

Q&A YETUNDE HOFMANN

A culture of 'love' enhances creativity



THE GROWING FOCUS ON inclusion and now employee happiness doesn't seem to be doing much good. In many organisations, staff remain highly stressed and show little of the commitment, let alone passion, that diversity, engagement or wellbeing initiatives are meant to unleash. What's needed, says leadership and change consultant Yetunde Hofmann, is the presence of 'love' in the workplace.

What do you mean by love?

Love is both the greatest human need and the greatest gift, and it starts with unconditional acceptance of yourself – including your faults and foibles. When you fully accept who you are, you can also accept and value other people for who they are, and not just for what they do.

Why should that matter in a business context?

It's amazing what people can achieve when they feel loved and accepted. In the workplace they

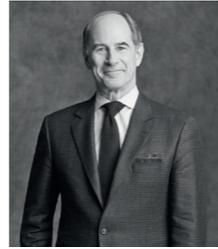
are likely to speak up, learn from their mistakes and come up with creative ideas. They will deliver far better results than people who work in a culture where, regardless of various networks and initiatives, people are not free to be themselves and are constantly anxious about how they will be judged.

Why do we usually shy away from using the term love in business?

One reason is that traditional British culture emphasises self-restraint, and many people are taught from an early age not to show extremes of emotion. Then there's the stigma attached to the term love, which in the workplace is often reduced to the trivial – to the notion of illicit relationships between colleagues or bad behaviour at office parties.

How can you create a culture of love in the workplace?

Business leaders must have the courage to bring all of who they are to work and enable others to do the same. They must understand that people are more than their behaviour and more than a means to an end. It's about creating a different kind of environment through the values you demonstrate and applaud, in the way you align your systems and processes, and through debate and development. The type of leaders you choose is critical. Leaders must also act as role models by demonstrating respect for their team members.



Solve problems by combining ideas

WHEN THERE IS NO OBVIOUS right answer to a problem, most of us choose the least worst option. Successful leaders, by contrast, do not choose between mediocre answers, says Roger Martin. Instead, they use what he calls 'integrative thinking' to consider opposing ideas and incorporate elements of each into new and better solutions.

Martin's latest book, *Creating Great Choices*, co-written with Jennifer Riel of the University of Toronto's Rotman School of Management, sets out a four-stage process for resolving problems. First, define the problem and identify opposing solutions; then examine those alternatives; next, explore ways of integrating elements of each alternative into superior solutions; and, finally, test the new solutions.

One of the examples used revolves around a turf war over control of a multinational company's learning agenda. Opposing ways of resolving this challenge include centralising or decentralising training. An integrative solution might be to capture the best of both ideas by centralising training design, while decentralising training delivery.

Integrative thinking is not a silver bullet, the authors admit, but when the options are not good enough, it can help create better choices.

Martin is the director of the Martin Prosperity Institute at the Rotman School of Management

Words: Anat Arkin



Power is no longer bound by status

EVERY PERSON ON THIS planet has something of value to offer, Nilofer Merchant points out. But until recently, she says, you needed the right credentials or an important job in a big organisation to stand any chance of making a 'dent' in the world. The internet has changed all that by allowing ideas to spread through networks, instead of hierarchies. Influence is no longer determined by status, but by what Merchant calls 'onlyness' – "that spot in the world only you stand in, a function of your distinct history and experiences, visions and hopes".

From this vantage point, everyone can offer new insights and even groundbreaking ideas, and use networks to turn those ideas into reality. In her latest book, *The Power of Onlyness*, Merchant describes how ordinary people have made a difference and disrupted the status quo by joining forces with like-minded others. They range from a group of teenagers who fought for equality for gay people in the US boy scouts movement, to a Hollywood insider who changed how the film industry picks scripts.

"While organisations and hierarchies continue to serve many useful purposes," says Merchant, "we no longer need them to attain big goals."

Merchant is an author and public speaker

Paul Demuth; Internet Archive Book Images



Do 'blind CVs' boost diversity?

