

# **Clever Work, Clever Country: An Australian Scenario**

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## **Abstract:**

This paper gazes into the crystal ball and describes a possible future for Australia as a magnet for leading knowledge workers and creators of intellectual property – the new source of wealth in the new millennium. It attempts to integrate political, industrial and social policy with some of the major trends that are reshaping management and employment practices in the modern workplace. It is intended to be a stimulus for more holistic debate and creative thinking about how the forces shaping the future of work may all fit together.

Many books and articles have been written on the nature of the changes that are transforming the world of work; e.g. Kanter (1989), Handy (1990), Atchison (1991), Peters (1992), Kiechel (1993), Limerick and Cunnington (1993), Ray and Rinzler (1993), Hames (1994), Waterman et al. (1994), Hamel and Prahalad (1994), Bridges (1995), Saul (1996), Taylor and Wacker (1997). However, most of what has been written has been conceptually analytical and has summarised the changes in N x N matrices or in lists of current or forecast effects; etc. This is helpful to students of organisation, management and change but often falls short of answering the practitioner's question: "tell me what the future will be like and what I will have to do".

What I try to do in this article is to paint a synthesised scenario of what the future of work might look like in a likely organisational form operating in a plausible Australian economic and social context, say, 5-10 years from now. Of course, it represents only one hypothetical snapshot of what will undoubtedly be a very diverse and complex organisational landscape. However, it is hoped that this "fleshed in" picture of the future might spark a different kind of debate involving different parties to those who have engaged in the debate that has followed the analytical writings referred to above.

## **A Possible View of the Future**

On his 45<sup>th</sup> birthday in 2008, Arthur Richards reflected that it had been almost 10 years since he and his wife Jennifer had left behind their stressful jobs at their respective multi-national corporations and moved from downtown America to one of the new semi-urban, satellite cities that had been developed within a radius of about two hours drive from Sydney, Australia.

His colleagues had said that it was a crazy career move. However, Jennifer and Arthur were totally fed up with the incessant travel in their old jobs, the soul-destroying focus on ever-increasing monthly budget targets and the declining time available for them to spend together. They knew they could never start a family in that kind of lifestyle. Apart from anything else, they probably would never survive long enough to see their children grow up!

Arthur's last promotion in America, and the geographic move that it had involved, had disconnected him from most of his old friends and the people in the upper-class neighbourhood where he and Jennifer had settled were locked into lives like theirs, making the establishment of new friendships difficult.

But the final trigger for their decision to come to Australia had been a news article on the internet that Arthur had noticed of a radical new industry policy that was about to be implemented by the newly elected Australian government. The article claimed that the policy had been developed in response to the increasing demand by Australian voters for their political leaders to articulate a coherent vision for the country as it contemplated the move to becoming a Republic in the new millennium. It was also a response to the growing community awareness that success as a nation in the 21<sup>st</sup> century was not going to be based on increases in the production of raw materials, agricultural products or low value-added manufactured goods. No, it was becoming clear that the new scarce resource and the new basis for economic wealth-creation was going to be intellectual capital.

Recognising this, one of the Australian political parties (he could not remember which one) had proposed the following national industry policy; and it had really caught his eye:

- x “Australia is committed to being the preferred location when knowledge workers are choosing where to live and to raise their families.
- x We will design our cities and regional communities to offer a range of safe, sustainable, visually attractive, well serviced environments with all the state-of-the-art technology and support services needed by knowledge workers to perform at the level of global best practice; e.g.
  - challenging work opportunities provided by leading edge companies;
  - close proximity to a world class university or advanced technical college;
  - heavily subsidised education and lifelong learning facilities;
  - reliable, cheap telecommunications systems including high speed data connection to the world wide web;
  - town planning that encourages the creation of neighbourhood resource “hubs” that provide knowledge workers with access to excellent telecommunications, videoconferencing and information services close to home as well as fostering the regular interaction and informal, professional community-building that has been shown to spark the generation of valuable new knowledge;
  - efficient airports, high speed train links between capital cities and subsidised domestic and international business travel services;
  - professional, tax deductible child care facilities; and a range of subsidised, highly professional, community building and support services which, together with the nation-wide, guaranteed minimum income scheme, will create communities with virtually zero levels of crime, vandalism and social unrest.
- x As a nation, we will actively attract and give greatest support to those industries that reinforce our strategy of being a magnet for the world’s best inventors and designers, business consultants, scientists, architects, researchers, artists, writers, composers, musicians, film makers, software developers, health care specialists, food technologists, financial service providers, curriculum designers and educators, etc.
- x We will provide economic and social incentives for people with the knowledge and skills necessary to create valuable intellectual property or to create and manage knowledge-based businesses. We know that wealth-creating businesses will have to follow where these scarce, strategically critical resources choose to live. Flow-on employment will also be created in “support” fields such as housing; entertainment; catering and restaurants; the arts; retailing;

education; telecommunications; family support; home maintenance services; health services; financial services; travel; public space maintenance and beautification; etc.”

Arthur knew he could do his job from almost anywhere in the world. However, up till that moment, 10 years ago, he had not realised that there was a country that had committed itself to becoming an ideal place for people like him to live. When he saw that newspaper story about Australia, he knew that it offered more of the kind of lifestyle that he and Jennifer were seeking. Arthur had also read that a growing number of high profile international people had decided to renew their employment contracts and stay in Australia because of its attraction as a place to live; e.g. Bob Joss (MD of Westpac); Edo de Waart (Conductor, Sydney Symphony Orchestra).

The vision that Australia was implementing also offered him the prospect of being part of a community of like-minded people from other professional fields and from all over the world who could stimulate his professional development and extend his network of contacts. Strengthening his network was critically important to him because he thought of his clients, prospects, colleagues, and sources of new ideas as the only “organisation” that offered him any chance of ongoing employment in today’s world. He saw himself as the “Managing Director” of this employment-creating network.

And so Arthur and Jennifer had packed up, quit the rat race and moved to Australia in order to “get a life”. He had since learned that, for over two hundred years, many “new Australians” had come to escape oppressive old lives and to build new ones in a country that offered the promise of new rules and new ways of doing things. How appropriate it had been to give the “new millennium” Olympics to this country of re-birth!

### **A Typical Working Day**

On the 15th of March 2008, Arthur began a fairly typical working day. He got out of bed at 6.45 am, showered, dressed and made the school lunches for his two children; he liked doing this because it was a simple ritual of caring that was visible and tangible both to him and his children. He read the newspapers for 20 minutes and then checked and answered his emails on his home computer. His electronic diary had reminded him that he had a team review meeting today (he didn’t really need any reminding of this as it was a regular weekly event).

Today, he would need to travel to the office to meet with his team. However, often he would work at home. His current job as leader of an on-line support team in a major insurance company did not require him to be physically present with his team for much of the time. Because many of the team also chose to work from their homes, it was just as easy for Arthur to communicate with them from his home computer or phone as it was from the ones in the Business Insurance Support Division’s office. They mostly used the office for planning or review meetings and for certain kinds of formal information and training workshops where face-to-face interaction was either desired for social reasons or deemed to be productive.

Arthur's "team" comprised all the main contributors to the goals for which Arthur, as team leader, was accountable to his Division Head. Not only were there the core of full-time employees but also, several part-time staff, consultants, and suppliers. Representatives of the group's internal and external clients were always invited to attend, as they also were recognised as having an important contribution to make to the achievement of the group's performance goals.

Arthur walked the ten minutes to the local bus-stop to catch the electric bus for the 30 minute drive to the office. The bus was pollution-free and virtually silent – an integral part of the local community development plan.

The team meeting began on time and, as with all review meetings throughout the company, it would consider issues in each of the company's five "success dimensions"; viz.,

1. Customer Success
2. Staff Success
3. Financial Success
4. Community/Environment Success
5. Corporate Learning and Renewal

These "success dimensions" align with the reporting requirements introduced for all publicly listed organisations in the new Corporations Act. Every publicly listed Australian organisation was required by the new Act to report to its stakeholders each year on its performance in satisfying:

1. shareholders
2. customers
3. employees and other contributors such as contractors and business partners
4. the community in which it operates
5. the requirements for sustainability.

