THE CORPORATION OF THE FUTURE

November 2010

The Decisive Decade

How the acceleration of ideas will transform the workplace by 2020
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1. Foreword from Google

It took 150 years and two breakthroughs from Galileo and Kepner before Copernicus’ theory that the sun was at the centre of the universe was widely accepted. But now the speed at which ideas can be created, tested and brought to fruition is accelerating faster than we ever could have anticipated – largely because of the explosion of cloud technologies that deliver services and software over the internet. Web-based, collaborative tools are transforming how we interact and people can now easily and immediately come together across borders to solve problems and influence others.

For consumers, collaborating in an online world has become the norm. Organising an event on Facebook, sharing news via Twitter or taking part in a crowdsourcing project to reach a common goal is routine. For many of us, cooperating and collaborating this smoothly in our professional lives is more of an ideal than a reality. But all this is about to change. The capability to collaborate online is now available in the workplace, and will disrupt traditional working practices in ways that we are only just beginning to realise.

The process of sharing and developing ideas will be dramatically accelerated by new opportunities to collaborate in the next ten years, having a major impact on the way products and services are brought to market, businesses are structured, job roles are created and talent is attracted, rewarded and retained. The challenge for businesses today is how to harness the changes that are underway for competitive advantage.

To help understand how the acceleration of ideas will transform the workplace, we commissioned the Future Foundation to ask 3,500 employees in the UK, France, Germany, Japan and the USA how technology affects how they interact and generate ideas now, and what their expectations of the future are. We also interviewed 12 thought-leaders in innovation and business transformation to understand the challenges ahead for businesses in a world where collaboration and innovation go hand-in-hand and the speed of ideas creation fundamentally alters the workplace.

There is no doubt that the challenges ahead for businesses are complex, and in the wake of a global economic crisis, there are many uncertainties. But organisations have to be agile enough to react quickly to opportunities that will allow them to grow and remain competitive, and we hope that this report gives some insight into the potential of the ideas economy. The next decade is indeed going to be a decisive one – and an exciting, stimulating and inspiring one for us all to work in as well.

Adrian Joseph, Managing Director, Google Enterprise EMEA
2. Methodology

The study spans five key markets – UK, France, Germany, USA and Japan – and several different methodologies were employed to create it. First, a survey of 3,500 employees across all markets gave valuable insight into the current working practices and aspirations of future workers. In each market the sample was split into a nationally representative sample of 500 employees, with an additional boost of 100 HR managers and 100 IT managers to allow a greater diversity of opinion and a wider spread of expertise.

Next, a number of experts across the fields of technology, employment/HR, policy, occupational psychology and academia were interviewed to gain their insight into the workplace of 2020.

They are:

- Dr Carsten Sørensen - Senior Lecturer in Information Systems and Innovation, London School of Economics
- Soumitra Dutta - Professor of Information Systems, The Roland Berger Chaired Professor in Business and Technology, INSEAD
- Charles-Henri Besseyre Des Horts - Associate Professor Head, Management and Human Resources, HEC Paris, France
- Denis Ettighoffer - Founder of the Technopolis Institute, France
- Professor Arie Y Lewin – Professor of Sociology, The Fuqua School of Business, Duke University, USA
- Pete Beckman - Director, Elab@INSEAD; Argonne Leadership Computing Facility, USA
- Mr Shoichi Terayama – Editor in Chief, Nikkei Business, Japan
- Professor Jiro Kokuryo – Dean & Professor, Keio University, Faculty of Policy Management, Japan
- Dr Mayumi Hori – Professor, Hakuoh University, Japan
- Martin Spilker – Director of Corporate Culture in a Globalized World, Bertelsmann Stiftung, Germany
- Dr Wilhelm Bauer - Managing Director Fraunhofer IAO and IAT University of Stuttgart, Germany
- Professor Dietmar Harhoff - Institute for Innovation Research, Technology Management and Entrepreneurship, Germany

We are very grateful to them for all their useful insights and opinions on this topic.

Finally, The Future Foundation interrogated its bank of consumer insights and trends knowledge to build a clear picture of the workplace in the future.
3. Executive Summary

The following key findings are explored in more depth throughout the report.

- There is an extremely close (81%) correlation between innovation and collaboration – our Innovation Index below clearly demonstrates that the more we collaborate, the more creative and innovative we become.

![Correlation between collaboration and innovation = 81%]

- Businesses anticipate the growth of grassroots innovation, with employees of every level encouraged to pool creative resources within flatter corporate structures.

- Employees value the opportunity to innovate, but only 15% of them are satisfied with the processes their company has in place to allow them to do so.

- The majority of employees (68%) believe that in the future, corporations will have to offer the very latest in technology and flexible workspaces to attract and retain the brightest workforce.

