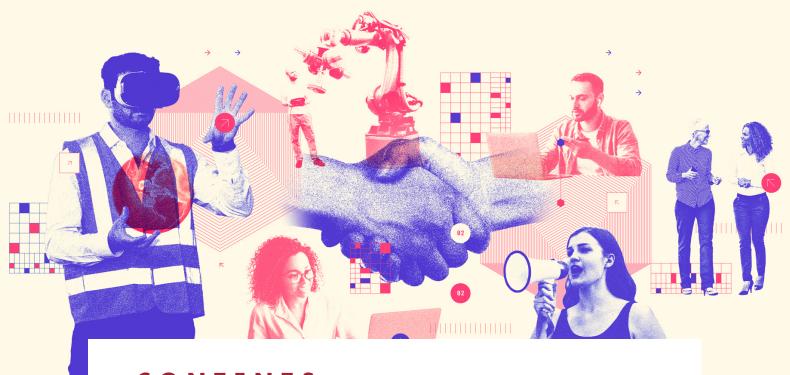


# LEADING THE FUTURE OF WORK

How to empower your workforce to master new technologies and navigate evolving risks.



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by Meredith Somers

Why It Matters

The future of work requires nimble leadership. Here's how to cultivate a workforce able to accommodate new technologies and evolving risks.

Successfully leading a company into the future is no longer about 30-year strategic plans, or even 5- or 10year roadmaps. It's about people across an organization adopting a strategic mindset and working in flexible teams that allow companies to respond to evolving technology and external risks like geopolitical conflict, pandemics, and the climate crisis.

Increasingly that agility requires a shift from reliance on command-and-control leadership to distributed leadership, which emphasizes giving people autonomy to innovate and using noncoercive means to align them around a common goal. MIT Sloan professor Deborah Ancona defines distributed leadership as collaborative, autonomous practices managed by a network of formal and informal leaders across an organization.

"Top leaders are flipping the hierarchy upside down," said MIT lecturer Kate Isaacs, who collaborates with Ancona on research about teams and nimble leadership.

"Their job isn't to be the smartest people in the room who have all the answers," Isaacs said, "but rather to architect the gameboard where as many people as possible have permission to contribute the best of their expertise, their knowledge, their skills, and their ideas."

A 2015 paper by Ancona, Isaacs, and Elaine Backman, "Two Roads to Green: A Tale of Bureaucratic versus Distributed Leadership Models of Change," examined the different leadership approaches of two firms rolling out sustainability initiatives companywide.

The researchers judged the successes and challenges of the two firms based on four key capabilities:

- **Relating**: Seeing the environment through others' perspectives, developing supportive relationships, and bringing people together.
- **Sensemaking**: Creating and updating maps of a complex environment in order to act more effectively in it.
- Visioning: Linking a leader's picture of the future with the organization's overall mission.
- **Inventing:** Creating new structures or processes to bring a vision to fruition.

The company that engaged these capabilities and enacted distributed leadership fared better than the one with a more command-and-control leadership model. Employees in the distributed organization were able to tap into new ways of working with one another, spreading ideas throughout the company and innovating more quickly under a shared mission.

"It's creating an organization whose culture is about learning, innovation, and entrepreneurial behavior," Ancona said. "It's not 'Who's to blame for this failure?' but 'What did we learn, and how can we improve?"

To help leaders avoid pitfalls while moving to a distributed leadership model, Ancona and Isaacs offer a checklist:

- When people at lower levels of the firm have ideas on new strategic objectives that have been vetted and tested, let those people participate in leading the change process.
- Give people a say in matching themselves with roles. Engage in two-way dialogue with potential candidates to consider who has the passion, knowledge, networks, and time availability to succeed—regardless of a person's role or level in the organizational hierarchy.
- Have an honest conversation with potential team members about their capacity to implement and what they can commit to the team.
- Provide coaching and learning opportunities so that people can practice the decision making, entrepreneurial activity, and influencing skills needed to work in this mode of operating. Provide opportunities for employees to meet one another and network across the firm.
- Remember that moving away from a command-and-control mode of operating does not mean that senior leaders cease to play a role in the change process. They are the architects who facilitate and enable entrepreneurial activity.
- Achieving change will require some combination of command-and-control and cultivate-and-coordinate styles.

