



**Second Edition, Revised and Expanded with Tools and
Resources from the Center for Creative Leadership**

Leaders Make the Future

**Ten New Leadership Skills
for an Uncertain World**

BOB JOHANSEN

Distinguished Fellow, Institute for the Future

FOREWORD BY JOHN R. RYAN

President, Center for Creative Leadership

An Excerpt From

***Leaders Make the Future:
Ten New Leadership Skills for an Uncertain World
Second Edition***

by Bob Johansen
Published by Berrett-Koehler Publishers

Contents

Please look inside the book jacket for a visual forecast map of external future forces that will shape leaders in the future.

List of Figures	xi
Foreword to the Second Edition	xiii
<i>John R. Ryan, President and CEO, Center for Creative Leadership</i>	
Preface to the Second Edition	xvii
INTRODUCTION: LISTENING FOR THE FUTURE	1
A futures context for the rest of the book and a taste of the external future forces that will shape leaders—thinking ten years ahead. Each core chapter will explore a leadership skill that will be important in the future.	
1 MAKER INSTINCT	27
Ability to exploit your inner drive to build and grow things, as well as connect with others in the making. Leaders need this basic skill to make and remake organizations.	
2 CLARITY	42
Ability to see through messes and contradictions to a future that others cannot yet see. Leaders must be clear about what they are making but flexible about how it gets made.	

- 3 DILEMMA FLIPPING** 56
Ability to turn dilemmas—which, unlike problems, cannot be solved—into advantages and opportunities.
- 4 IMMERSIVE LEARNING ABILITY** 75
Ability to immerse yourself in unfamiliar environments, to learn from them in a first-person way.
- 5 BIO-EMPATHY** 95
Ability to see things from nature’s point of view; to understand, respect, and learn from its patterns. Nature has its own clarity, if only we humans can understand and engage with it.
- 6 CONSTRUCTIVE DEPOLARIZING** 110
Ability to calm tense situations where differences dominate and communication has broken down—and bring people from divergent cultures toward positive engagement.
- 7 QUIET TRANSPARENCY** 125
Ability to be open and authentic about what matters—without being overly self-promoting. If you advertise yourself, you will become a big target.
- 8 RAPID PROTOTYPING** 139
Ability to create quick early versions of innovations with the expectation that later success will require early failures. Leaders will need to learn from early setbacks and learn to fail in interesting ways.
- 9 SMART-MOB ORGANIZING** 153
Ability to create, engage with, and nurture purposeful business or social change networks through intelligent use of electronic media and in-person communication.
- 10 COMMONS CREATING** 165
Ability to seed, nurture, and grow shared assets that can benefit all players—and allow competition at a higher level. This is the most important future leadership skill and it grows from all the others.

11	FUTURE IMMERSION FOR LEADERSHIP DEVELOPMENT	182
	This book provides a futures lens through which to reconsider competency models and programs for leadership development. Immersion in the future is the most powerful way to learn about leadership in the present.	
12	LEARNING THE TEN FUTURE LEADERSHIP SKILLS YOURSELF	196
	Where do you stack up in terms of your own leadership skills? This final chapter suggests ways to improve your ability to make the future. Includes Future Leadership Skills Indicator	
	Notes	217
	Bibliography	225
	Acknowledgments	231
	Index	235
	About the Author	243
	About IFTF	244
	About CCL	245

Foreword to the Second Edition

My office at the Center for Creative Leadership (CCL) is overflowing with books. Volumes on strategy, history, science, talent, and numerous other topics crowd the shelves and pile up on tables. Colleagues are always free to borrow whatever they wish. There is one book, however, that is off limits: my first edition of *Leaders Make the Future*. Dog-eared and heavily underlined, crammed with notes in the margins, it has rarely been far from my thoughts since first reading it three years ago. In that book, Bob Johansen and the Institute for the Future perform an extraordinary service. They render the amorphous, unknowable future—that stormy VUCA horizon of volatility, uncertainty, complexity and ambiguity—a little less daunting. They do it by coaching us on the skills we must master to thrive in the unpredictable, opportunity-filled years to come. Well-researched, provocative, and wise, it's a superb piece of work. As one of that book's biggest fans, it is a pleasure to report to you some great news—this second edition is even more helpful to leaders at every level.

In the pages that follow, Bob offers an updated forecast for the future that carefully factors in the astounding global economic and socio-political tumult of the past few years. He digs ever deeper into

the ten most important leadership skills for navigating our future, building on his previous work with fresh examples and insights about why these skills matter and how interconnected they all are. Then his book goes one giant leap further: it explores how we can nurture those skills in ourselves and in the women and men we are privileged to lead through immersive learning and leadership development.

We felt remarkably honored at CCL when Bob invited us to share our expertise with him—and with you—by collaborating on this second edition of *Leaders Make the Future*. To be honest, finding a way to make an excellent book better presented a real challenge. As we hope you will find, we believe we have hit on a way to do that. This new edition incorporates detailed instruction, based on more than forty years of research and client experience at CCL, on how to enact the skills highlighted in these pages. We are particularly proud of a new self-assessment at the end of the book. It will help you apply these ten core leadership capabilities directly to your own life and work.

After all, this book is intended to serve a highly practical and urgent purpose: the development of leaders who can take constructive action right now on behalf of their organizations and communities—and who are prepared to frame those actions in the context of the rapidly approaching future. Bob's work is strongly informed by deep thought and sophisticated models, but he has made sizeable and very effective efforts to translate that hard-won knowledge into accessible language. He strikes a conversational tone, shares compelling stories, imparts wisdom concisely for leaders in a hurry. Reading this book is an eye-opening, surprising, and ultimately inspiring experience, like rollicking dinner conversations with your most talented friends.