- Only 8% of all respondents feel left behind by the pace of technological innovation, and when businesses introduce new-technologies to the workplace, there is a genuine sense of excitement and empowerment.

- However, only 12% of employees are satisfied with the technology currently available to them at work, preferring the more intuitive tools they use in their personal lives, and nearly half (46%) do not believe their employer makes the best use of technology to enhance productivity and performance.
• A key barrier to realising the innovative potential of collaborative tools is a lack of vision from senior management and lack of investment – both need to be resolved if businesses want to drive innovation in the future.

• Management structures will have to change to accommodate collective creativity. The biggest incentives for workers to come up with creative ideas are financial reward and recognition for their achievements. But although 44% of employees say their company has systems in place to allow the contribution of ideas, less than two in 10 (19%) have bonus schemes to directly reward the development of ideas. Addressing this issue will be key to unlocking new sources of innovation.

• New business contextual social networking tools will be developed, and rather than seeing them as a distraction, companies will capitalise on these new and rich business networks built and nurtured by their employees.

• As collaborative technologies become a major catalyst of innovation and business success, elements of the HR and IT functions will integrate, with the two functions increasingly working hand in hand. HR will be more responsible for ensuring that employees are motivated to collaborate and innovate, while IT will provide the infrastructure to enable it.

The report is structured into two areas:

1. **The Collaborative Corporation**: current attitudes to work and the provision of tools to collaborate and innovate; and trends set to impact on businesses over the next decade
2. **The Corporation of the Future**: where do we go from here?
4. The Collaborative Corporation

4.1 The contribution culture

“We have entered an economy of ideas, where the circulation of knowledge and the intensification of exchanges are the only guarantees for creating value for businesses.” – Denis Ettighoffer, Technopolis Institute (France)

Consumers are already using technology to work together, share ideas and pool resources. Take the Haitian earthquake in January 2010 as an example – within hours, the web had swung into action: Twitter users kept the world informed in real time; open source technology allowed citizens using OpenStreetMap.org to contribute to a real-time map showing locations of refugee camps and hospitals; high-profile, celebrity-studded charity events were planned online; aid poured in from across the world; even gaming got in on the action, with Facebook’s Farmville launching an in-game donation scheme. All this happened quickly and effectively, largely as a result of the ubiquity of the internet.

This contribution culture is also gathering pace within organisations, shaking up the traditional model of innovation within the context of hierarchy. In the past, senior staff, creative teams and R&D functions came up with ideas that the rest of the workforce implemented. Today, it is widely agreed by our experts and survey respondents that innovation will increasingly emerge from different directions, both inside and outside the organisation, and particularly from a grassroots level.

“Traditionally, innovation has happened within organisations within the context of a relative hierarchy. So people sat at a certain place in an organisation and they were not allowed to talk to people more than one level above them... The simple solution of course is that you make organisations more flat and enable people to talk to people they would not otherwise talk to, then the organisation as a whole would become more innovative.” – Dr Carsten Sørensen, London School of Economics
There are many examples of organisations using the wisdom of the crowd, rather than just the chosen few strategists or creatives, to generate ideas and solve problems. **InnoCentive**, for example, takes research and development problems in a broad range of domains such as engineering, computer science, chemistry and business and frames them as "challenge problems" for anyone to solve, giving cash awards for the best solutions. Computer manufacturer **Dell’s IdeaStorm** collective gives consumers the chance to take part in online brainstorm sessions, sharing ideas and collaborating to influence R&D. Crowdsourcing services such as **CloudCrown** are also emerging, promising to “use the internet to tap into pools of talent, labour and creativity to get work done”.

Turning to our research, we see that many organisations are already making some provision for staff to contribute ideas. **71% of employees agreed that their company gives them the opportunity to come up with ideas** and a further 6 in 10 have had the satisfaction of seeing them implemented. Employees in the US (81%) and UK (80%) are most likely to be encouraged to come up with ideas for their organisation, while there is still work to be done in Japan (54%) and France (63%).

**Chart 1: The contribution culture is beginning to gather pace**

Employees are very much behind this move to grassroots ideas-generation. Our research shows that 1 in 3 believe the next generation of innovation will come as a result of all staff members being encouraged to come up with ideas, while only 1 in 10 think that new ideas will be driven by senior management. A significant minority (31%) believe innovation will be delivered by freelance support in the form of external ideas consultants.
It is worth noting that only 6% of employees think that companies will maintain the status quo and not change the way they approach innovation.

Chart 2: All staff will be encouraged to come up with ideas/innovations

“How do you think companies will approach the generation of new ideas and innovation in the next 5 years?”