If the shift to distributed leadership feels overwhelming, start with incremental steps.

"You can do a lot just by having everybody on your team go interview a customer, take a look at where AI is making the most impact, explore new directions that your competition is going in, or examine whatever is most important to learn," Ancona said. "Then everyone can report out and the whole team can learn. We don't want to set up this huge model that people think of as a step too far. You can start small."

Senior leaders must set strategic priorities and model the tone from the top, Isaacs said. This demonstrates to workers that leadership is on board with a new way of working. It's also critical for them to hold the organization accountable to its cultural values in order to foster the collective trust that fuels a distributed leadership model.

"More and more employees are used to being autonomous and empowered," Isaacs said. "The younger generations are growing up in a networked world in which they are used to expressing their creativity and autonomy. Nimble organizations offer them that opportunity." 💼



# How to make 'work of the future' work for everyone



by Beth Stackpole

Why It Matters

Guided by a new social contract, here's how you can develop working models that deliver for your shareholders, employees, and global communities.

Digital transformation. Automation. Globalization. A persistent productivity-wage gap — and the anger and activism it can engender in the workforce.

Those are just a few of the headwinds buffeting business leaders as they try to set a course for the work of the future. And that's before accounting for pandemicrelated shocks like supply chain disruptions, inflation, and the changing norms around hybrid work and geolocation.

Business leaders "need to build strong companies and good jobs in a globally competitive economy where technology is advancing, with the social diversity we find in our world." That's how MIT Sloan professor of management Thomas Kochan introduces his online executive education course, "Leading the Future of Work."

Across industries, workers are worried that automation and artificial intelligence will steal their jobs, said Kochan, a member of the MIT Task Force on Work of the Future. Kochan shares those concerns, but also sees "tremendous" innovative potential in new technologies.

"We believe that we can harness advancing technologies to create a productive and more equitable future," he said.

Another challenge is addressing the gap between productivity and wages that has been growing since the 1980s, when wages stagnated for average American workers even as productivity increased.

In the U.S., nine out of 10 people born between

the 1940s achieved a higher income and a higher standard of living than their parents. In contrast, only half of people born after 1980 have been able to achieve a standard of living that's higher than what they grew up with.

Globalization, the presence of the "informal economy" of jobs without a social safety net, and the decline of union membership has led to "an imbalance of power at work that needs to be addressed," Kochan said.

# A "new social contract"

In his book with Cornell professor Lee Dyer, "Shaping the Future of Work: A Handbook for Action and New Social Contract," Kochan describes a new social contract as a "collaborative effort to develop high-quality jobs and strong, successful businesses while overcoming the deep social and economic divisions apparent in society today."

In his course, Kochan lays out a four-pronged roadmap to guide business leaders in creating this model for work of the future:

### 1. Lead with "the high road."

Business leaders have a choice in how they compete and create value for investors, employees, and customers. A low-road approach focuses on fast returns



We believe that we can harness advancing technologies to create a productive and more equitable future.

Thomas Kochan | MIT Sloan

to shareholders and a view that the workforce is a place to cut costs.

Organizations embracing high-road principles lean into innovation, strong customer services, and fair pricing. Most importantly, they strive to create value for all stakeholders, including their employees.

"A high-road company invests in workforce development and engages employees in improving operations, introducing new technologies and work processes, and sharing in the financial success employees help to generate," Kochan said.

No single change or practice will put a company on the path to being a highroad player. Rather, Kochan said, it requires a coordinated system of practices that reinforce each other, as well as a commitment to changing culture.

Supporting diversity and inclusion principles when hiring and promoting, instilling zero tolerance for intimidation or discrimination, and nurturing a culture that values worker contributions and workers' voices are among the go-to practices high-road companies embrace.

"By putting in place a full bundle of coordinated employment practices, you can attract and retain the best talent and use their skills and motivation to make your company successful," Kochan said.

That includes tying worker compensation to profits, offering flexible work hours, and providing paid leave for care givers and parents.

### 2. Use advanced technology to drive innovation and augment work.

From AI to robots to cloud services and software, there's no lack of technology available to drive innovation and competitive advantage. Deployed without consideration of the workforce, these technologies can displace workers or create bad jobs.

