that will shape and reshape economic and societal realities. By standing in the future and *back-casting* to the present, we can create a roadmap to success.

Uncommon knowledge such as this is an essential component of effective human capital management in today's world. It is derived through a balance of elements: rigorous analytical models coupled with creative-strategic insight; the adaptation of "next practices" to leverage the value of a workforce; and internal communications that connect people more strongly to the core of an organization. This powerful combination can improve executive decision-making and create a more successful future by aligning talent strategies with business strategies.

CURRENT SITUATION

The creation of value and differentiation through the acquisition, deployment and retention of key talent is an ageless topic of conversation in organizations everywhere. Today's discussions, however, are complicated by a world operating in a mode akin to permanent turbulence. Building organizational capacity to thrive in this new reality demands a talent strategy where the overarching goal is continuous development of new skills and attributes tailored to an environment of urgency, high stakes and uncertainty. When coupled with the forces of global integration and the disappearance of traditional geographic and competitive boundaries, the need to contemporize human capital practices has never been more critical.

Traditional talent management approaches are inadequate because the environment in which they were created no longer exists. Organizations that try to drive human capital strategy through the classic functional silo of Human Resources will struggle. Instead, as workforce needs change, the Human Resources function must change in parallel. Its purpose, structure and operations must be intertwined with organizational strategies to jointly create a successful future.

A DIFFERENT APPROACH

Because the future will be unlike the past, organizations need to develop "next practices" instead of relying upon time-worn "best practices." The future demands new imperatives: developing an adaptable workforce whose skills and attributes readily align with evolving organizational needs; creating leaders able to deal with greater environmental complexity and accelerated competition; driving renewal and growth in bottom-up fashion by mobilizing and learning

from people who have functioned successfully in a world characterized by constant change.

In the future, recognizing, hiring, and encouraging desirable attributes will become increasingly important, even though they are innate and harder to train. Workforce attributes will be more about *creating* rather than *producing*. Cognitive attributes such as cultural intuition, pattern recognition, imagination and global perspective will augment technical proficiency, issue identification, assessment and parochial perspective. Networking, real-time collaboration, contextual relevance and storytelling are other examples of communication attributes that organizations will look for in future workforces.

The **Workforce of the Future** methodology created by Toffler Associates is a proven approach that helps to ensure future success by recruiting, developing and leveraging a workforce possessing the attributes, skills and experience necessary to create competitive advantage in conditions of permanent turbulence. It differs from other approaches because it begins with a rigorous assessment of how various forces will converge and interact to create the organization's future operating environment. This leads to specific implications not just with respect to talent requirements, but also concerning the strategy, structure, processes, and technology that people will need in order to thrive. By standing in the future and *back-casting* to the present, we can create a roadmap to success. The process components include:

1. Define the Future Environment and Assess Workforce Implications

- a. What world changes will impact our organization's current operating conditions?
- b. What does our workforce of the future need to look like? How will the future inform the competencies, attributes and experiences required in our workforce?

2. Identify Gaps

- a. How is our workforce configured today to drive strategy and address operating challenges

within the current environment?

- b. What talent gaps and shortfalls may prevent us from excelling in our future environment?

3. Create Workforce Strategy

- a. What are the most urgent imperatives for change and what alternative models for staffing are available?
- b. What human capital "next practices" should be implemented to effectively attract, engage, develop, retain and leverage talent needed to achieve our goals for the next 5-10 years?

4. Assess Resources

- a. What investments should be made today to develop tomorrow's talent?
- b. What tradeoffs must be made to design and install the practices necessary to create the desired workforce of the future?

5. Define Implementation Priorities and Execute

- a. What is the sequence and timing of the specific steps that must be taken to bring about the workforce changes necessary to thrive in tomorrow's world?
- b. How should this be rolled out throughout the organization?

To support the **Workforce of the Future** approach, Toffler Associates works with many clients to establish an internal strategic communications program customized to the cultural mores operating within the organization. Our experience demonstrates that consistent messages conveyed through relevant channels on an ongoing basis drive action and facilitate change. The right communications approach transitions vision into reality by fostering understanding of the need for transformative change throughout the organization. It also provides a powerful tool for managing and motivating an organization's primary asset – its people – by keeping them connected strongly to its core purpose, vision and values in the midst of accelerating change.



Toffler Associates is a dynamic, innovative advisory firm that serves as a catalyst for change to create bigger, more successful futures for its clients through transformation design.

The nature of change in the work performed by Toffler Associates is transformative because the problems in today's turbulent world are complex. Solutions developed through the transformation design process provide a path to a profitable, sustainable future through actions clients can execute today. These actions impact behavior of individuals, as well as the structure and form of organizations and the systems that support them.

CONTACT:

DEBORAH L. WESTPHAL
MANAGING PARTNER

202.489.5933 or
703.674.5480
dwestphal@toffler.com

February, 2010