Its arrival is also remarkably well timed. Watching the Arab Spring unfold of late in the Middle East reminds us how prescient Bob's work is in assessing the dynamics of our VUCA World. He foresaw the rising influence of what Howard Rheingold first called “smart-mob organizing,” through which social networks are used creatively and purposely to fuel change—foretelling events that unfolded in Tunisia, Egypt, and across the region. Frantic attempts by failing govern-

ments to quash social media interaction highlighted their hostility toward another emerging trend identified by Bob: “quiet transparency.” The complete absence of that trait among many Arab leaders, from Mubarak to Gaddafi, factored crucially into their downfalls. The resulting new and highly uncertain era, not only in the Middle East but around the world, demands yet another skill highlighted by Bob—“commons creating,” or the ability to develop shared assets, requiring collaborative leadership at all levels of the government, business, and social sectors.

In short, leaders at every level and anywhere in the world will benefit from this updated edition. For starters, senior executives in every organization should read it. If the upheaval of the past few years has taught us anything, it is that thriving in the future, as opposed to just trying to survive it, requires plenty of advance preparation. In this book, Bob does much of the spadework for us, providing a rare window into what awaits and advising us on how to plan for it. That is why his work is required reading for CCL’s board and our senior management team. Precisely because this book grapples with the future, it is also an invaluable, affordable resource for a group that is customarily overlooked when training dollars are divvied up—young, emerging leaders. They will eventually take the reins of our organizations. The sooner they familiarize themselves with the skills needed to grow and sustain them in volatile times, the better.

Businesses of all sizes will find this book a valuable aid in crafting well-informed strategies. Certainly, it’s no surprise that the Institute for the Future continues to work closely, as it has for years, with many top corporations. But it is perhaps government agencies, educational institutions, and nonprofits that will benefit even more. With resources tighter than ever, these organizations often do not have a lot of dollars to invest in long-term planning—and, yet, anticipating the future and making the necessary adjustments to their operations is crucial for sustaining their impact and fulfilling their missions over the long run. Indeed, we recently completed a ten-year strategy at CCL, relying heavily on the guidance in Bob’s

book. It was like having a savvy consultant in the room with us each step of the way.

It is always a pleasure to recommend an important book. It is even more delightful when the author is a person whom you admire greatly for his wisdom, focus, and humility. The second edition of *Leaders Make the Future* is that kind of book, and Bob Johansen is that kind of guy. Enjoy the journey as he leads you into a future of possibility.

John R. Ryan
President and CEO,
Center for Creative Leadership

INTRODUCTION

Listening for the Future

If a man take no thought of what is distant,
he will find sorrow near at hand.

CONFUCIUS

LISTENING FOR THE FUTURE is hard work. Leaders must learn how to listen through the noise of a VUCA World of Volatility, Uncertainty, Complexity, and Ambiguity.

But leaders can make a better future. We need not and should not passively accept any future as a given. Disciplined use of foresight can help leaders make better decisions today. There is short-term value in long-term thinking.

It is hard to think about the future, however, if you are overwhelmed by the present. Surprisingly, when the present becomes most overpowering, foresight becomes most useful. A global futures perspective can help leaders make a way through the chaos of the present. Looking to the future can help you decide what to do right now.

Many leaders today are overwhelmed by volatility, uncertainty, complexity, and ambiguity (VUCA). Some of their leadership behaviors are not constructive, and the prospects for leadership in the future are far from secure.

In these troubled times, many leaders are judging too soon and

judging too simplistically. Others are deciding too late and paying a price for their slowness or lack of courage. Some leaders react to the VUCA World with anger and disdain. Some pick a side and start to fight. And some leaders truly believe that the chaos will go away as things somehow get back to what they remember (often romantically) as normal. Such leadership responses are understandable, but they are also dysfunctional and dangerous.

When I listen for the future, I hear four overarching messages:

1. The VUCA World of Volatility, Uncertainty, Complexity, and Ambiguity will get worse in the future.¹ Solvable problems will still abound, but senior leaders will deal mostly with dilemmas, which have no solutions, yet leaders will have to make decisions and figure out how to win anyway. Many people are already living in a VUCA soup most of the time—especially people on the wrong side of the rich–poor gap.

While I was writing the first edition of this book in 2008, the VUCA world got a lot easier for me to explain as the markets around the world shook—and they are continuing to shake intermittently. Since the first edition, the VUCA World has gotten even more intense and obvious. More financial crises have shaken the markets, but so have a series of natural (or semi-natural) VUCA World events. On April 15, 2010, for example, I was in London talking about *Leaders Make the Future* with a group of innovation leaders from all around Europe. My morning keynote focused on the VUCA World and cloud computing. That afternoon, a cloud of volcanic ash descended upon London and closed British air space for the first time in history. I was grounded, with many others, in London for a week—at twelve-hour intervals, with no idea how long the shutdown would go on. Later that same week, the infamous BP oil spill erupted in the Gulf of Mexico. Two global VUCA events in one week.

If you are not confused by current events, you are not paying attention.

2. The VUCA World will have both danger and opportunity. Leaders will be buffeted, but they need not allow themselves to be overwhelmed, depressed, or immobilized. Some of those in authority

positions today have turned nasty out of frustration. Leaders must do more than just respond to the whirl of events, though respond they must. Leaders can make their way in the midst of chaos. Some things can get better, even as other things get worse. You cannot listen for the future if you are deafened by the present or stuck in the past. Signals from the future are already here, all around us. There is also lots of meaningless noise, however, and leaders must learn to distinguish the signals from the noise.

We don't just live in the present. We are rooted in the past and we have chances to make the future. The VUCA World, even with all its threats, is loaded with opportunity.

3. Leaders must learn new skills in order to make a better future. Traditional leadership practices will not be enough to deal with startling external future forces. Leaders must have new skills to take advantage of VUCA opportunities—as well as the agility to sidestep the dangers.

This book introduces ten new leadership skills for the future: maker instinct, clarity, dilemma flipping, immersive learning ability, bio-empathy, constructive depolarization, quiet transparency, rapid prototyping, smart-mob organizing, and commons creating. When I completed the first edition, I assumed that others would suggest new leadership skills—beyond the ten I identified. To my surprise, in the hundreds of workshops we have done over the last three years, there were no obvious additional future leadership skills that were suggested to me. I am now confident that these ten future leadership skills cover most of the territory—even though the language to describe the skills may vary from organization to organization.