In anticipation of the new Act, the accounting profession had reinvented itself and had acquired the skills necessary to assess organisations' performance in each of the five nationally mandated reporting categories. The government had also provided a significant incentive for companies to balance their performance across each of the five success dimensions by linking the corporate tax rate to the achievement of threshold levels of performance in selected "success dimensions" (i.e. those where market forces had typically not led to socially desirable outcomes). At present, companies who met the threshold performance levels set for the Staff, Community/Environmental and the Learning/Renewal "success dimensions" and for their type of business had their corporate tax rate reduced by 3% for each threshold met.

A majority of Australian voters had been persuaded to support this legislative change by the argument that companies that are net "takers" from society should rightfully be taxed more than companies that deliver threshold levels of non-financial social benefits. It was argued successfully that social benefits delivered by companies as a direct consequence of them doing business in a more socially responsible way are much more valuable to the community than benefits generated by "corrective" government services paid for partly out of corporate tax revenue. Clearly, it is cheaper

to provide incentives for companies to do business in ways that prevent social problems and enhance community welfare than it is to create government agencies (with all their associated overheads) to “fix” problems once they have occurred.

Arthur’s team had a standing checklist of performance issues to be considered under each of his company’s five corporate “success dimensions”. The team and its stakeholders had jointly identified these issues or themes in one of their annual planning workshops held several months before the start of each financial year. For example, in the Customer Success area, the team had agreed with its customers that success (at least in their eyes) would be reflected in the extent to which Arthur and his team demonstrated the following:

- x response to each call within 2 minutes;
- x resolution of 90% of all queries at the first point of contact; and of 100% of all queries at the second point of contact;
- x explanation given to customers of the reasons for decisions on customer complaints and requests (whether positive or negative);
- x customers invited to suggest ways in which the company could improve its products and service and feedback on the company’s response to any suggestions from customers given to customers within 2 months.

Arthur wasted no time going over the performance data – the team had unrestricted computer access to those every day so they would all know that the critical issue for this meeting would be the increasing average time the team was taking to handle customer calls. “What’s changed over the last month or so?” he asked. Arthur knew that his role as a team leader was to maximise the team’s ability to self-organise (this new view of effective leadership roles reflected what we had learned about the forces that contribute to the viability and sustainability of living systems). His most important accountabilities were:

- x to ensure that the team has a clear view of its **purpose** (defined by corporate goals and strategy and by the performance expectations of the team’s stakeholders); and its **identity** (defined by a set of corporate values and by descriptions of the strategically desirable stakeholder relationships);
- x to promote among team members a comprehensive appreciation of the broader organisational and environmental context in which they operate - including trends and possible contingencies; and current stakeholder assessments of team performance
- x to foster creativity and vitality by promoting diversity of opinion; ensuring the rich flow of information; and managing (but not striving to eliminate) the creative tensions at work in the team; e.g. tensions between the older team members and the new ones; tensions between serving customers and making money; tensions between urgent short-term considerations and important long-term ones.

Within 15 minutes, the team had pinpointed the cause of the rising time-per-call as being a flow of unusually complex queries relating to the company’s new business risks insurance product. They agreed to invite someone from marketing to their next meeting in order to complete the “learning loop” so that future product launches would result in less customer confusion and consequently

fewer, complex support calls. They would score points on one of their “Corporate Learning and Renewal” key performance indicators for initiating this learning feedback and preventative problem solving action.

In the next part of the meeting, Arthur discussed the minutes of the last Executive Meeting – which were also regularly made available to all staff on the next working day following each Executive Meeting. He wanted to explain how he intended to use the “change credit” that his team had been budgeted as part of the overall plan for implementing a new computer system throughout the company.