Critical to the contribution culture is the belief among more than a quarter (27%) of respondents that staff will be rewarded in line with the ideas they contribute. In fact, by 2020, we would argue that more value will be placed on the quality of ideas generated than on any other performance metric. We explore this further in the Fair Day’s Pay section of the report.

And yet, over a quarter of people (26%) say their employer does not encourage them to come up with new ideas, suggesting that many organisations are struggling with how to manage the commercial potential of grassroots ideas generation.
Chart 3: Encouragement to develop new creative ideas

“My employer does not encourage me to come up with new ideas”

It is unlikely that these new ways of working will happen overnight. But the more forward thinking companies have already started to discover that autonomy does not lead to anarchy – natural hierarchies can spring up in place of formal ones, allowing for greater freedom within agreed parameters. As Professor Jiro Kokuryo of Keio University, Japan, explains: “I observe that informal leaders tend to emerge [in place of more formal hierarchical structures]...for example if you look at Twitter, there are a handful of people who have thousands of followers...almost an alpha blogger. So there remains an influencer/influencee relationship.”

Implications for businesses in the decisive decade

Multiway Traffic Management

• We are entering an era of multiway ideas traffic. Innovation will be generated from multiple sources – both inside and outside of the organisation
• The balance of power is shifting. From brand to consumer, employer to employee. As this shift continues to grow in importance, the opportunity to collaborate and contribute will become a key factor in the choice of which brand to buy and which company to work for
• Managers will need to put processes in place to harness the ideas and innovation generated by the contribution culture
• The next challenge will be to explore and identify how ideas will be rewarded, both inside and outside the organisation
4.2 Collaborate to innovate

Our research reveals that there is an extremely strong correlation between collaboration and innovation. Put simply - the more employees are able to collaborate, the more they innovate.

Workers who feel positive about collaborating within the workplace are also more enthusiastic about innovation and the development of new ideas. US employees who are given the opportunity to collaborate at work are more than twice as likely to have contributed new ideas to their company than those that are not (72% compared to 28% respectively). A similar picture emerges in the UK, with 62% of those invited to collaborate coming up with ideas, compared to 38% who are not; and in Japan (72% compared to 28%).

The chart below shows the strong relationship between collaboration and innovation, with an 81% agreement among respondents that the two are closely linked.

**Chart 4: The Innovation Index**

The indexes for collaboration and innovation calculate respondents’ agreement across a range of questions to quantify positive opinions towards collaboration and innovation respectively. The correlation between the two indexes demonstrates the close relationship between these statements.

The implication for businesses here is clear – **team efforts fuels innovation**.

What is more, employees want to collaborate, and enjoy working as part of a team:

- 59% of employees agree that they prefer working as part of a team
- 57% prefer the sociability of the office and will always want to spend at least some of their time in the company of colleagues
- 54% get their best ideas from discussion with colleagues (rising to 61% in Germany)
Implications for businesses in the decisive decade

People Driven Economy

“After decades of digitisation, bringing human beings back to the centre of information networks [will be key].” – Denis Ettigheoffer, Technopolis Institute (France)

• With companies working to less hierarchical and more collaborative structures, it will become increasingly important to focus on the value of human interaction
• The move to a more flexible culture will see the Human Resources and Information Technology departments tasked with nurturing virtual teams, managing the collaboration process, motivating staff and ensuring seamless delivery systems. Elements of both functions will need to integrate to accommodate this.
• Professionals are already anticipating widespread change. A third (31%) of IT managers believe the CIO will take on more responsibility for innovation in the future, while 34% of HR staff agree they will need to learn new skills to foster a sense of corporate community
• The role of HR will increasingly focus on maintaining a positive balance when new technology is introduced, protecting staff from overwork, maintaining a relationship based on trust and ensuring that they perform at optimum levels
• “We have boundaries which used to be fixed that are now falling down over our heads. We used to have clear distinctions between what was home, what was work. Whether we were private or public. We used to take these boundaries for granted and so one of the things about 2020 is that with all of these new services we really need to try and understand how to define new boundaries.” Dr Carsten Sørensen, London School of Economics

4.3 The technology to collaborate

“Corporate IT architecture is behind the curve...personal computing has moved ahead of corporate computing and...that’s going to create enormous pressures. People today say ‘well, I can make a website, I can share pictures and movies much more easily in my personal life than I can in the work environment’ and that is not sustainable.” - Soumitra Dutta, INSEAD

Our experts believe that workplace technology is lagging far behind the tools we use in our personal lives, and this is having an impact on the innovative capabilities of organisations and the level of employee satisfaction. And what emerges clearly from our analysis is that many are not putting the technology in place to encourage collaboration:
• 70% of employees we surveyed think new technologies allow them to work better with colleagues, but only 12% expressed satisfaction with the technology available to them at work
• 44% say the technology they use in their personal lives is better than they have at work (jumping to 53% in the US)
• 46% believe their employer doesn’t make the best use of technology to enhance productivity and performance (58% in Japan)

As we can see from the chart below, IT managers in many countries (with the exception of the US) believe their organisation is simply not taking full advantage of collaborative technology.

