THE GREAT TRANSFORMATION

Reflections from the 6th Global Peter Drucker Forum 2014 in Vienna, Austria (13-14 Nov 2014)
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On my fourth ever visit to Vienna for the Global Peter Drucker Forum, I had found myself in the midst of a personal transformation of sorts. For the very first time, I was attending the event as a 'professional' and no longer as a 'student'. As a veteran participant in the Drucker Challenge (from 2010-2012) and having served as a member of the 1st round jury for the 2013 and 2014 editions, I have a great affinity with the forum, the challenge and the people.

As always, I had found myself leaving the forum inspired and with a whole lot more questions than answers in my head when I first began my journey to Vienna.

It is easy to get a little used to events like that where the people whose names you see on the best-selling sections of your neighborhood bookstore are just within touching distance, standing there in flesh and blood, right by the coffee counter or queuing for the buffet.

Perhaps, the biggest question that was left stewing in my head as I left the forum, was the very familiar and personal question of 'what exactly am I doing with my life and what am I creating?'

It was a familiar question and one that is often re-visited in the course of what I would like to still consider a youthful life even though I am now closer to being 30 than I am to 20.

The discussions that resonated on a personal level with me, were the discussions around how it was important for leaders and organizations to become more adaptive, human and innovative in the way businesses go about their day to day activities while investing in the future through innovation and experimentation.

What perhaps struck closest to home for most of the participants, was the fact that one could attend such a conference, listen and discuss with a group of peers and leaders who share the same Druckerian inspired worldview and become inspired and positively affirmed by the core ideas and principles discussed during the Drucker Forum, but find ourselves going back to work on the following Monday and realizing that what felt like common sense and common consensus about what needed to be changed would suddenly look and feel like radical ideas that fundamentally challenge the way we do things within our own respective organizations.

What this forum has done for me, was to re-affirm my personal belief and conviction in the importance of elevated human behavior, that trust is important and that organizations need to rediscover human values and be human.

Attached are two sets of notes and quotes that I have found to be thought provoking, insightful and of resonance to me. The first is simply a list of quotes and sound-bites, while the second is categorized into the broad themes of Being Adaptive, Human and Innovative.

QUOTES FROM GPDF14

Compiled by Hongjun Wang (hongjun.wang@gmail.com)

GARY HAMEL:

- To build truly adaptable organizations that can change as quickly as change itself, we must kill bureaucracy.

- The overconcentration of power at the top means that the organization is held hostage to the willingness of a few to change.

- Even in internet communities, hierarchies exist. The difference is that in such communities, the leaders are chosen by the led.

- We need to change the way we design our jobs and the way we engage with our employees because every single day, employees can make a choice to bring their imagination, initiative and passion to work, but many choose not to.

- We should be moving expertise down instead of moving decisions upwards.

- We are not making the manager irrelevant, we are making everyone a manager.

- A lot of jobs are commodity jobs and it is up to us to increase the creative content in each job and to help our people think like 'real business people'.

- To get the innovation advantage, we must first have the inspiration advantage.

- We have taught our people to be helpless. When you have an idea, the first thing you should do is not to go up with your idea but to go across. If it can engage and withstand the scrutiny of your peers, management will find it much harder to ignore.

DOV SEIDMAN:

- Trust the only legal performance enhancing drug, and that organizations should become human instead of just claiming to be human because when trust is high, innovation can happen.

- We need to rethink work as a series of values-based missions instead of simply designing them as task based jobs.

- The difference between a human and a machine is that a machine can always be relied upon to do the next thing right, but only a human being can do the next right thing.

- There is a difference between doing something and making money, and doing something to make money.

- To believe that we are going to control the future linearly is a complete lack of honesty and as individuals and businesses we need to apply the ethic of journeying to what we do and see the future as a journey where we don't need to be perfect but inspire from being far from perfect.
- We need to rethink work as a series of values-based missions instead of simply designing them as task based jobs. The difference between a human and a machine is that a machine can always be relied upon to do the next thing right, but only a human being can do the next right thing.
- To become truly human organizations, we need to take time to pause and reflect because it is in the pause, where we hear the call and it allows us to reconnect with what matters and what our values are. We need to rethink the fundamentals of success and to uncover the deeper truths by going into the personal.

RICK GOINGS (TUPPERWARE):

- There are no lazy people, only uninspired people
- Quoting Charles Handy, 'I hire you for what you have chosen to do'

VINEET NAYAR:

- How do we inspire and encourage our people to do what they want to do and not what the CEO wants to do?
- I don't have a vision for the company, I have a vision for you (the employee) – I want you to be able to feel proud about being associated with HCL.