4. Something more is needed than traditional approaches to leadership development and executive training. In order to increase their own readiness and ability to make the future, leaders must immerse themselves in the future and practice their skills in a low-risk environment.

This will be a recurring theme in this book: immersion in the future. Leaders must immerse themselves in the future (through

games and immersion experiences) and return to the present ready to make a better future.

Our societal ways of thinking about the future have shifted fundamentally. This artifact came from the 1964 World's Fair Futurama pavilion sponsored by General Motors. (See Figure 1.) Made of lightweight metal and designed so that it could be attached to your pocket or shirt, the motto reveals the prevailing public view of the future in 1964. In those days, thinking about the future was the mysterious territory of government, science, and very large companies such as General Motors. The future was distant and driven by technology and science. The future was created by others in positions of authority. The rest of us were supposed to accept the future with awe and applause, not create the future—except for small energetic pockets of activists that always felt they could make the future.



FIGURE 1. Badge from 1964 World's Fair Futurama pavilion sponsored by General Motors. *Source:* IFTF personal GM artifact, 2008.

Today, is anyone trusting GM—or any other large corporation for that matter—to create the future? I think not. We think GM will survive, and most of us hope they will succeed, but few are counting on GM to make the future. Today's consumers expect to make the future themselves and they don't like to be called "consumers." Consumption will be reimaged in the future world they are creating. Consumption won't go away, but it will be different and people won't be called consumers.

In 1964, the future looked so complicated that everyday people could only glimpse it if the big companies, powerful government agencies, and scientists allowed them to do so. The distant iconic leaders in this world were trusted to create the future for the rest of us.

In 2008, after discovering this 1964 vision of the future, my colleague Jason Tester, who designs artifacts from the future at IFTF (he calls this art human/future interface), hacked the original slogan “I have seen the future” and injected it with modern maker spirit. (See Figure 2.)



FIGURE 2. New version of an old slogan. *Source:* IFTF, *The Future of Making*, 2008. SR# 1154.

This artifact captures the spirit of futures thinking today. Big companies, government agencies, or universities are no longer trusted to create the future. “I am making the future” is a call to action, with an attitude.

The maker instinct is the most basic future leadership skill, and it energizes every other skill. All ten of the future leadership skills proposed in this book build on each other and work together. Clarity, for example, wraps a leader’s vision in practical but inspirational language that motivates people through chaos. Commons Creating is the most ambitious, demanding, and important new leadership skill. Every leadership skill is linked to every other skill, and leaders need to decide which skills to emphasize when. Leadership teams need a mix of these future-inspired leadership skills.

On the map inside the book jacket is a summary of the external future forces that will shape leadership over the next decade. Leadership must change because of the external future forces we are facing.

The global rich–poor gap is the most basic and the most extreme future force—and the gap is growing dangerously. People who are poor already experience the VUCA World: their lives are volatile, uncertain, complex, and ambiguous every day. Realistically and sadly, it is hard to forecast a narrowing of this gap, but easy to imagine it getting wider.

In *Get There Early*, I wrote an entire chapter on “The VUCA World: Danger and Opportunity.” VUCA is not new. There has been plenty of volatility, uncertainty, complexity, and ambiguity for leaders to deal with (or not) in the past. The need for leadership in the face of uncertainty is also not new. Life has always had its VUCA elements, and leaders have always lived VUCA lives. But I think the next ten years will be different.

What will be new in the years ahead is the scale and intensity of the VUCA World. Having spent forty years forecasting, I believe that the future world will be *more* volatile, *more* uncertain, *more* complex, and *more* ambiguous than we have ever experienced as a planet before.

In my nearly forty years of ten-year forecasting, the forecast inside the book jacket of *Leaders Make the Future* is the most frightening I have ever done. It is also, however, the most hopeful forecast I have ever done.

It bears repeating that nobody can predict the future. The purpose of forecasting is to provoke, not predict. I hope that this forecast provokes new insight about how to avoid the most dire aspects of this forecast. Many people, I hope, will dedicate themselves to proving this forecast wrong. There are many elements of this forecast that I hope will not occur. I hope that leaders will be smart enough to avoid them.

One of my jobs as a forecaster is to help people learn to be comfortable being uncomfortable—but certainly not passively comfortable. The most important value of forecasting is to help people learn to lead energetically even if they feel uneasy. As a forecaster, I am seek-

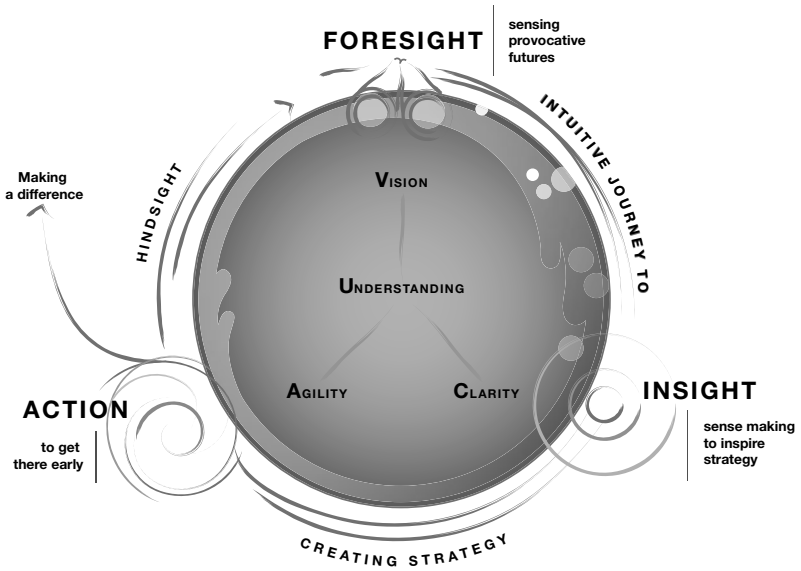


FIGURE 3. The Foresight → Insight → Action Cycle. See *Get There Early* for more detail. Source: IFTF, 2007. SR# 1038.

ing to empower, not overwhelm. Discomfort will come with the territory for the next ten years—but the possibilities for positive action are everywhere.