*Chart 5: Companies are not achieving their collaborative potential with technology*

“Thinking about levels of collaboration that can now be achieved in the workplace using technology and web-based tools, do you think your organisation is achieving its potential in this area?” (IT managers only)

![Collaboration Potential Chart]

This is a short-sighted approach, and there is evidence that it does not work - research carried out in the UK\(^1\) suggests that up to 99% of employees are circumventing corporate policies and using at least one unauthorised Web 2.0 technology such as instant messenger or online document sharing tools within their workplace. It is clear that whether organisations like it or not, collaborative tools are here to stay. The challenge is to find the best way to provide staff with business contextual versions and use them to enhance productivity and build professional and personal networks.

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\(^1\) FaceTime Communications research, March 2010
Looking back at our research, companies that have embraced technology are already seeing the benefits. Employees from every country noted that the introduction of new technologies has led to greater flexibility in the way people work, with France in particular noticing an increase in collaboration and innovation. French (30%), British (30%) and American (40%) workers believe that new technologies will continue to enhance innovation, while in Germany, sweeping changes to business models are anticipated by a quarter of employees as a direct result of the adoption of technology.

In addition, the chart below demonstrates that the introduction of new technologies engenders a feeling of excitement and empowerment in workers. This excitement is particularly prevalent in France (44%) and the US (43%). Only 8% of all respondents feel left behind by the pace of technological innovation - there is clearly a strong appetite for more sophisticated technology within the workplace.

**Chart 6: Using new technology creates excitement and empowerment**

“How do you usually feel about new technologies when they are introduced into your workplace?”

“Leadership styles and board-level communication will have to adapt…CEOs need to make more and better use of emerging communication technologies which most have utterly neglected…There is a huge need to educate them – we cannot wait the full career cycle to see new technologies arrive in the board room.” – Professor Dietmar Harhoff, Institute for Innovation Research, Technology Management and Entrepreneurship (Germany)

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<td>Simple Complexity</td>
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• As consumers we are drawn to tools that make our lives more manageable and straightforward - and businesses have much to learn from this. Nearly half (46%) of workers we surveyed believe their employer does not make the most of technology to improve productivity and performance.

• The best examples of technology that allow creativity and collaboration in the consumer sphere are based on simple interfaces – Skype's range of highly functional, deceptively simple communication services; Google Maps and its richly intuitive interface; Philips’ Sense & Simplicity ethos, a tight interaction of complex functionality overlaid with simple design

• It can only be a matter of time before the demand for simple complexity filters into workplace IT and this will have implications for the HR and IT functions. They will need to work closely to maximise processes and better understand the interplay between technology and human connectedness

4.4 The barriers to innovation
While there are many arguments in favour of boosting the uptake of collaborative, technologies within the workplace, we discovered some significant barriers within organisations that need to be addressed.

When we asked IT managers what they felt were the core barriers to achieving collaborative potential, the most pressing emanated from senior management: lack of senior vision (43%) and the need for funding/investment (41%) were cited as the top problems, just ahead of security issues. Educating senior management as to the potential commercial benefits of web-based tools will be key if companies want to embrace ideas acceleration and stay ahead of their competitors.

IT comes under particular scrutiny from senior management at time of economic difficulty, says Pete Beckman, Argonne National Laboratory (USA): “IT, for regular companies, is an overhead. It doesn’t sell products, it doesn’t bring in revenue, it doesn’t close any deals or develop any products. It’s an enabling technology but...if we added 10% to the IT budget, would that increase our profitability by the same amount?...Whenever there is a budgetary crunch, you look at your overheads...and sometimes IT gets lumped in there.”

Another key barrier to innovation is that although more than six in 10 employees agree collaborative technology has changed the way they work, 31% believe access to social networking tools such as Facebook in the workplace makes staff less productive, and 42% think such tools are distracting.
We believe that there is a strong case for business contextual social networking tools and that once staff appreciate the benefits these can bring, they will be enthusiastically adopted. In fact, we wonder whether there is potential for Twitter/ Facebook time to become in a sense the new ‘cigarette break’ – on the surface perceived as a time-waster but in reality a time for employees to take a break to get a fresh perspective, enhance their personal and professional networks, brainstorm fresh ideas and find inspiration.