NANCY TENNANT (WHIRLPOOL):

- Great ideas have no prejudice and that we should allow everyone to innovate

CLAYTON CHRISTENSEN:

- Managers might think they are in control, but really, it is the people who dictate the matrix that are in control of management and how successful they are based on they decide how success is measured.

ROGER MARTIN

- When things are cheap and abundant, we have to use it and we should stop trying to optimize something that is essentially costless (capital) and start investing in our people.

INSIGHTS FROM DRUCKER FORUM

Building Organizations that are Adaptive at the Core

How can we build organizations that can change as quickly as change itself? Gary Hamel believes that the solution relies on us killing bureaucracy because an over concentration of power at the top among a few, means that the organization is held hostage by the willingness of a few to change, while human talent is being squandered through poisonous politicking and a surrender of individual agency to serve the boss.

We need to change the way we design our jobs and the way we engage with our employees because every single day, employees can make a choice to bring their imagination, initiative and passion to work, but many choose not to.

We should be moving expertise down instead of moving decisions upwards. Instead of doing away with managers, we should be making everyone a manager. A lot of jobs are commodity jobs and it is up to us to increase the creative content in each job and to help our people think like 'real business people'.

To kill bureaucracy is not the same as doing away with hierarchy. Even within Internet communities, there are hierarchies, however the difference is that within Internet communities, the leaders are chosen by the led.

The Value of Humanity in the Age of Technology

The importance of Humanity and Human values have been widely discussed during the Forum and Dov Seidman best sums it up by saying that we are in the age of behavior which calls for elevated behavior from us, our clients and our employees.

He calls Trust the only legal performance enhancing drug, and that organizations should become human instead of just claiming to be human because when trust is high, innovation can happen.

We need to rethink work as a series of values-based missions instead of simply designing them as task based jobs. The difference between a human and a machine is that a machine can always be relied upon to do the next thing right, but only a human being can do the next right thing.

To become truly human organizations, we need to take time to pause and reflect because it is in the pause, where we hear the call and it allows us to reconnect with what matters and what our values are. We need to rethink the fundamentals of success and to uncover the deeper truths by going into the personal.

To believe that we are going to control the future linearly is a complete lack of honesty and as individuals and businesses we need to apply the ethic of journeying to what we do and see the future as a journey where we don't need to be perfect but inspire from being far from perfect.

Only humans can go on a journey and to go on a journey as a business requires us to learn the values of resilience, to pivot and to measure the progress as we go on the journey.

Instead of just having financial audits, we should think about doing moral audits because interdependence is now a moral reality and our success and failure depends on how we treat others, how fair we are in dealing with others and how we relate to one another.

There is after all a difference between doing something and making money, and doing something to make money.

Innovation and Learning

Gary Hamel stated that, 'To get the innovation advantage, we must first have the inspiration advantage.' While Rick Gross of Tupperware believes that there is 'no such thing as lazy people, only uninspired people.'

This underscores the importance of inspiration in the process of innovation and inspiration can be derived from learning from diverse sources as well as the vision of what the firm and its people are trying to achieve.

Nancy Tennant's take on innovation from a Whirlpool perspective, was to say that, 'Great ideas have no prejudice and that we should allow everyone to innovate.' The challenge for her was in finding out how to turn a conviction into reality and to have everyone equipped with the same common knowledge and tools required for innovation as it is all about telling people, 'I believe in you and I want you to innovate' and giving them the training and tools to do so.

Clayton Christensen shared that there are three kinds of innovations: 1) Market Creating Innovations, 2) Sustaining Innovations and 3) Efficiency Innovations and as long as they are in balance, the economy works well. However, our obsession with measurements of how efficient we are in using capital through the use of ratios such as Internal Rate of Return, has made it so much more attractive for managers to choose the short term fix of investing and re-investing in efficiency innovations instead of market creating innovations that many companies are caught in a vicious cycle. Managers might think they are in control, but really, it is the people who dictate the matrix that are in control of management and how successful they are based on they decide how success is measured.

John Hagel III from Deloitte Center for the Edge spoke about the need for organizations to achieve scalable learning and how there is greater value in creating new knowledge by working together and not just sharing existing knowledge. LiveOps was cited as an example of an organization that rewarded its employees for helping others by giving advice to co-workers and people were encouraged to share and ask for help instead of being punished for asking for help.

Rita Mcgrath shared the example of UPM which was a paper pulp manufacturing company from Finland that decided to disrupt itself and enter the Bio-science field. What was interesting about the example was the sharing of how the employees from the traditional business of paper saw themselves as important defenders of the fort whose roles were to hold down the fort until the various innovations they were investing in and incubating in could start making money.