In light of the social contract, companies should engage workers at each stage of the design and implementation of new technology to ensure it actually delivers its intended benefits. Employees should be appropriately trained before the technology becomes central to their daily responsibilities, and those whose jobs are affected negatively should be compensated for their loss.

Yet that's not how companies have traditionally introduced new technologies. Most follow a sequential model whereby a system is brought in to solve a business problem without involving day-to-day workers in defining the business problem or determining if they have the skills to fully utilize the technology and reap its benefits.

Kochan contends an integrated approach is far more effective. This model draws on engineers, vendors, and front-line employees closest to the business problem early on, working in concert to design the technology and work systems.

"When we integrate the design of technology and the design of work, evidence shows that we get the highest levels of productivity and more rewarding work," Kochan said.

Even advanced analytics and AI demand engagement across all stakeholders in order to be successful.

"There's a lot of fear around AI and robots, but they need to be positioned as tools to help people think," said Alex "Sandy" Pentland, an MIT Sloan professor of information technology who co-teaches the executive education course with Kochan. "When you build tools with that in mind, people are quite accepting of them. That multistakeholder view is really important when it comes to minimizing risk."

#### 3. Train and upskill the workforce.

Ensuring the workforce is ready to participate in the future of work is a principal tenet of the new social contract. Kochan emphasizes employing state-of-the-art learning systems that make full use of all online resources available.

Training and skills building also needs to be a continuous process that is agile enough to shift as the methods and content change over time. This also ensures workers have keen understanding of their jobs so they can augment ongoing AI and automation efforts with their knowledge and expertise to achieve better outcomes.

Beyond any one organization's role, it's important to build lifelong ecosystems



The U.S. is extremely good at college education ... but it dramatically underinvests in anything that's not based in college.

David Autor | Professor of Economics



in partnership with industry peers, the education sector, and workforce development institutions. In education, in particular, it's crucial to look beyond K-12 or even four-year college to other tracks that can help workers upgrade skills, including workforce boards or community colleges.

"The U.S. is extremely good at college education with some of the world's best universities, but it dramatically underinvests in anything that's not based in college," said <u>David Autor</u>, a professor of economics at MIT and the co-director of the MIT Task Force on Work of the Future. "We have weak vocational systems to the degree that labor unions did a lot of the apprenticeship training that has atrophied as labor union coverage has fallen substantially."

#### 4. Engage workers as partners in innovation.

Today's workforce has high expectations for having a meaningful voice at work, and they want to choose the best mechanism to address their particular needs and circumstances, particularly around new technologies and disruptions like the global pandemic.

Leadership should strive to develop new safe channels of communication and put mechanisms in place for prompt response — a feedback loop that builds mutual trust. Kochan said.

Engaging workers as partners requires <u>new management styles built on collaboration</u> and open dialogue. Younger generations are dissatisfied with a hierarchical approach to management and will seek out employers who engage them collaboratively. As part of the transition to a new style of leadership, there should be a focus on active listening and facilitative behaviors that elicit different viewpoints and encourage all participants to engage.

At the same time, business leaders need to play a key role in rebuilding dialogue with labor leaders in their communities and industries. Engagement with others outside of the internal organization is the best way to build a more inclusive social contract and empower a future of work that works for everyone, Kochan said.

"Business and labor can lead the way in showing how some of the deep-seated divisions that now threaten our democracies can be addressed in mutually respectful and effective means," Kochan said. "That is the kind of leadership that is needed if we are to build a new social contract that works for all in the years ahead."



by Kara Baskin

Why It Matters

What do managers need to know as they build a future-ready workforce? MIT Sloan experts weigh in on five traits of emerging employees.

Post-COVID, business leaders are challenged to reengage a workforce in a new landscape: one that's more digitized, roboticized, diverse, and dispersed than ever before. Those who fall behind do so at their own risk.

What do managers need to know about employees as they set a course for success in the upcoming decades? MIT Sloan experts weigh in on five traits of the emerging workforce:

# 1. They're data-literate.

Data-driven companies enjoy increased revenue, improved customer service, best-in-class operating efficiencies, and improved profitability.

"In a world of more data, the companies with more data-literate people are the ones that are going to

win," said MIT Sloan senior lecturer <u>Miro Kazakoff</u>, who teaches courses on communicating and <u>persuading with data</u>.