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<th>Implications for businesses in the decisive decade?</th>
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<td><strong>Networks</strong></td>
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<td>• Business contextual social networking should be developed rather than prohibited as the corporation of the future reacts to employee demand for these tools</td>
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<td>• This will have implications for personal and professional networks. One in five employees (22%) believe the next generation of innovation will come from companies expanding their borders to encourage more cross-industry collaboration. In this context, personal and professional networks will become even more important and informal networks, technically independent of formal management lines, will form inside companies.</td>
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<td>• “Company employees are extending their use of e-collaboration networks to develop their relationships and exchanges, not only with colleagues but also with the employees of different companies, professionals from many different sectors, educators and researchers.” – Denis Ettighoffer, Technopolis Institute (France)</td>
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<td>• Savvy companies will continue to see the value of exploiting staff’s linked-up lives and networks, both corporate and personal – these networks will be valued and fostered</td>
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<td>• The quality of personal networks will become an asset, with employers impressed by just how many (and how many important) people an applicant knows, by the richness of the interaction with them. Social capital becomes labour market capital.</td>
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<td>• “In order to facilitate socio-professional rapprochements, affinity measuring software can monitor the connections that are made between people on the web. This type of software that traces “human chains” will soon become indispensable as a tool for managing relationships between individuals.”²</td>
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4.5 A fair day’s pay
Our finding that the biggest incentives for employees to come up with creative ideas are financial reward (45%), and recognition for their achievements (39%) is a crucial one for

² Denis Ettighoffer, Technopolis Institute (France)
businesses. In fact, 58% of employees we surveyed say they would already be coming up with more creative ideas for their employers if they thought they would be rewarded for them (particularly in Japan - 54%).

**Chart 8: Reward and recognition drive creativity**

“Which of the following do you think would make you more creative at work?”

More than a quarter of respondents (27%) believe that in future, staff will be rewarded in line with the ideas they contribute. However, our research reveals a serious discrepancy emerging between existing systems for *encouraging* innovation and *rewarding* staff accordingly – 44% say their company has systems in place to allow for the contribution of ideas (rising to 55% in the US and 51% in Germany); but less than two in 10 (19%) have bonus schemes to directly reward the development of ideas (dropping to 15% in the UK and France, 16% in Japan). Narrowing this discrepancy will be key to unlocking the innovation potential in the corporation of the future.

It is also noteworthy that while only 20% of workers say their employer has a system in place to reward collaboration, 71% have contributed an idea, rising to 80% in the UK and 81% in the US. Even when there is no reward or formalised structure to recognise contribution, employees are still developing ideas, showing that there is an appetite to innovate.

Savvy companies are already beginning to face this challenge and explore options for incentivising staff innovation. **Borrego Solar Systems** in California realised many of its staff were too shy to come forward with ideas, so began running competitions to encourage
concepts for improving the business. As well as offering a $500 prize for the winning idea, the company also ensures the best ideas are visibly implemented, demonstrating a commitment to nurturing talent. **Google** offers its engineers “20% time”, a scheme whereby staff devote 20% of their resources to creative projects they feel passionate about - its highly successful Google News feature was famously invented by a worker during 20% time. **W.L. Gore Associates**, most famous for the Gore-Tex fabric, has abandoned hierarchies and job descriptions in favour of an egalitarian, team-based organisation, focused on innovation and the encouragement of idea generation. In short – business leaders need to be creative in how they approach and incentivise the innovation drive.

The learnings here are clear - by providing staff with the tools and encouragement to collaborate and share ideas more efficiently, and by recognising and rewarding their achievements, creativity will flow. There will be implications for corporations such as how to reward groups of collaborators, how to recognise individual roles within a team and how to value an idea.

And if, as is predicted by experts, workers of the future specialise more and command payment based on their ability to innovate, by 2020 we can be sure that workers will naturally gravitate towards the companies that offer superior rates and supply the best technology that enables them to do this. **Two thirds (66%) of respondents to our survey believe that in the future companies will have to offer the very latest in technology and virtual workspaces to attract the brightest workforce** – from this, we get a sense of just how important new technologies are: not only do they allow employees to innovate and come up with the best ideas; they also enable corporations to attract and keep the best workforce.

**Chart 9: Technology will provide a major draw for skilled workers in the future**

“In the future companies will have to offer the latest technology and a collaborative workspace if they want to attract the best and brightest workforce”
Implications for businesses in the decisive decade

- As the contribution culture grows, businesses will have to consider reward and remuneration models for ideas generation, in order to harness their innovation potential
- Providing the latest technology will become an important part of attracting and retaining an innovative and ideas-driven workforce
- Corporations will need to find creative ways to generate and encourage ideas from their workforce

4.6 Innovation not location
The huge growth in teleworking has been well-documented in recent years and all of our experts observed that where you work has become much less important than the work you do.