Leaders must get used to an amplified VUCA World and learn to like it. If you are lucky enough to experience a future that is less chaotic, take it as a blessing and be happy that you are prepared to be surprised, since you are still likely to experience surprises later. For most leaders, very few experiences will be predictable or slow moving.

Figure 3 summarizes the Foresight to Insight to Action Cycle that I introduced in detail in *Get There Early*. Foresight provokes Insight; Insight seeds Action. The purpose of forecasting is to make better decisions in the present.

Notice the positive definition of VUCA inside the Foresight to Insight to Action Cycle. Leaders in the future will need to have Vision, Understanding, Clarity, and Agility. The VUCA World is not unyielding:

- Volatility yields to vision.
- Uncertainty yields to understanding.
- Complexity yields to clarity.
- Ambiguity yields to agility.

The biggest danger is getting caught off guard, but you can control that by preparing yourself and your organization. The best way to begin your preparation is to listen ten years ahead, but you must listen through the awful noise.

Ten Years Ahead: The Magic Time Frame

Making the future begins with listening. Even in a VUCA World, the directions of change are usually discernible—if you listen carefully. The large hot zones on the map (see inside book jacket) highlight the zones where change is most likely to erupt. At Institute for the Future, we've found that the sweet spot for forecasting is about ten years ahead. Ten years is far enough in the future to be beyond the planning horizon of most organizations, yet it is not so far out that it seems unbelievable or irrelevant. Ten years is also far enough ahead to see clear patterns that are not visible in the noise of the present.

Starting from Institute for the Future forecasts, this book looks ahead to explore the leadership skills that will be necessary to succeed in the future. This introduction gives a tour of the forecast. I recommend taking off the book jacket and leaving the map open as you read this Introduction.

As a forecaster, I can provoke you with foresight, but it is up to you to come up with your own insight and actions. Again, it doesn't matter if you agree with my forecast or not. In fact, some of the best forecasts are those that you don't like, those that make you squirm in your chair. Forecasting is about provocation, not prediction. Nobody can predict—especially in a VUCA World.

Each chapter is organized around a future leadership skill. Then links are made between the forecast and how it is provoking the need for that particular skill. Each of the ten future leadership skills cor-

responds to an iconic image that leads each chapter. These Zen-like images are intended to evoke the emotions of that particular skill. Artist and documentary filmmaker Anthony Weeks, who has worked with me for years to visualize the futures that we discuss in our workshops, has created the icons for each future leadership skill.

When you take off the book jacket and study the forecast, notice the look and feel of this map. It is an organic matrix that aptly represents the forecast for the next ten years in that we are moving into a world in which changes will unfold organically and also threaten nature. Engineering and mechanical thinking drove the last economic era; the next era will be driven by biology and what we are starting to refer to as the *global well-being economy*, which includes sick-care, wellness, and all the various aspects of well-being such as financial, social, physical, vocational, and spiritual. The forecast map is linked to nature in underlying metaphors and background graphics. This forecast sets a futures context for the rest of the book. These future forces will shape leaders and they will define leadership.

The book jacket forecast map summarizes on one page the external future forces that will be important for future leaders to consider. To the right of the map, you see the ten leadership abilities that are most important for this future world. The ten chapters that follow describe each of those skills, along with the abilities, competencies, and traits that will fit together to create a new leadership profile for the future. The book concludes with personal guidelines for future leaders, with a focus on what you can do to be more prepared for the future you intend to make.

Extreme imbalances in wealth are fundamental disruptors. For much of the world, hunger, safety, and subsistence are daily challenges. It is hard to do a ten-year forecast where the rich–poor gap gets smaller; it is easy to do a forecast where it gets larger. IFTF’s annual Ten-Year Forecast for 2011–2021 said it this way:

Resilience may be defined as the ability to adapt to changes in a socially positive way. While lack of education, exposure to violence and simply poor social skills all undermine resilience, the greatest threat to resilience is persistent poverty . . . worldwide the richest one percent earn as much as the bottom 57 percent.²

Two New Known Unknowns on the Map

The second edition ten-year forecast map includes two new central forces at the center of the map: digital natives and cloud-served supercomputing. I think of these future forces as known unknowns. Each force is known to some extent, but what we know is likely to be misleading compared to what we don't know. These two future forces are both obvious in some ways and wildly unpredictable in others. These two known unknowns will bend, shape, and stretch all ten of the future leadership skills. These two future forces were both implicit in the first edition, but I did not emphasize them enough.

The digital natives will be a disruptive force on a scale that we cannot yet imagine. I define a digital native as someone who is sixteen years old or younger in 2012. For those twenty-five or younger, the definition of a generation has shrunk to about six years, and it is still shrinking. Thus, the young people entering the workforce today (the twenty-somethings) are very connected via today's social media—but they are too old to be true digital natives. They should not be taken too seriously.

We know that whatever media ecology is present at the time a child becomes an adult will influence that person for the rest of his or her life. This is the first generation of young people to become adults in the emerging worlds of social media and cloud computing. We know how to assess and even predict demographics at a macro level, but we don't know how the brains and the behavior of the digital natives will be different—given their exposure to this unprecedented mix of new media. We know about demography—demographics are predictable in a macro sense—but we don't yet know just how the digital natives will be different nor how they will change the world.

Even though they were not digital natives, the 2011 protesters in Egypt give us an early hint of what the future may look like. Many of them had been educated but could not find jobs, so they had little hope. By 2021, everyone on the planet twenty-five years and younger will be a digital native. Unless we find a way to narrow the rich-poor gap over the next nine years, a significant portion of those digital

natives will be hungry, hopeless, educated (formally or informally), and connected. This frightening forecast is a probability, not a possibility.