As employers try to recruit from broader talent pools, many have started removing candidates' names, ages and sometimes details of their education from CVs and application forms.

But do so-called 'blind CVs' really drive unconscious bias out of the recruitment process – and are they fair to all applicants?



KATE HEADLEY
Director of consulting,
The Clear Company

Removing information from CVs that can disadvantage certain candidates will definitely reduce bias. But if that's all you do, it will just kick in later. You need to examine what you are really looking for and what 'good' looks like, make that clear in job descriptions and train managers to shortlist candidates against very specific criteria – and nothing else. That shortlisting stage needs significant work in most organisations, even those using blind CVs.

You also need to train managers to avoid bias, not only when interviewing candidates in person, but during telephone or video interviews, which are now often used early in the hiring process. Finally, the organisation must welcome diversity. Otherwise, the candidates you're trying to attract will either reject job offers because they can't see themselves working for the company or they won't stay long.

Withholding details of applicants' education and academic achievements from recruiters is more complicated. Employers bravely and laudably experimenting with this approach are trying to recruit a broader social mix. But even though a degree is only one indicator of capability – which can be measured in other ways – we know how hard young people work to do well at university. And is it right to assume that everyone who went to a private school has a privileged background?



EXPERTS' VIEW

DAN RICHARDS
Recruiting leader,
EY, UK & Ireland

In 2015, EY stopped asking graduate applicants to disclose which university they'd attended and their class of degree. The firm also scrapped its minimum 2.1 degree requirement and no longer asks for details of relevant work experience, since only those with the right family contacts are likely to have this. Apprentices and school-leavers, too, do not have to list their A-levels or say where they were educated. All that assessors now see when they sift applications are candidates' registration numbers and scores in a series of tests designed to assess potential.

This process isn't unfair to those who were privately educated or did well at elite universities. They've still got every opportunity to pass the firm's assessments. What the current approach has done is level the playing field, which has increased the number of new hires who went to state schools. In fact, people who would have been screened out at the first hurdle under the old system now make up 18 per cent of the company's intake of graduates and apprentices.

You do have to work hard to recruit from the broadest possible talent pool. There will always be a tendency for people to select those who are like them, so EY has put all its recruiters through unconscious bias training. If you use a robust process, you can eliminate some biases, though probably not all of them.



Late radicals

Who are they?

Overpaid curmudgeons who are set in their ways, don't 'get' millennials and probably try to rewind a DVD after they've finished watching. That is the clichéd view of older employees – yet this stereotype doesn't square with Steve Jobs, who was 52 when he launched the iPhone; Pablo Picasso (55 when he completed *Guernica*); or John Goodenough (94 when he announced a new, improved version of the lithium-ion battery). The cult of youth – exemplified by the hype surrounding Facebook's 33-year-old impresario Mark Zuckerberg – blinds many employers to the potential of what Olivia Stubbings, strategy director at marketing agency WCRC, calls 'late radicals' – veterans whose mastery of their craft gives them the confidence to break the rules.

Why do they matter?

Many companies have revamped their senior management teams to make them less male and pale, but, as Stubbings argued in an award-winning essay for the Institute of Practitioners in Advertising: "Ageism is the missing piece of the creativity puzzle. People who would balk at an all-male creativity department think nothing of one staffed by people who are all 25-35." Such initiatives as '30 under 30' awards reinforce the message to older employees that they are unwelcome or overlooked. Digital technology has fuelled the myth that we have entered an entirely new corporate era, facing issues that anyone over the age of 35 will struggle to understand. But have the big questions facing companies really changed that much? Most businesses still aim to do what they always did: create and protect value.

The bottom line

Employers would do well not to ignore people aged 50 and over, who constitute 30 per cent of the global workforce. Motivated 'late radicals' can help shape culture, reduce churn, drive mentoring and give a business a longer-term perspective. In 2007, when the financial sector began to implode, they didn't have to ask Google what a recession was, they had lived and worked through one. They can seem – and sometimes be – resistant to change, but their scepticism could be the key to creating a genuine diversity of opinion, making it easier to spot bad decisions and correct them. A blended, multi-generational workforce might benefit the business – and reassure staff in their forties that they might have a future within the organisation.