“...physical location is increasingly irrelevant. People work everywhere...” – Dr Jiro Kokuryo, Keio University (Japan)

“Employers will have to abandon the idea that physical presence of an employee is indicative of their performance.” – Martin Spilker, Bertelsmann Stiftung (Germany)

Currently 20% of employees agree that their employers encourage them to work remotely, rising to a quarter in the UK and a third in the USA. However, in France, Germany and Japan the figure remains at less than 15%. Yet almost 70% of the HR managers we spoke to believe that offering more flexible hours would have a positive impact on staff productivity.

Looking ahead, only a third of respondents foresee a future where only very few workers are office-based (highest in France and the US).
While we do not believe there will ever come a time when going to the office becomes obsolete, there are indications that where you work will become a much more fluid concept, less centred around one office and more focused on fostering productivity and providing a balance for staff.

This balance will come into stark focus as we approach 2020, with huge importance placed on the need for employers to provide boundaries and limitations to protect staff from the ‘always on’ culture. 43% of workers already say they work longer hours when working remotely and a further 40% expect the boundaries between work and life to become more blurred. This culture will become unsustainable and managing it will become a priority for organisations, for governments and for individual employees. We also anticipate the introduction of more personalised, contextualised prioritisation tools to help staff manage their workloads more effectively.

There will be a number of factors at play in the flexible future that organisations will need to be aware of: politically, companies will be increasingly expected to offer flexible working options for parents; the trust that employers put in their staff will become a key motivator in attracting and retaining the brightest, best workforce; and technology will play a huge role in allowing flexible working options. There are also a wealth of external/ socio-political factors that will test a corporation’s ability to maintain a fully functioning workforce in the most testing circumstances - transport strikes, extreme weather, increasing congestion (and related charges), even volcanic eruptions that strand employees abroad for extended periods, as happened in April 2010 in Iceland.

US airline JetBlue Airways has embraced the concept of remote working and does so on an impressive scale. As well as the introduction of remote working for its 1,500 strong reservations team, the company also allows its senior staff to choose their own shifts and has brought in an automated shift trading system, which gives staff autonomy as well as flexibility; it has created two-hour incremental time slots, allowing employees to pick the best times of the day to work.
Looking at the bigger picture, many of the experts we spoke to predict the emergence of entirely new business models in the future - modularised, decentralised co-enterprises which have abandoned traditional organisational methods in favour of looser, less formalised but infinitely more flexible structures. Pete Beckman, Argonne National Laboratory (USA) explores just one scenario: “We have people now who have chosen to live in Minnesota or New Mexico and telecommute because that’s a quality of life issue. They don’t want to live necessarily in the big city...they want a different life. Not all workers can do that...a critical mass is needed in a single place. But it does mean that a team of 8-10 people could decide...that they want to live in Montana.”

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<td>• Technology is at the forefront of the demassification drive - the raft of personal communication technologies such as Blackberries and PDAs is only a small part of this story. Entire networks can be made available to workers thanks to the growth of cloud computing technologies. Physical offices can give way to satellite hubs or even virtual work spaces. Projects can be split between various specialised teams in different parts of the world</td>
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<td>• Expect to see the growth of entirely new management roles dedicated to handling the move to remote working and overseeing virtual workforces</td>
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<td>• While there will be space for enhanced flexibility in the future, we do not anticipate the death of the traditional office structure. As Dr Carsten Sørensen says: “Place still matters. No matter how much technology you have...it still matters where you are.”</td>
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5. The Corporation 2.0

In this section of the report, we paint a picture of the corporation in 2020; create pen portraits for a day in the life of the employee, CIO, HR director; and take a look at some future job titles that may well form the backbone of the enterprise in the next decade.

A Day in the Life: Tuesday 22 March, 2020

5.1 Ben Jones: the employee

Ever since the global management consultancy formed a revolutionary breakaway division in 2013 which abolished the formal office set-up, Ben’s schedule has been completely flexible, perfect for a man with three children. He rarely goes into the office for anything other than formal meetings and major Collaboration Conferences – the majority of his work is done either from home, or from one of the four satellite hubs located near his home. And he can choose his own working hours, ideal given that his role within an international team
of staff based in different time zones is best suited to early morning and late night video conferences.

Today he has a couple of meetings so he’s working from SatelliteOne, a purpose built office pod about 10 minutes from home, with five colleagues. At 13.00, he logs into CloudDocs to access his personal network of files, communication tools and documents, then calls his team together in the Cube to begin the work of the day – a meeting to help clients in Germany install some complex trading software. Also remotely joining will be a small team of specialised e-lancers who have been brought in to assist with the more technical side of the project.

As soon as they pull up the video screen and interactive white board, the teams can see and hear each other almost as well as if they were in the room together. CloudDocs allows them to work in real-time, getting the work done in a fraction of the time it used to take in 2010.