Digital Natives: The generation that will change the world. These are the key knowns and unknowns for leaders to consider:

KNOWNNS

- This age cohort will be the first generation in history to become adults in the emerging world of social media.
- This generation has grown up with video gaming and the vivid user interfaces that gaming provides—as well as a lot of content that has been intensively violent and sexual.
- An access gap in technology still exists, but what used to be called the “digital divide” is no longer an either/or. No matter how poor you are, you already have some access to connectivity—and the access will certainly grow. Rich people will have better access to more advanced digital tools, but poor people will still be connected and increasingly so.
- Digital natives seem to filter information differently than older people, given their experiences growing up with more robust media.

UNKNOWNNS

The brains of digital natives seem to work differently. Will their brains function differently from other generations—and if so, how? Will they have greater empathy due to their global connectivity, for example? Will cyber bullying be common among the digital natives? Will they lose some ability to concentrate and go deeply into subjects, or could these abilities actually improve? Nobody knows yet, though many people have strong opinions nonetheless. I am surprised that so many people I encounter are negative and even cynical about the digital natives. I myself am optimistic. At least, we should be open-minded about the potential positives they will bring to life, as well as the downsides.

- Will there be lingering impacts from early interactive exposure to overtly violent and sexual video games?
- How will the filtering skills of digital natives play out in terms of their ability to make sense out of complexity? What about their ability to think, to concentrate, and to write?
- Even digital natives who are hungry and hopeless will have increasingly good access to connectivity; we don't yet know how they will use it, but it is likely to be disruptive—perhaps violently so.

Cloud-served Supercomputing: The network will become the computer. Cloud-served supercomputing will provide a new infrastructure for innovation—and almost everything else. This disruptive shift in how we connect globally will enable and amplify what I think will be the biggest innovation opportunity in history.

We know that cloud computing will allow us to outsource IT, but we don't know what new forms of connections, collaboration, and commerce will arise. While transactions and early-stage social media dominate today's Internet, the currency of tomorrow's cloud will be reciprocity.

Reciprocity-Based Innovation, which I will discuss in more detail in Chapter 10: Commons Creating, will create new opportunities to give things away in intelligent ways, in the faith of getting even more in return. This give-to-get cloud logic will become more apparent and more practical for leaders over the next decade. Increasingly, the cloud will be the context within which leaders will make the future. The best leaders will get extremely skilled in choosing which medium—including in-person meetings—is good for what.

These are the key knowns and unknowns for leaders to consider with regard to cloud-served supercomputing:

KNOWNNS

- Many current information technology functions will be outsourced to the cloud, but that's only the beginning—just the horseless-carriage stage of cloud computing.

- Cloud-served computing will mean that many more people will have access to supercomputing capabilities through a variety of access devices to reach shared resources in the cloud.
- People will carry cloud-based filters with them and these filters will guide their shopping and many other aspects of everyday life.
- Cloud-served supercomputing will mean that many more people will have access to connectivity that used to be available only to very large organizations.

UNKNOWNNS

- What new models of connection, collaboration, and commerce will become possible through cloud-served supercomputing?
- How will cloud-based filters change the nature of brands, shopping, and advertising?
- Who will offer the best and the most popular trusted filters in the cloud?
- How will the digital natives develop new identities and new models of value exchange in the world of cloud-served supercomputing?

The columns on the map are the most important drivers, or future forces, that leaders should consider. The large circles are hot spots of both threat and opportunity. The small circles around the hot spots are signals that suggest the forecast is already coming to life. The small gray circles are signals that link to more than one hot spot.

Diasporas: New emerging economies. “Diaspora” is a very old word from the Torah that referred to the Jewish people who were separated from the Promised Land. These were people linked to a specific land but “set apart” from that land. The concept of a diaspora is particularly familiar to people who are Jewish or African American, or anyone who has studied the Old Testament. Diaspora is also a very useful concept for understanding the future, but future diasporas will be different. They will be less limited by geography and more amplified

through virtual connectivity. Some will still retain deep historical traditions while others will be more modern.

The new diasporas will be values-linked social networks amplified by social media. Many kinds of diasporas will become important, including these:

- Climate-change diasporas, displaced by weather disruptions and linked by a common tragedy, like the massive Hurricane Katrina Diaspora. (See Figure 4.)
- Rural-to-urban diasporas will be common over the next decade, as we shift from being a primarily rural planet to a primarily urban one. Rural-to-urban diasporas are likely to be most dramatic in China, India, and Africa. Many, including children, may be left behind—creating other kinds of disruption and dysfunction.
- Cultural diasporas, such as offshore Chinese or offshore Indian people in the technology industry in Silicon Valley and other parts of the world. Of course, both China and India are so large that there are many different subsets of these diasporas. There are diasporas within diasporas.
- Corporate diasporas, such as alumni of McKinsey, P&G, IBM, or Apple. Companies that abide by the maxim “We’re in it for the long run” include both current and former employees—as well as close friends of the family, suppliers, contractors, and others. You may no longer be an employee, but you can always be a member of the corporate diaspora.
- Bio-diasporas, which share biological traits, health conditions, or biometric markers. People with similar disease states, for example, form very strong support groups and are very effective users of the Internet, through sites such as patientslikeme.
- Financial diasporas, such as the Islamic financial communities that are creating new kinds of mortgages, bonds, insurance, and even currencies within the belief system or theology of the Islamic faith. Islamic finance is not new, but the Western world knew little about it until recently. The models for Islamic finance

Katrina's Diaspora

The victims of Hurricane Katrina have filed for assistance from FEMA from every state. The map shows the distribution and number of the 1.36 million individual assistance applications as of Sept. 23.