This requires data democratization, the idea that data should be in the hands of every employee.

"Everyone's going to play a role and be responsible for moving [firms] forward in new ways of work that include data," said <u>Barbara Wixom</u>, a principal research scientist at the <u>MIT Center for Information Systems Research</u>. "Data's a team sport, and the entire organization is the team."

At the enterprise level, <u>data should be viewed as an organizational asset</u>, not the property of individual departments that created or collected the data, <u>said</u> Michelle K. Lee, '88, SM '89, a former director of the U.S. Patent and Trademark Office who spoke at the EmTech Digital conference earlier this year.

Leveraging that data requires collaboration, said Cindi Howson, chief data strategy officer at analytics platform provider ThoughtSpot. Some companies will need to reorganize around data and analytics, Howson said in a presentation at an MIT data symposium last August. This might mean combining business people with technical employees and coders.

The most successful firms have data and analytics embedded inside every business unit, with some degree of centralization, Howson said.

# 2. They're comfortable working with artificial intelligence, machine learning, and robots.

Most experts agree the future of artificial intelligence is the future of work. And robotic technology is expected to keep expanding, with the global robotics market worth \$260 billion by 2030, according to one estimate.

It's no guarantee that growth will be all good. MIT economist Daron Acemoglu found that for every robot added per 1,000 workers in the U.S., wages decline by 0.42%, and the employment-to-population ratio goes down by 0.2 percentage points.

If we don't focus on the right type of AI, Acemoglu said, there are "potentially disastrous consequences for income inequality and social cohesion."

While there have been concerns over AI replacing humans in factories and warehouses, savvy employers will deploy artificial intelligence where it can complement humans instead of replacing them — in areas like education, health care, and training.

In manufacturing, <u>collaborative robots</u>, or cobots, are poised to augment human labor. With cobots, human workers can offload easier tasks to robots and focus on more ambiguous, challenging work, thereby improving productivity and worker well-being, according to MIT professor and roboticist Julie Shah.

In all cases, employers should deploy intelligent technologies with care, keeping in mind there may be friction between tech-savvy junior employees and senior staff that <u>upsets traditional power hierarchies</u>. One way to address this challenge is to create a peer-training program that rotates both senior and junior employees through the role of trainer, suggested MIT Sloan work and organization studies professor <u>Kate Kellogg</u>.

Collaboration with developers is likewise key: Machine learning developers need to <u>talk to end users</u> to keep the iteration process alive.

"They need to engage in a back-and-forth process with [users] to build, evaluate, and refine the tools, in order for the tools to be useful in practice," Kellogg said.

# 3. They're empowered.

According to <u>research</u> by MIT Sloan professor <u>Thomas Kochan</u>, faculty member at the MIT Institute for Work and Employment Research, workers report experiencing a sizable "<u>voice gap</u>" at work — that is, a gap between how much say or influence they feel they ought to have and how much they actually have — on topics such as wages, working conditions, and fair treatment.

This won't last: Nationwide, low-wage workers are <u>finding their voice</u> and finding purpose, and employers <u>ignore them at their own risk</u>, said MIT Sloan professor of human resources and management <u>Paul Osterman</u>.

"The high levels of anger we're seeing, and the political instability that flows from it, likely has to do with the size of economic inequality today. ... I would argue the business community has a self-interest in worrying about these issues." Osterman said.

Kochan urges employers and employees to engage in <u>a new social contract</u> that delivers strong return rates for investors while supporting high-quality careers. Tenets of such a contract include:

- Careful selection of employees with strong technical and behavioral skills.
- Continuous investment in staff training and development.
- Respect for worker rights.
- Opportunities for workers to adapt to changing technologies and work requirements.
- Fair and transparent compensation systems that ensure employee incomes rise with enterprise and overall economic performance.
- A voice for workers in the critical business decisions that will shape their future.

# 4. They respect, expect, and understand the value of "good jobs."

Today's employees have standards: This means good pay and benefits, a stable and predictable schedule, a career path, security and safety, and a fair and equitable work environment.

As such, employers need to go beyond offering job training or higher wages for low-wage jobs. It's also important for firms to improve the quality of the jobs they provide, an issue that affects roughly one-quarter of American adults, Osterman said.