At 16.00 he picks up the kids from school, spends a couple of hours with them and logs back on to the network from home for a meeting with US colleagues to brainstorm ideas for a new service the company is planning. Their Editor logs in to watch the flow of ideas, take notes and assess the bonus for the ideas they generate.

At 23.00, Ben has an online instant conversation with a Secondary Career Recruiter to explore options for a career he is considering in media, then heads off to bed.

5.2 Sato Keiko: Human Systems Director (previously HR Manager)

Keiko was assessed for the role most suited to her skills at the age of 16 by the wealth management consultancy she works for and offered a role before she left school. Her university degree was tailored to meet the requirements of her role, and since her arrival in 2016, she has quickly worked her way up to become a board member and take the HSD title.

She’s a powerful figure within the organisation, taking responsibility for a wide range of departments and initiatives: she hires primary and secondary staff; takes ownership of corporate culture, work-life balance and employee empowerment; oversees creative and collaborative ideas generation and human-computer interface; and is responsible for the huge investment required to source and retain the best permanent staff and e-lancers.

She begins her day at 7am with a virtual meeting for an outsourcing project she’s working on with a freelance team in India, conducted on her mobile phone on her way to the office. They quickly agree objectives and Keiko arranges for her technology team to arrange all the appropriate virtual resources to begin the project.
At 11.00, Keiko attends a virtual meeting with directors in France, UK and Germany to discuss ideas for a raft of new staff performance metrics they are considering introducing to better measure productivity and creativity. This is a formula they have been adapting and perfecting for months, to ensure staff are rewarded according to the quality of ideas and the level of collaboration the show.

Her last office-based task of the day at 15.30 is to check the internal IdeasLog to look for the best company initiatives suggested by staff - she sends a couple of messages to managers instructing them to explore the best ideas in more detail then she heads home.

5.3 Francois Dufour: Innovation President (formerly CIO)
Eight years ago when he reached the age of 45, Francois decided to relook at his CIO job title, which he felt pigeon-holed him as a technologist and not much else. So he devised the role of Innovation President which he feels captures much more of the spirit of what he does and also sends a clear message to the rest of the staff – innovation is a crucial part of what this company does.

Times have changed since he started at the media agency in 1990. Back then, he was constantly having to sort out issues with the clunky, restrictive and narrowly focused technology available. But the year 2011 proved to be a turning point – new services began to allow for much broader business scope and he was able to turn his focus to a much wider range of responsibilities.

He begins the day at 09.00 (old habits die hard), attending a meeting for a project he’s spearheading to streamline a client’s manufacturing processes, quickly followed by a video-conference to assess ideas for a crowd-sourcing competition he developed to design mobile devices for developing countries.

After virtual face to face conversations with his two young grandchildren, he meets with the Human Systems Director to agree some measures for evaluating the collaborative innovation he’s implemented across the company. They also have a brief chat about improving the systems used by remote and freelance workers; and finish with some ideas he’s had on where his job role is likely to go over the next 10-15 years.

His final meeting of the day is at 17.00 with the Information and Innovation teams, who have been assessing the latest gadgets and devices on the market to explore whether they would be suitable for his company.

5.4 Job roles of the future
While the majority of job titles will remain the same, we foresee a wealth of opportunity for new roles and titles to spring up in the corporation of the future. Here are some of them:

**The Creativity & Ideas Management Department**

<table>
<thead>
<tr>
<th>TITLE</th>
<th>RESPONSIBILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Ideas Officer</td>
<td>Responsible for fostering and encouraging new ideas. As it is these ideas that keep the company fresh, exciting and competitive, this is a key role in the corporation of the future and will be highly sought after by creative types.</td>
</tr>
<tr>
<td>Ideas Editor</td>
<td>Management role to edit and regulate the flow of ideas from across the company, from a grassroots level up. Previously Creative Director or such, this role now acknowledges the move to grassroots innovation and takes responsibility for editing, rather than generating ideas.</td>
</tr>
<tr>
<td>Creative Archivist</td>
<td>Tasked with maintaining a knowledge bank of ideas generated across the company for future use. Collaborative networks create a flow of innovation so it is crucial to store all those ideas and access them to meet the unique requirements of each project</td>
</tr>
<tr>
<td>Collaboration Officer</td>
<td>Responsible for the development and maintenance of collaborative networks. Working closely with the Chief Ideas Officer and the IT team, this role requires a strong understanding of how innovation is generated via collaboration and which systems to implement</td>
</tr>
</tbody>
</table>