The team had been budgeted a \$100,000 “credit” that it could use in a variety of ways over the next 6 months to facilitate its role in implementing the new computer system. It could, for example, use the credit:

- x to hire a public relations consultant to communicate with customers who called for product support and “sell” the team’s decision to aim for somewhat lower performance standards during the changeover period so that team members would not be under excessive operational stress at a time when they would need to think creatively and learn a challenging new way of doing things;
- x to hire temporary staff to carry on the more routine tasks in order to free up staff for training in the new system;
- x to pay themselves a bonus for continuing to hit their old performance targets while working the extra hours that would be needed to learn the new system.

Following the team meeting, two members of the team had set up separate appointments with Arthur in order to discuss their individual work performance and to identify competency areas that they could be developing to the mutual benefit of themselves and the company. The team had decided some time ago that there would be no predetermined schedule of interviews to review individual work performance and that interviews would be arranged as required by either Arthur, as team leader, or by a particular team member. This system seemed to be working well.

At the conclusion of each individual performance counselling interview, Arthur made some notes that he would refer to at the annual bonus pay review. The remuneration of people at Arthur’s insurance company comprised the following elements:

- x a base salary that reflected the market value of the competencies that the company contracted for at the time of appointment of a new “contributor” to the organisation. As well as basic operational competencies, contracted competencies might include such things as innovation; training other team members; being on call to handle emergencies or to contribute to additional special projects; etc.
- x a bonus that reflected the performance of the work team(s) that a person belonged to
- x a profit share that reflected the overall performance of the company as a whole

- x an individual payment for any competencies (or competency grades) that had been demonstrated in the person's work that were beyond those formally contracted for at the time of appointment or at the time of contract renewal.

Arthur got home around 3.30 pm, in time to listen to his children talk about what had happened at school. They sometimes asked him to help them with their homework and he really enjoyed being available for this unpredictable "quality time".

If he was home first, he often made the children's dinner, as they were usually "starving" by 5.30 or so. This level of cooking he could handle.

After he and Jennifer had eaten their dinner, they would often "muck around" as a family until the children went to bed around 8.30 or 9. He and Jennifer might then do some professional development reading or spend time in preparation for the next day's work. They would usually take a walk together before going to bed.

He liked this life.

### **Identifying the Trends**

The above scenario illustrates global trends in the world of work that will affect many Australians; e.g.,

- x A shift from a production and consumption based economy to a services and experience based society where people are defined and valued more by who they are, rather than by what they have.
- x A shift in individual value systems away from the individual, the externally anchored, and the materialistic towards the collective, the internally focussed and the spiritual (i.e. a shift away from "You are what you have and what you consume" towards "You are what believe in, stand for and care about").
- x Governments legislating to redefine the social contract under which organisations are created and allowed to operate in society and, in particular, providing incentives for corporate governance and management structures to focus on the sustainable creation of social and environmental wealth as well as financial wealth.
- x Creators of knowledge and intellectual property are the new scarce resource, not financial capital.
- x Replacement of a psychological contract of employment where most employees are much less powerful than the employer (but accept a dependent status in return for long-term financial security) with a new contract where many employees feel motivated and able to choose work that helps to create a meaningful life rather than just offering what is now recognised as the illusion of financial security.
- x Governments, in an effort to constrain government debt while keeping taxes within politically acceptable levels, have reinforced the evolution of increasingly self-reliant citizens/employees by introducing policies that reduce that flow of welfare (particularly in old age) that citizens can expect from government.

- x Leadership becomes dispersed throughout diverse communities of contributors (not just employees) and operates with a facilitation mindset rather than a control mindset (“control” having come to be recognised as something of an illusory concept in complex living systems).

### **Concluding Comment**

It is hoped that this fictional account of a possible future for work in Australia might be a planning and learning resource for line managers, HR professionals, trainers and educators and that it will stimulate new thinking about the kind of future that they, and their clients and colleagues, would choose to live in. To the extent that people are attracted by policies or practices described in the story, I hope that they will be motivated to help bring them into being. To the extent that they disagree, I hope that they will be challenged to formulate and advocate their own vision for work in this country.

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