If not? Underinvestment in people leads to operational and customer service problems, which lead to lower sales, which lead to shrinking budgets, said <a href="Zeynep Ton">Zeynep Ton</a>, professor of the practice at MIT Sloan, and author of "The Good <a href="Jobs Strategy: How the Smartest Companies Invest">Jobs Strategy: How the Smartest Companies Invest in Employees to Lower Costs and Boost Profits."</a>

"This vicious cycle is costly for investors. It hurts customers. It is downright brutal on workers, from their wages to their schedules to their treatment and dignity. Everyone loses," she <u>said</u>.

In their book "Overload: How Good Jobs Went Bad and What We Can Do About It," MIT Sloan professor Erin Kelly and University of Minnesota sociology professor Phyllis Moen call for a <u>dual-agenda work redesign</u>, an action plan that links employees' well-being and experience with a company's priorities and goals.

The pair studied a company that had undertaken a work redesign initiative which included options such as working from home or implementing a hybrid schedule. They found that employees who went through the work redesign had a 40% lower turnover rate during a three-year period.

# 5. They're committed to advances in equity and the environment.

According to the U.S. Equal Employment Opportunity Commission, 83% of tech executives are white. At Apple, 6% of the tech workforce last year was Black. At Google, just under one-quarter of interns were Black and Latinx, and 5.5% of new hires were Black.

To close the tech gap, it's <u>essential to cultivate diversity</u> in the workforce, according to <u>Malia Lazu</u>, a former Berkshire Bank executive vice president and current MIT Sloan lecturer who focuses on inclusion in the innovation economy. Actions include exposing all kids to STEM at an early age; making higher education more affordable and more equitable; hiring based on skill set rather than degree; and assessing and diversifying professional networks.

Last year, associate dean for innovation and inclusion <u>Fiona Murray</u> and associate dean for diversity, equity, and inclusion <u>Ray Reagans</u> detailed ways MIT Sloan is changing institutional culture, a blueprint they hope other organizations can adopt.

"We are addressing the school's traditional reliance on our existing networks to recruit staff, faculty, and students," they <u>write</u>. "To change that, we've hired specialized recruiting firms to tap into broader, more diverse networks when hiring staff."

Equity extends beyond the hiring process, according to MIT Sloan management professor <u>Emilio Castilla</u>, who recommends that organizations <u>approach promotions</u> and raises through an unbiased, data-driven lens.

More broadly, research by assistant professor of work and organization studies <u>Jackson Lu</u> has found that <u>leaders with multicultural experiences are better</u> <u>communicators</u> and are particularly effective when leading multinational teams.

For younger employees in particular, the idea of equity extends to governance and environmental issues equally. The <u>Cone Communications Millennial Employee Study</u> found that 64% of millennials won't take a job if it doesn't have a strong corporate social responsibility policy, and 83% would be more loyal to a company that helps them contribute to social and environmental issues.

In the last 15 or 20 years, a shift from reactionary to proactive environmental practices became the norm, with a company's sustainability performance now tied to its success, said <u>Bethany Patten</u>, lecturer and senior associate director of the <u>Sustainability Initiative at MIT Sloan</u>.

"The tides have changed in terms of organizational design," Patten said.

In setting environmental priorities, many companies are taking an "inside-out" approach, which accommodates input from employees, among other stakeholders, said senior lecturer Jason Jay, co-director of the Sustainability Initiative.

The approach requires convening those who define the culture of a company — board members, the C-suite, and employees — and discussing what the company exists for and the mark it wants to leave on the world, said Jay, who with professor <u>John Sterman</u> co-teaches "<u>Strategies for Sustainable Business</u>," an online course from MIT Sloan Executive Education.

Companies often separate their environmental progress from diversity, equity, inclusion, and justice efforts. They shouldn't.

"Climate change is necessarily a justice issue," Jay said. 🏛



# What 'work of the future' means to 5 business leaders



by Sara Brown

Why It Matters

For many leaders, work of the future means integrating data and AI programs, honing empathy skills, and meeting workers' wants and needs.

Leaders preparing for work of the future often focus on data and technology, which are already fueling artificial intelligence and algorithms that are transforming the workplace.