**The Human Systems Department (combined with the Information and Innovation Department)**

<table>
<thead>
<tr>
<th>TITLE</th>
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<tbody>
<tr>
<td>Human Systems Director</td>
<td>Straddling the previously titled HR and IT departments, the HSD is in charge of seamlessly integrating the human-computer interaction process. An understanding of the human element behind the technology will be crucial</td>
</tr>
<tr>
<td>Work-life Balance Manager</td>
<td>Tasked with ensuring a positive work-life balance for all employees (in-house, remote working and freelance). Shares responsibility with employees to ensure they maintain a healthy attitude to work and switch off when not working</td>
</tr>
<tr>
<td>iCulturist</td>
<td>With workers spread across different locations, corporate culture will be more important than ever – the iCulturist is responsible for networking across every element of life:</td>
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</table>
maintaining wellbeing, enjoyment and good will, while ensuring seamless work and personal networks

<table>
<thead>
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</thead>
<tbody>
<tr>
<td><strong>Talent Management Strategist</strong></td>
<td>Sourcing the best people for each project will be key to corporate success in the future. With remote/virtual teams and e-lancers picking up elements of project work, the TMS will have finely honed skills to pick the right people for the right job.</td>
</tr>
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The Information and Innovation Department

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Cloud Security Manager</td>
<td>With corporations moving their entire workload into the cloud, staff will be required to maintain safety and security systems. In addition, this role will be responsible for overseeing the introduction of new web-based tools. Reports into Cloud Director, board director role</td>
</tr>
<tr>
<td>Information Flows Director</td>
<td>Working closely with the Creativity &amp; Ideas and Human Systems Departments, this role ensures a steady flow of information and innovation between staff, networks, collaborators and employers</td>
</tr>
<tr>
<td>Innovation President</td>
<td>Head of the department. The amended job title reflects the need for a strong understanding of creativity within the wider field of technology, and the ways in which technology should enable greater innovation and collaboration</td>
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</table>

Other new roles sourced from experts and respondents

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<tbody>
<tr>
<td>Virtual Marketeers*3</td>
<td>“Marketing will be completely internationalised as a specialised profession. Up until now in Japan, we have referred to it as 営業 (eigyo)...let’s say for the sake of argument that it was basically a case of creating a framework to sell things within your own country. But the question of how much you can sell things in the world of the internet... of course you need a delivery system, but</td>
</tr>
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3 Ref: Mr Shoichi Terayama, Nikkei Business, Japan
you can arrange all of that online. So for the specialized professions, particularly the world of marketing, there would be no need to have these resources in Japan or in the US—they could instead exist virtually, online.”

| The Multi-Corporation Worker⁴ | “One individual can belong to and work for multiple organisations, bringing about the birth of new job categories.” |
| Teleteaching⁵/ Personal Long-Distance Teacher⁶ | Educator and IT specialist, helping staff advance to new levels of achievement via virtual networks |
| Interface manager⁷ | Provides an interface between the core organisation and peripheral staff |
| IT remote maintenance specialist | Ensuring remote technology is maintained in real time |
| Social Networking Executive/ Marketer | Responsible for maintaining the company’s social media feeds, blogs etc |
| Virtual Admin Assistant | A role designed to translate modes of working from the "old" way of doing things to the "new" way |
| Home Consulting Doctor | Doctors trained to consult patients in their homes via the net and ask colleagues for advice/second opinion virtually and in real time |

6. Summary

It is overwhelmingly clear from our research and from the input from our experts that changes to the way we generate ideas in the workplace are already underway, and the innovation process is accelerating.

A new generation of technologies is starting to break down barriers within organisations and across borders to let people innovate and collaborate in virtual teams more effectively than ever before. In all countries we surveyed, there is a strong feeling of excitement and anticipation, of eagerness to embrace these new technologies. Even in the countries less satisfied with current technological provision – Japan, for example - there is a sense that workers are an untapped resource, and that as soon as technologies more geared to driving innovation are introduced, the potential of collaborative working will be unlocked.

⁴ Dr Mayumi Hori, Hakuoh University, Japan  
⁵ Denis Ettighoffer, Technopolis Institute, France  
⁶ Professor Dietmar Harhoff, Germany  
⁷ Charles-Henri Besseyre des Horts, France
The companies that come to dominate the next ten years of innovation will be those that are early to embrace these new tools and new ways of thinking – and those that identify how to motivate and reward employees who contribute ideas.

What is clear is that ignoring the ideas revolution is foolhardy. Consumers – and by extension employees – are at the very heart of the innovation drive and they are powerful. In the words of Erik Qualman - “It’s a people driven economy, stupid”\(^8\).

Are you ready for the decisive decade?

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\(^8\) “It's the economy, stupid” was a phrase coined by strategist James Carville during Bill Clinton’s successful 1992 US presidential campaign. It was adapted by Erik Qualman, author of ‘Socialnomics: How Social Media has changed the way we live and do business’ to describe the consumer-driven revolution enabled by modern technology and Web 2.0.