





Buy book or audiobook

# The Next Rules of Work

The Mindset, Skillset and Toolset to Lead Your Organization through Uncertainty

Gary Bolles • Kogan Page © 2021 • 280 pages

Management / Change Management Career / Future of Work

## Take-Aways

- The world of work is changing quickly for workers and bosses.
- · Next-generation workers and organizations embrace a flexible mind-set.
- The COVID-19 pandemic created new urgency around having a flexible mind-set.
- · Skills have a short shelf life.
- Organizations require leaders and employees to be able to change their skills.
- · Agile management and OKRs are primary mechanisms in the Next Rules toolkit.
- Individual workers face a scary future in the world of work.
- "Next organizations" embrace new thinking about work.



## Recommendation

The modern economy can be unsettling. Educator and consultant Gary Bolles feels your pain and understands that the rules of work are changing almost as fast as people can learn them. In this guide to thriving in the modern economy, Bolles cites research suggesting that the shelf life of a four-year college degree is just five years — and even less in Silicon Valley. He advises individual workers and bosses that succeeding in today's world requires an ability to adapt and learn continually.

## **Summary**

### The world of work is changing quickly for workers and bosses.

"Old Rules" have long dominated modern companies. Under this ethos, bosses embraced the idea of management-by-surveillance. If a worker wasn't in the office, the thinking went, he or she must be slacking. The cubicle, which furniture maker Herman Miller invented in 1968, exemplified the concept of command-and-control management.

This innovation in maximizing office space didn't catch on at first, but eventually cubicle farms became the normal working environment. Workers endured long commutes to arrive at a place where their bosses could supervise them. The old mind-set applied to the organization itself, which created scarcity by limiting the number of workers and enforced that scarcity through hierarchical models of supervision. Bosses called the shots and workers obeyed.

"The more that organizations and leaders follow those Old Rules, the slower they will react, and the less likely they will be able to adapt."

Followers of the "Next Rules" embrace a different mind-set. Individual workers contribute creative solutions to complex problems and pursue their own list of responsibilities. Employees no longer focus only on completing predictable assignments. Modern employees mix and match the stability of a day job, the uncertainty of gig work and the gamble of launching a start-up. Managers no longer act as the fount of all workplace knowledge. Instead, they're guides who help workers achieve their goals. Frontline employees act as co-equal teammates – partners in a fluid and flexible business environment.

## Next-generation workers and organizations embrace a flexible mind-set.

Mind-set describes how you view the world. Your perspective is powerful, because it dictates not only your attitudes, but also your behaviors. A fixed framework means you see yourself as mostly unchanging. A growth mind-set describes someone who welcomes change, pursues lifelong learning and expects to evolve continuously.

"Encouraging mind-set change can be extremely difficult, because an authentic mind-set shift requires a dramatic shift in behavior."



The fixed mind-set applies to old-rules companies. People with this mind-set cannot conceive of taking risks or thinking outside the box. In new-school organizations, workers throughout the company embrace a growth mentality. They see themselves as collaborators working toward a common goal of satisfying their stakeholders and customers. People in this environment pursue lifelong learning and reinvent themselves.

Four kinds of mind-sets correspond with the Next Rules:

- "Effectiveness mind-set" Data and results drive organizations with this mind-set, which focuses on
  accountability and performance. These companies urge individual contributors to take responsibility for
  solving problems.
- "Growth mind-set" Organizations with this mind-set stress individual wellness and mindfulness. They encourage "moonshots," and other ambitious approaches toward aiming high and being willing to fail.
- "Involvement mind-set" Organizations with this mind-set prioritize decency and diversity and focus on fair compensation and decision-making. People share power.
- "Alignment mind-set" Organizations with this mind-set link every action to the company's broader purpose and goals. Because values not proximity motivate workers in far-flung locations, organizations with an alignment-orientation are more effective at managing a virtual workforce.

### The COVID-19 pandemic created new urgency around having a flexible mind-set.

Until early 2020, organizational leaders could view the speed of economic and technological change as an issue, but not as a priority. Major disruptions – such as the coronavirus pandemic – accelerate such timetables.

One challenge for organizations is that although top executives are indispensable in leading change initiatives, they derive the most benefit from the status quo. Their old ways of doing things enabled these leaders to get their corner offices in the first place.

"Change is hard. Change can hurt."

However, even frontline workers may resist change. They've been doing their jobs a certain way over time, and upheaval feels like a repudiation of their talents and value to the organization. In the face of resistance to change at every level, leaders can take three possible paths to changing an organization's mind-set:

- "Edge strategy" A organization starts a change process by launching a project or a division staffed by people who have proven their willingness to embrace new ways of thinking. In the best-case scenario, these efforts gain momentum and spread throughout the culture.
- "Incremental core strategy" An organization chooses one or more groups at the heart of the company and unleashes them to enact new ways of doing business. They serve as role models who push change throughout their companies. This approach can bear fruit by overwhelming skeptics with proof of effective change.
- "Large-scale core strategy" If the CEO has a growth mind-set, an organization can tackle sweeping reforms. Microsoft Chief Executive Satya Nadella, for example, successfully executed a large-scale shift in corporate mind-set. In 2014, Microsoft had 128,000 employees, and the stock market preferred Apple



and Amazon. Six years later, Nadella had led the company to huge revenue gains, market capitalization and cloud computing market share. But, even given Microsoft's success, large-scale change can be difficult and often fails.

#### Skills have a short shelf life.

Workplace skills are evolving so swiftly that lifelong learning has become imperative. A 2012 *Harvard Business Review* article posited that the expiration date on a four-year degree is five years. The head of Coding Dojo, a company that conducts boot camps in Silicon Valley, says he needs only four months to turn novices into programmers who are adept enough to earn \$90,000 a year. However, the skills that these fast-tracking grads learn could be obsolete 15 months later. Everyone – even those who master the hottest skills – needs constant retraining. Reskilling and upskilling are the buzzwords of today's workforce.