A start-up mentality is key to growth

ARE START-UPS REALLY that different from established companies? Not according to Eric Ries, who argues that while older companies often try to develop an entrepreneurial culture to continue to grow, the challenge for start-ups is to maintain their culture as they grow.

An organisation of any size or age now needs a capacity for continuous innovation, says Ries, with teams looking for new sources of growth effectively acting as internal start-ups. A company must empower teams to experiment, while supporting the true entrepreneurs inside the organisation. It must also recognise when HR and other 'gatekeeper functions' get in the way of entrepreneurial behaviour, explains Ries in *The Startup Way*.

He explains how GE's HR function, realising the company's venerable five-point employee rating system was not supporting new ways of working, experimented with different approaches. This resulted in a new performance measurement framework that "changed the way people in the company think of success", says Ries. "And – just as important – they demonstrated that even HR can act like a start-up."

Ries is an entrepreneur and author



Excellence + people = business success

"IF PETER DRUCKER 'invented' management, Tom Peters vivified it," the late leadership scholar Warren Bennis once said. And in bringing management to life, Peters arguably invented the modern business book.

He is best known for his 1982 bestseller, co-authored with Robert H Waterman, *In Search of Excellence: Lessons from America's Best-Run Companies*. Some of these companies went on to deliver poor results, and the authors were criticised for holding them up as examples of excellence. Yet it remains influential.

Peters believes its main achievement was to use the words 'business' and 'excellence' in the same sentence. Excellence, he points out, usually refers to something like an incredible operatic performance. "We were trying to say that at some level business is a performing art too; that, at its best, business is about people who are growing and individually reaching new levels."

Peters, who has just received a lifetime achievement award from the Thinkers50 ranking of management thinkers, hasn't stopped looking for excellence. His latest book, *The Excellence Dividend*, due out in April, argues that a commitment to both people and excellence is the only way to cope with the tidal wave of change hitting business today.

Peters is an author and consultant



Blasting the myths of gender labels

AS THE AUTHOR of *Delusions of Gender*, which argues that men's brains are not that different from women's, Cordelia Fine is sometimes asked if she also denies other differences between the sexes. Fine tells this story in her latest book, *Testosterone Rex: Unmaking the Myths of Our Gendered Minds*, which won the Royal Society science book of the year.

Fine does not, of course, deny that men and women are physically different. But drawing on scientific research, she takes apart the view of the sexes having different natures rooted in an ancestral past that rewarded competitive, risk-taking men, and monogamous, risk-averse women – differences recreated in each generation by sex hormones, notably testosterone. There are, says Fine, no essential male or female characteristics, with studies showing that most people display a 'mosaic' of so-called masculine and feminine qualities. Research also shows that while genes and sex hormones influence brain development and therefore behaviour, they also interact with many other social and environmental factors.

These findings, says Fine, are awkward for anyone arguing that the sexes 'naturally' segregate into different occupations and roles.

Fine is a professor of history and philosophy of science at the University of Melbourne



TABITHA GOLDSTAUB

AI CAN BE USED TO FREE UP STAFF TO FOCUS ON THE SOFTER SKILLS THAT MACHINES CAN'T REPLICATE

YOU COULD SAY WE'VE entered a golden age of computers, where the sheer volume of data and vastly improved computing power have created the perfect conditions for developing artificial intelligence.

What does the rapid growth of AI mean for HR? In short, it's squeezing the profession on both sides. It's not just the industries it supports – from banking and professional services to legal and marketing – where jobs are being lost to automation, it's also happening within HR itself.

It's easy to be alarmed but the disruptive power of AI has many benefits too, such as cutting out the drudgery of routine tasks in favour of more valuable, human-facing activities.