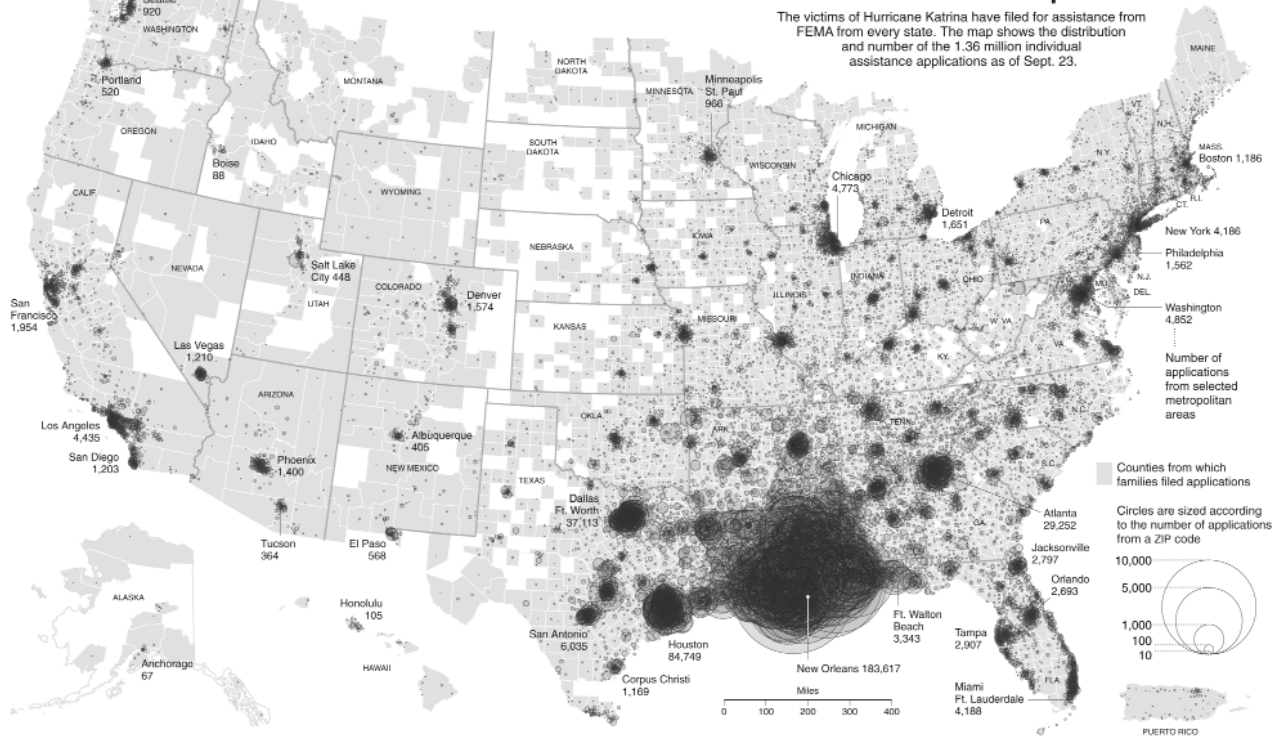


FIGURE 4. This map shows the distribution of applications for assistance filed by displaced victims of Hurricane Katrina.³ Source: Used with permission of *New York Times Graphics*, © 2005.

in a changing political and electronically connected world could change dramatically over the next decade.)

Some diasporas can be good, but other diasporas can be evil. Think of them as networks of people who may be physically separated but are bound tightly by shared values. In our forecasts at IFTF, we consider diasporas as even more important than traditional governmental or regional links in emerging economies. Indeed, in many parts of the developing world, diasporas are thoroughly integrated into both government and business practices. Within diasporas, innovations and ideas spread much more quickly because of common beliefs and high trust.

Diasporas often have a strong insider/outsider dynamic; members within a diaspora have a common bond. It can take longer for people on the outside—sometimes much longer—to build trust and a working relationship with diaspora members. Leaders must understand diasporas and be able to engage with them. In fact, most leaders themselves belong to at least one.

What diasporas help define who you are as a leader? With which ones can you easily identify? Which ones could amplify your leadership? Which ones threaten you or your vision of the future?

Civil Society: What will we choose to do together?⁴ There are many different ways to mix business, government, nonprofit, and community interests all over the globe. On my first morning in China I vividly remember a newspaper article that referred casually to the “socialist market economy.” That phrase popped off the page as I read it. I had thought of economies as being either socialist *or* market-driven. In China, the economy is both, mixing government and markets in ways that bewilder outsiders and sometimes even the Chinese people. What is the role of government? What is the role of markets? What roles do communities and individual people play? Today, some governments seem on the verge of collapse—for many different reasons, including financial. What will various societies choose to do together in the VUCA World of the future, the world that will be linked by cloud-served supercomputing?

Governments, markets, and people will interact in complex ways

in the future—and many of those interactions will be through electronic connectivity. Networked connectivity can help to pull things together, and there will be many new opportunities to improve our civic infrastructure and our ability to cooperate. We are more connected than ever, but that does not mean we are automatically cohesive. The potential of connectivity, however, is extremely powerful. The more connected we are, the better we can work together—for broader benefit. The more connected we are, the more quickly disruptions can spread—as they did with global credit markets in 2008 or in the Arab Spring of 2011. Leaders in the future will have new opportunities to engage with the society around them using new infrastructures for cooperation. Competition and cooperation will need to coexist in ways that will vary from region to region, country to country, and even at times from city to city.

Corporations will play a major role in shaping the future. Although separate from government, there will be many ways in which they will need to work together. Corporations are often more technologically advanced and faster to change than governments. Still, we need at least some common infrastructure and shared services to succeed. Deciding what we choose to do together and what we leave to the marketplace will be key decisions for leaders in the future.

Food: The flashpoint for rich–poor conflict. Food and water are basic to life, and the next decade will be a critical period for food production and distribution. Global climate disruption is a force—actually a series of forces—with deep implications, but there are many more interacting variables to consider. Food is not just functional; it is deeply cultural. Over the next decade, food and water will be scarce in many parts of the world, and food safety will be a continuing challenge for all. Without healthy food, little else matters.

Distribution of food will be just as important as producing it. People are spread out and food must get to them. Where food comes from is becoming an important part of how it is valued. Food from some places may not be safe, or at least may not be perceived as safe. Food and water—and specifically the shortage of food and water—

will be flashpoints for conflicts, which will often be between rich and poor. Tragically, the rich–poor gap is likely to be a gap between the healthy and sick or the well fed and hungry.