"Think of it like a milk carton: Your college degree has a sell-by date."

With necessary skills changing so quickly, mind-set trumps skill set. Skills are useful, but they're not everything. An employee with the right skills but the wrong mind-set won't thrive in an organization that values adaptability and creativity. Workers and managers with optimistic, can-do mind-sets can overcome a lack of skills. Through passion and hard work, they learn what they need to know to solve problems. When those skills no longer are useful, they learn new ones.

### Organizations require leaders and employees to be able to change their skills.

The pandemic blurred the lines between work and personal lives. As workers suddenly found themselves doing their jobs from home, their managers and co-workers learned new things about them. Employees' pets, relatives and other elements of their personal lives became visible. Under the old rules of work, bosses didn't bother to learn about their employees' personal lives. In the new world, leaders need to know about their workers' challenges outside of work, and they need to create a new model geared toward supporting the employee as a whole person.

Leaders with this approach focus on their workers' physical health, mental health, emotional well-being, financial security and spiritual well-being. Next Organizations view this new reality as an opportunity to act in ways that merit workers' loyalty and productivity.

"Every single worker needs to become a problem-solver who is adaptive and creative, with empathy."

For individuals and teams, the new world of work demands new skills at the intersection of skill set and mind-set. Problem-solving stands out as the most important skill. Organizations hire workers, above all, for their ability to solve problems. Adaptability is another skill, or more accurately, a group of skills that encompass agility and awareness. Creativity keeps human workers one step ahead of the software and artificial intelligence trying to replace them. Perhaps the most human skill of all is empathy – the capacity to understand another person's experiences and point of view.



## Agile management and OKRs are primary mechanisms in the Next Rules toolkit.

Silicon Valley has embraced a new acronym: OKRs – objectives and key results. Establishing OKRs allow organizations to communicate performance goals and to measure progress toward those goals. Software providers have responded by creating systems that help companies manage OKRs.

Once in use, OKRs often tie to another acronym, KPIs – key performance indicators, measurable factors on the road to fulfilling OKRs. Used in a human-centric way that empowers workers and drives positive results, OKRs are powerful tools. At their best, they put managers and individual contributors on the same page, allowing them to pursue a mutual goal transparently.

"Agile is essentially the strategic stepchild of design thinking and OKRs."

Next-generation organizations embrace agility, which is based on the concepts of creative thinking, adaptability and quick results. Agile is a mind-set as much as a toolset. The agile framework endeavors to break daunting tasks down into achievable goals. Agile teams tackle challenges over a defined period of time – a few months, perhaps. The agile process identifies a stakeholder's priority, then sets out to meet that need through building a team, establishing goals, and communicating quickly and clearly about making progress toward the end goal.

## Individual workers face a scary future in the world of work.

Since the Industrial Revolution, people have fretted about the future of work and their place in the labor force. Today, these worries are especially acute for people – such as ex-offenders and refugees – who face barriers to finding work. How can this population find meaningful jobs that provide a solid paycheck and stability? Once the answer was simple. Now, globalization and technology have made things much more complicated.

Gig workers, in particular, work at the whim of this new reality. A single bad review, for example, can undermine an Uber driver's rating and income. A paradox illuminates this shifting power dynamic: Nearly two-thirds of Americans tell pollsters they support unions, yet only one in 15 are union members. Many workers work in fear with scant safety nets.

"Change will not slow down, nor will existing systems suddenly become fair and just."

Some organizations embrace the idea that compensating workers generously is good for the bottom line. For example, consider QuikTrip, the gas station chain with 800 stores and \$11 billion in annual revenue. QuikTrip pays its people unusually well and offers good benefits. By treating workers as stakeholders, QuikTrip encourages them, in turn, to take good care of its customers. The result? QuikTrip's sales per square foot are significantly above industry averages, and its per-store profitability is twice the norm.



## "Next organizations" embrace new thinking about work.

If the modern economy is scary for individuals, it's not much different for organizations. Companies also face challenges, like figuring out how to find the talent to solve their problems and create value. Increasingly, that means they must pursue new strategies. Among them:

- Bake purpose into the company's DNA Organizations such as BlackRock and Singularity University are intentional about communicating their larger purpose.
- Treat workers as essential to the mission Next Organizations understand their people aren't a cost, but a central part of fulfilling the company's purpose.
- Take responsibility for unintended consequences The business world often relied on farming out negative externalities (deleterious results that occur when a person or company that makes a decision doesn't bear the full costs of its outcome). Next Organizations analyze these forces and minimize their consequences.
- Let purpose drive profits The standard business model involves relentlessly marketing to consumers in hopes of driving them to buy more things they don't need. Next Organizations turn this thinking on its head by delivering purpose as a built-in part of their offerings.

Your stakeholders extend beyond your organization's workers and leaders. For communities, whether they're tiny towns or major cities, the question is how to create an environment in which everyone can succeed. For nations, the query is how to create an inclusive economy.

"You, your team and your organization each function in the ecosystems we call a society and an economy."

A more fair and equal economy should be the ultimate goal of Next Generation organizations. While conducting a successful enterprise, these companies also can pay attention to economic justice, environmental stewardship and other goals that old-school companies fail to prioritize.

#### **About the Author**

Gary A. Bolles, chair of the future of work at Singularity University and a partner at Charette LLC, a San Francisco consulting firm, co-founded eParachute.com – inspired by his father's best-selling classic, What Color Is Your Parachute?



Did you like this summary? Buy book or audiobook http://getab.li/43556