In our research, we've identified no less than 28 uses and 300 AI-based products that can be applied across the employee lifecycle. We found that hiring tools, which are offered by more than 100 vendors, are the single biggest area for the deployment of AI.

As recruitment is rule-based, high-impact and, at times, laborious, it's a perfect fit with AI, which is adept at solving rule-based problems. A great example is video interview analysis, which, CognitionX research shows, is

currently used by around 600 firms to screen job applicants. What brands from Hilton to Mercedes-Benz have learned is that machines can do the heavy-lifting by scrutinising interviewees for them. Candidates' text and writing style can be examined in increasingly sophisticated ways too.

It's crucial to take the ethical considerations into account, however (see pages 30-37). AI is not without its risks and responsible companies must ensure the tools

they use are based on reliable, unbiased data. Using only existing staff as a yardstick for your next hire can be dangerous. If an

algorithm learns from the same, unvaried source material, it will deliver the same, uniform candidates again and again.

Ultimately, as the amount of AI solutions continues to grow, it'll pay to stay ahead of the curve. Those who do, and deploy AI in a measured, responsible way, will be able to increase the capacity of existing staff by freeing them from the shackles of paperwork. This will enable them to focus on the softer skills that AI can't emulate, like empathy, which ultimately will put you in the best stead to win in an increasingly man/woman and machine age.

Goldstaub is a co-founder of CognitionX

"Machines can do the heavy-lifting by scrutinising interviewees"

BEST OF
TED

Fresh thinking from the world-famous incubator of ideas

ALEXANDER WAGNER
Economist

Why it pays to put people first

Each year, one in seven large companies commits fraud, but what motivates people in the other six to remain honest? According to Wagner, people do not always act in their own self-interest. They are willing to pay a price to uphold certain values, and feel better doing what they see as the right thing. Employers have a clear choice: they can use incentives to get employees to conform to organisational values – or save themselves a lot of trouble and money by selecting people who share those values in the first place. As Wagner says: “It will pay off to put people first.”

ROSELINDE TORRES

Senior partner, Boston Consulting Group
Great 21st century leaders prepare for tomorrow's possibilities

In an ever-more global and transparent world, relying on traditional development practices will stunt your growth as a leader. Instead, ask yourself three questions. First, where are you looking to anticipate the next change to your business model or life? The answer depends on what you are reading and who you are meeting, but great leaders shape their future. Next, consider your capacity to connect with people who can help you think differently. Finally, ask yourself if you have the courage to abandon what's worked in the past. “Great leaders,” says Torres, “dare to be different.”



ASHTON APPLEWHITE
Author

Challenging prejudice against our future selves

It's not the passage of time that makes getting older so hard. It's ageism, which, like racism or sexism, pits us against others to maintain the status quo. But with ageism those others are our own future selves. Applewhite urges us to stop feeding ageism by trying to look like younger versions of ourselves. In the workplace, where age discrimination is rampant, we should challenge stereotypes about older workers – none of which holds up under scrutiny. Ageing is not a problem or a disease, she says. “It is a natural, powerful, lifelong process that unites us all.”



We should all benefit from future tech

TO UNDERSTAND THE future, we need to understand Uber, according to Silicon Valley futurist Tim O'Reilly. The ride-hailing service, he tells *Work.*, has a lot to teach us about how technology is changing the world of work – for both good and ill.

It shows, for example, how networked platforms create employment by connecting people on both sides of a marketplace, and how workers can be ‘cognitively augmented’ by Google Maps or similar digital tools.

But with Uber's critics questioning whether it delivers real economic opportunity to drivers or is mindful of the needs of cities, the company's story also shows that the new marketplaces need to work for all participants, and not just their owners and customers.

O'Reilly, who is credited with popularising terms such as ‘Web 2.0’ and ‘open source’, believes it isn't inevitable that people who find work through technology platforms will be low paid.

As he says in his new book, *WTF? What's the Future and Why It's Up to Us*: “It's easy to blame technology for the problems that

occur in periods of great economic transition. But both the problems and the solutions are the result of human choices.”