Ecosystems: Navigation of life. The lack of response to global climate disruption aptly demonstrates the shortsightedness of governments that do not take into account the larger context of life—looking generations ahead.

In the world of today, profit is measured by narrow economic criteria like quarterly returns. Profitability over time will take place in the larger context of sustainability. Global climate disruption is a wake-up call: it is important to think not only years ahead but generations ahead. Natural ecosystems are both robust and fragile. While many businesses are still struggling to adapt to this demand, most governments are even further behind. Environmental regulations at Walmart, for example, have become stricter than those of the U.S. government. This is remarkable and admirable behavior by Walmart, but what does it say about the U.S. government?

Global climate disruption will be a storm cloud over the next decade and beyond. Many climate models suggest that the majority of serious negative effects will happen beyond ten years from now (some are even more frightening), but the decisions we make in the next decade will have long-term impacts. Ten years may seem long to most companies and government agencies, but it is a short time in the context of climate cycles. Global climate change can only be seen with a decade-to-decade view. Leaders will need to think about these larger ecosystem issues as an important part of everyday decisions. Humans are having profound impacts on the earth. Leaders in the next decade will not just be leading organizations; they will be leading life and influencing the climate for generations ahead. Leaders in the present have a chance to make the world more sustainable in the future.

Amplified Individuals: Extending the human body. In the next decade, there is real potential for many people to live for longer—with better health—than ever before. Of course, there is also the health gap that

sadly mirrors the rich–poor gap. While many will struggle to live at all, others will be healthier than normal and a few may enjoy much longer life spans. Minds, bodies, and networks will all be connected in novel and powerful ways to create extended individuals who are amplified in ways we can only begin to imagine. Leaders will control new tools of human amplification, but individuals who may not have the same agenda or values will challenge them.

The Baby Boom generation will lead the way in body extensions as they wrestle with and resist the process of their own aging. This is the generation of people who said when they were young: “Don’t trust anyone over thirty.” As they age, I half expect that one of their leaders will coin a new generational motto: “Don’t trust anyone under sixty.” The Boomers will want to extend their lives and experiment with life—as they have at each life stage. The Boomers will have a new medical tool kit with which to experiment, at least for those who have the financial resources to do so.

Amplified individuals will create amplified organizations. Our global connectivity is growing dramatically, which is creating new ways to organize ourselves. Think of a leader not just as an individual but as a node on many different networks. The best leaders will not be isolated; they will be ravenous networkers with active links all around the world.

In the future, economies of scale (in which bigger is almost always better) will give way to economies of organization (in which you are what you can organize).

Leadership is all about engagement, and networked media provide several ways in which leaders can engage to make better futures. The most connected leaders will be the best leaders. The most healthy leaders will be the best leaders. In fact, ten years from now, it will be rare to see top leaders who are overweight or live unhealthy lifestyles. This is a big shift from the past, when many top leaders ate too much, drank too much, traveled too much, and exercised too little.

These external forces will appear in each of the next ten chapters on leadership skills for the future. They provide a context for assessing what skills will be most important in the future.

Although the rest of the book will focus on future leadership skills, I want to first acknowledge what I see as enduring leadership principles that will still apply in the VUCA World of the future.

Enduring Leadership Principles

When we do ten-year forecasting at Institute for the Future, we always look back as well as forward. For a ten-year forecast, we generally look at least fifty years back. Almost nothing happens that is truly new. Almost everything that happens was tried and failed years before. For a recent forecast on green health, for example, my colleague Rod Falcon and his Health Horizons team at IFTF actually looked two hundred years back as well as ten years ahead. This is the largest time span I have ever seen in a forecast and it was completely appropriate—given the long history of linking nature and health. There is an argument to look one to two hundred years back whenever you do a ten-year forecast, since major societal shifts often take place within those time frames—rather than the quarterly myopia that guides so many of today’s business decisions. Many people ask me, “How can you do ten-year forecasting when we cannot even do one- or two-year forecasting?” I respond that, surprisingly, it is actually easier to do ten-year forecasting than one-year forecasting. The patterns of change are much clearer through a ten-year lens, with a good sense of the historical context around that view.

When I became president of Institute for the Future in 1996, I began a list of leadership principles. I had studied leadership but had not been a leader myself on this scale. Being the president was much tougher than I expected. I realize now that many of the challenges were inside my head and I was not ready for them. I was frequently frustrated and occasionally downright discouraged. I had physical reactions, such as headaches, almost every afternoon. I had emotional reactions, such as unexpected tears at awkward times. These symptoms convinced me that I needed to make changes in how I was living and how I was leading. This eight-year immersion experience taught me that being a leader is much harder than studying leadership. Being

president during a very difficult time gave me firsthand experience that added greatly to my understanding of leadership and where it needs to go in the future.

This book focuses on the new leadership demands, but not everything about leaders in the future will be new. In its research, for example, the Center for Creative Leadership (CCL) finds that personal and early career experiences play a formative role in igniting any or all of the future leadership skills. Experience allows leaders to deepen and broaden skills as well as apply and transmit the skills.

Here are some enduring leadership principles that I admire greatly and that influenced the ten future leadership skills that I'm about to describe.

Get There Early: The ability to anticipate when to move in order to get there early—but not too early. As I described in my *Get There Early* book, I take this principle literally: I run my life early as a conscious strategy that I believe improves my performance and decreases my stress.

Physical and Mental Exercise: The ability to stay healthy in an unhealthy world. In my experience, physical exercise and healthy living are vital to leadership. More information is available to those who want to lead a healthy lifestyle now than in the past, and it is more obviously needed, but it takes personal and mental discipline as well. Leaders must develop physical and emotional energies that work for them as individuals as well as inspire those around them.