But human workers shouldn't get lost in the shuffle. Savvy managers are arming employees with the skills they need to integrate these new technologies into existing workflows.

At the same time, leaders anticipate that the challenges and opportunities that emerged during the COVID-19 pandemic, like remote work, will continue and become standard, though there is still a lot of work to be done in that area.

"We are at the most important pivot point of the past couple years," said Dannielle Appelhans, LGO '11, chief

operating officer at biotech <u>Rubius Therapeutics</u>. "It finally feels like we have a path to move forward into what will be our new normal, or our 'work of the future."

Here, five MIT Sloan alumni in leadership roles at Target, Google, and other companies share what work of the future means to them:

# Going all-in on data



Dannielle Appelhans, LGO '11, chief operating officer at Rubius Therapeutics

For many companies, data will be part of day-to-day work and overarching strategy, if it isn't already. This is especially true at <u>Healr Solutions</u>, which uses data to create solutions for biopharmaceutical supply chains, according to <u>Guadalupe Hayes-Mota</u>, SB '08, LGO '16, the company's founder and CEO.

Hayes-Mota said he is making sure his employees are fluent in data analytics and using large datasets.

"They are becoming versed in working with data, analyzing it, and communicating the implications of this information," he said.

Data is also top of mind at the leadership level.

"As we progress to the future, work will be heavily dependent on making decisions based on large datasets," Hayes-Mota said. "And I am learning new ways to analyze extensive data to <u>tell insightful and meaningful stories</u> for the company's growth and operations."

"At Target, we use data-driven tools to support quicker, more effective decision making," said <u>Heath Holtz</u>, LGO '05, a senior vice president of field operations at Target who is responsible for the company's store replenishment and "direct-to-guest" fulfillment network operations.

"The way of the future is using that information to improve speed and quality of service to meet guest expectations," Holtz said.

# Integrating artificial intelligence into the workplace

Technology, particularly AI and robotics, is a priority for many leaders, who expect intelligent tools to bring substantial returns. Integrating these

technologies into the workplace presents unique opportunities and challenges, which vary by industry.

Bots offer a particular opportunity for highly regulated industries like health care that have codified activities, said <u>Dr. Isma Benatti</u>, MBA '18, the vice president of R&D strategy and operations at <u>Amgen</u>, a biotech company. Doctors and other highly trained employees end up doing required administrative tasks that are repetitive and time-consuming, distracting them from more innovative work.



Isma Benatti, MBA '18, vice president of R&D strategy and operations at Amgen

"A bot can bring a quick solution, reducing risk of human error and freeing up time for researchers," she said. "Integrating a bot in the existing R&D workflow is usually rapidly adopted by scientists."

Amgen is thinking about existing skills and determining where gaps are, with an emphasis on involving employees in solutions, Bennatia said. This includes explaining why changes are made and how more and new technology will benefit employees by helping them develop new skills and free up time.

"People are worried they'll be replaced by

technology and lose their jobs," she said. "This can be quickly addressed once individuals understand how these tools will help them perform better and more efficiently."

Hayes-Mota agreed that the human side of technology is often overlooked. "When speaking of the future of work, we tend to focus on creating systems and technology that will do jobs for us. In a sense, we are preparing ourselves to be replaced by technology," he said. "Unfortunately, we have not paid much attention to what types of work we will do. We need to invest in brainstorming and developing new roles for those displaced by technology."

# Managing remote teams with technology

Business leaders said they are preparing for remote work to be a long-term trend affecting everything from communication to worker retention. According to a recent Pew Research Center survey, 60% of workers with jobs that can be done from home say that even when the COVID-19 pandemic is over, they'd like to

work from home all or most of the time if they have a choice. Some argue that in the future, remote work will just be called "work."



**Guadalupe Hayes-Mota, SB '08, LGO '16,** founder and CEO of Healr Solutions

"Personally, I am still working on how to leverage IT tools and best practices to create an inclusive environment, particularly for hybrid work," Appelhans said. "As a leader, I think we need to be role models in how to use technology efficiently and show our employees how they can leverage it to their advantage and the advantage of their work."

Hayes-Mota said Healr is also expecting employees to use technology to communicate and share information, and become more comfortable with video and virtual meetings.