So policymakers should stop shoehorning people into an employment model that divides them into employees or contractors, and find new ways of rewarding those with multiple employers.

Pointing to recent proposals from US think tanks for each of those employers to contribute pro rata to an individual's pay and benefits, O'Reilly predicts that other innovative ideas will surface as regulators become more familiar with the new services. But he insists that when companies treat people as costs to be eliminated, that's a choice – not the natural order of things.

He says businesses should work out how we can use new technology such as AI and big data to make us all richer in the future, in the same way the tools of the first industrial revolution did.

The robots will only take all the jobs, adds O'Reilly, if that's what we ask them to do.

O'Reilly is the founder of O'Reilly Media

Ryan Lash/TED; Bloomberg/Getty Images



JONATHAN GUTHRIE

TAKE PROFESSIONAL ADVICE, BUT DON'T ACCEPT IT WITHOUT CONSIDERING THE BIGGER PICTURE

LAWYERS RANK HIGHLY IN the hierarchy of labour. Author Damon Runyon described how a New York Mr Big, fatally stabbed, demanded to see his lawyer before his doctor. He knew the medic could not save him. But the lawyer could extend his reach beyond the grave by altering his will.

Respect for a profession can create pitfalls, though. Professionals are as prone as other workers to ‘job conditioning’. This is the tendency of someone with a hammer to see every problem as a nail. When professional advice is too narrow, clients who follow it slavishly can end up with problems worse than the one they sought counsel on.

The mission of a business lawyer is to help the client maximise profits. A focus on legal liabilities over all other risks is the job conditioning to which lawyers are prone. But there is no point keeping a tight lid on compensation claims if the reputation of the business is dragged through the mud.

Look at Thomas Cook's handling of the tragic deaths from carbon monoxide poisoning of two children in a Corfu hotel in 2006. Management, following legal advice, declined to express regret publicly. This fuelled criticism, which reached fever pitch when a 2015 inquest jury ruled that the holiday company had failed in its duty of

care. The furore wiped millions off its shares. Fears that apologies might inflate compensation claims seem to have been why it was slow to act.

Legal advice can also result in a business confronting a problem too early. For example, Barclays settled with three regulators for alleged rigging of the London interbank offered rate, a lending benchmark, in 2012, well before other institutions were implicated in the scandal. The incentive was an early settlement discount on fines. However, the bank

“Bosses can delegate decisions but not responsibility. Not even to someone with a fancy diploma from Harvard Law School”

– and presumably its lawyers – underestimated the impact of the incident and chief executive Bob Diamond was forced to resign.

Merlin Entertainments handled a crisis of its own rather more adroitly in 2015. When the Smiler ride crashed at Alton Towers amusement park, Nick Varney, chief executive of the group, visited the scene shortly after. His timely apologies tempered the backlash against the business during a subsequent successful prosecution by the Health and Safety Executive.

Lawyers who specialise in compensation cases say it is

relatively safe for a chief executive to express sorrow and regret at suffering caused by accidents or alleged employee misconduct. That is different to saying: ‘It's all our fault – get your claim in quick.’

Management, however, has a habit of erring on the side of caution. Venturing into the open from the safe corporate environment where you are top dog requires moral courage. Hierarchies of labour can further skew decision-making by weighting one kind of advice more heavily than another. The gossip in the City of London in the wake of the Barclays meltdown was that the board had taken the advice of its lawyers over that of PRs, who had advocated a wait-and-see approach. (Many financial PRs would cheerfully admit they are bottom of the heap among corporate advisers.)

I once argued with a pension fund investment consultant, an even more obscure form of adviser. Surely, I asked, recommending the services of asset managers, only to recommend they be fired when their investments fail, was power without responsibility?

“Advisers advise, but clients decide,” he retorted frostily. He was right. Bosses can delegate decisions, but not responsibility. Not even to someone with a fancy diploma from Harvard Law School. The buck has to stop somewhere.

Guthrie is the head of Lex, the premium financial commentary service of the *Financial Times*