Active Attention: The ability to filter out noise and distraction, combined with a strong ability to stay centered—even when overwhelmed with stimuli. No leader could absorb everything, even in the old days before the Internet. All leaders must filter and learn how to see patterns as they emerge. The difficulty in screening increases dramatically as data sources multiply, making generational differences more apparent in the future. Young digital natives are better able to filter and have skills such as “continuous partial attention” that will be critical for people in leadership roles.⁵ Filtering has always been

important for leaders, but in the data-everywhere world of tomorrow, it will also be much more difficult.

Readiness Discipline: The ability to anticipate, prepare, and practice. You cannot control the VUCA World, but you can be prepared. Leadership has always benefitted from preparedness, but the demand for it will be much greater in a world of increasing uncertainty. Surprises are inevitable. Leaders can, however, consider a wide range of alternative scenarios and practice how they might respond. Readiness discipline will be explored in more detail in Chapter 4: Immersive Learning Ability. Leaders cannot predict but they can prepare.

Urgent Patience: The ability to know when to challenge and when to comfort. Bill Walsh, who coached the San Francisco 49ers when they were a great team, saw this as a key leadership trait: to discern when people are overloaded (and be patient with them in those times) and when they are overly confident (and press them with appropriate urgency). When Bill Walsh retired, he had an office in the same park as IFTF adjacent to Stanford. I got to interview him about his approach to leadership. He kept coming back to what he called “urgent patience.” Leaders can be both urgent and patient, depending on what is needed at the time. The most important role of a leader, he said, was to listen, sense, and apply this strategy. When things get too tense, pull back to help relieve the pressure. When things get too relaxed, up the urgency.

Story Telling and Listening: The ability to discover and tell engaging stories that help people imagine a future. Great leaders are usually great storytellers. While problems can be summarized in a formula or an algorithm, it takes a story to communicate a dilemma. The future will be loaded with dilemmas, so it will take lots of stories to help make sense out of them. Many of these will be mysteries, and some will be thrillers, and they will be told by leaders through a wild mix of media.

Humble Strength: The ability to act with courage and clear intent in an authentic, engaging, and self-effacing way. This leadership skill will be more difficult to achieve in a fragmented multimedia world.

Thinking about the long-term future certainly seeds humility. This enduring strength will be explored in more detail in Chapter 7: Quiet Transparency. This book is dedicated to former IFTF president Roy Amara, who is my personal model for humble strength. He was understated but powerful.

Synchronicity: The ability to find meaning in coincidence. Leaders need to see patterns before others see them. The ability to see links between personal experience and future possibilities will be essential. Great leaders have always had this ability, but in the future the underlying patterns are likely to be more difficult to discern. When I was in divinity school, I found Carl Jung's notion of synchronicity to be one of the most profound concepts I encountered. In fact, the concept of synchronicity is in the same space as the concept of god. Meaningful coincidence is so important for leaders: they must listen and sense the patterns, sense the links.

These enduring principles have shaped my understanding of leadership in the future. They are my grounding and you will see my roots coming out in the future leadership skills, even though the future world will be very different. This book focuses on anticipating those differences.

My new colleague at IFTF, Liisa Välikangas, argues that in addition to leadership and strategy, we need resilience in our organizations:

The burden of leadership is such that it is wise to bet on resilience, not on leadership alone. Build resilience into the organization. It is necessary because of the likelihood that leadership actions will be delayed, wrong, inadequate, or just missing. (Perhaps the wrong person was indeed in charge!) Building resilience into the organization improves the company's chances to survive the moments of weak leadership and to get through the (eventually inevitable) strategy shifts. Resilience is what organizations can fall on, when leadership fails.⁶

Liisa is broadening the call for leadership. It is not just the top leaders who need to be resilient in order to win in the VUCA World, it is all of us. We all need to be leaders. All leaders have innate personal

skills that they should leverage, but there is so much more to learn. This book is about changes in how leaders will need to lead, drawing from the past, but listening for the future. Leaders can make the future, but not by themselves and not without new skills. Enduring leadership principles will morph into future skills. These ten future leadership skills will give you the resources to be resilient in the face of the VUCA World.

Leaders Make the Future introduces ten new leadership skills that will be necessary to respond to external future forces. I struggled with what to call these characteristics of leadership. Competencies? Abilities? Traits? Styles? I decided to call them skills—since I am convinced that they can be learned—and I want to emphasize those areas where leaders can improve themselves. I understand, however, that some people consider “skills” to be more narrow than other terms I might have used. For me, however, I mean skills in the broadest sense.

This book will unfold the ten new leadership skills in a definite order, moving from instinctive to transformative. Each of the ten core chapters will describe a future leadership skill that any leader or prospective leader can either develop personally or partner with someone else to perform. The core chapters will help leaders answer these questions:

Chapter 1: How can you draw out your inner *maker instinct* and apply it to your leadership? Future leaders—working with others—will need both a can-do and a can-make spirit.

Chapter 2: How can you communicate with *clarity* in confusing times, so you are simple without being simplistic?

Chapter 3: How can you improve your skills at *dilemma flipping* so that you succeed with challenges that cannot be solved and won't go away?

Chapter 4: Do you have an *immersive learning ability* so that you can learn by immersing yourself in new physical and virtual worlds that will take you out of your comfort zone?

Chapter 5: Do you have enough *bio-empathy* to learn from nature and use that wisdom to inform your leadership?

Chapter 6: How can you *constructively depolarize* conflict in order to calm and improve tense situations where people cannot agree?

Chapter 7: How do you lead with a *quiet transparency* so you are open and authentic—but not self-advertising?

Chapter 8: How can you do *rapid prototyping* that allows you to fail early, fail often, and fail cheaply—while learning along the way?

Chapter 9: How can you *organize smart mobs* using a range of media, choosing the best medium for each communication challenge?

Chapter 10: How can you *create commons* or shared assets within which both cooperation and competition may occur?

this material has been excerpted from

***Leaders Make the Future:
Ten New Leadership Skills for an Uncertain World
Second Edition***

by Bob Johansen

Published by Berrett-Koehler Publishers

Copyright © 2012, All Rights Reserved.

For more information, or to purchase the book,
please visit our website

www.bkconnection.com