"Currently, my team is learning to share information electronically that will be viewed by others around the globe," Hayes-Mota said. "We also use telecommunications to brainstorm solutions to everyday problems we face in the business. This makes us much more agile and able to react to sudden changes within the market."

# Focusing on skills technology can't replace

Remote and hybrid work puts a premium on some <u>skills that technology can't</u> <u>replace</u> — such as empathy, collaboration, and communication.

An "acute challenge" in the near term is getting the best from employees as they become more geographically dispersed, said <u>Wendy-Kay Logan</u>, LGO '11, a director of business strategy at Google.

"How do we equitably collaborate across all locations, given you have some real constraints around time zones," Logan said. "You want to meet people where they are."

This means looking at how meetings are conducted — perhaps with all participants on individual screens, whether they are in the office or remote, and making sure in-person and remote participants can equally engage in a productive way.



Heath Holtz, LGO '05, senior vice president of field operations at Target

Logan said she is also focused on having empathy as people work from different time zones and with different technology infrastructures — making it acceptable for people's cameras to be off, for example, or having people in the U.S. start work earlier one week so people in India don't have to stay up late, and vice versa.

Connection and empathy have always been important to Target's team culture, which is focused on care and connection, Holtz said, and with the team

spread across the country, it's always been top of mind.

"But the last few years gave us an opportunity to build even more routines to stay connected and collaborate, which will be paramount moving forward," he said.

### Holding on to talent

Retaining talent will also be extremely important in a world where individuals can switch companies and remain in the same location.

"I anticipate that for most organizations, culture, employee engagement, and retention are going to be challenging," Appelhans said.



Wendy-Kay Logan, LGO '11, director of business strategy at Google

"I think the emphasis should be on building relationships and meaningful connections. Because employees now have even more self-agency, we'll need to recognize the value of these relationships, and will need to be deliberate about the time we dedicate to cultivating them, which happened more organically when everyone was spending their full week in their workplace."

And above all, Bennatia said, companies should manage the risks of burnout that remote work brings.

### **Rethinking geolocation**

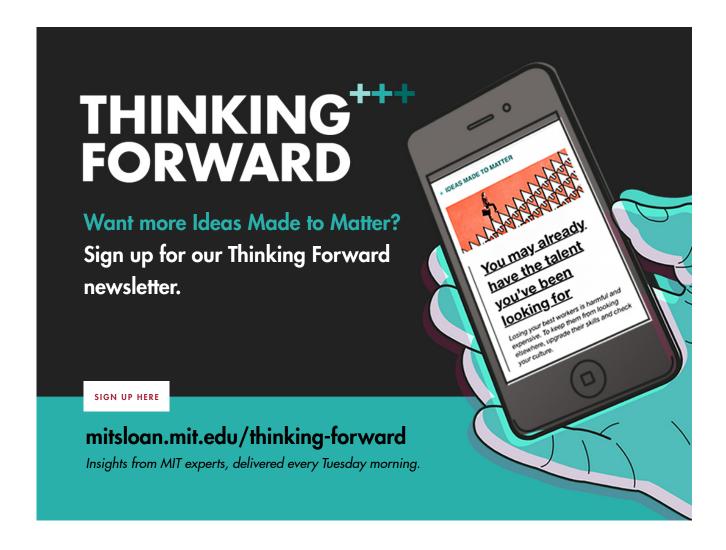
The future is likely to include new business hubs as companies reconsider their location strategies in response to remote work.

"We should be going where talent is," Logan said, noting that Google has publicly announced that it is growing its footprint in Atlanta, New York, and Chicago, where there is a more diverse talent pool than Silicon Valley. This will help Google attract talent who are generally underrepresented in tech hubs, she said. "We want to tap into the richness of perspectives and have a diverse workforce so we build products for a broader range of users."

There tends to be a lack of Black and Latinx talent in traditional tech hubs, and "you can't rely on importing diversity because it's not just about how many Black employees can be convinced to relocate near a company's headquarters, because life isn't just work," she said. "If the second you step out of your work you don't see anyone else who has the same lived experience, then it doesn't work."

This means rethinking major tech hubs.

"It's showing there isn't just one place where innovation happens and where the next big AI company, the next big unicorn is going to be," Logan said. "It's about being flexible and thoughtful, about how do you position yourself for talent, because that is the most important asset." 💼



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