Companies need a strong link from their «purpose» essentially the company’s core reason for being and the experiences they deliver both to their customers and to the people who choose to work there.

How did you become what you are today?

My father was an inquisitive man who spent a great deal of time talking with me when I was a child. We would, for example, watch the evening news reports together, even when I was very young, 6 or 7 perhaps. He would not only ask my opinion, but would then ask me to explain how someone might logically hold the opposite opinion – how would one argue the opposing point of view. His gentle, thoughtful, accepting approach to understanding the world and people’s views continues to be a major influence on me today.
As a bio-scientist, you are a natural scientist; why did you choose this faculty?

I love science and trained as a bio-scientist, but always found my greatest passion was building organisations. For example, I ran many of the clubs at school and built a business selling fast food on campus. So, rather than follow a more typical path of graduate studies, I chose an MBA. The combination of perspectives worked well for me, because it allowed me to work with companies whose business was deeply technical, the then-emerging biotech companies and global pharmaceutical firms, on issues related to building their businesses. Although I initially focused on innovation strategies, I quickly concluded that the true challenge was building innovative organisations … ones that can sustain fresh thinking through collaboration and engagement, what I call « intelligent organisations. » That passion led me to Organisational Behaviour as a home.

If you look at young business executives or students at universities: Are you still confident about the future of the US and Europe – compared with Asia?

I wonder, in part, « confident about what? » That those in the US and Europe will be able to create great lives for themselves and their families? That they will build companies that will dominate the global economy? I feel confident that the answer to the first question is « yes ». Young executives and students often consider the quality of the life they’re building more than I think my generation did. For some, perhaps for many, that does not equate with running massive corporations. They care deeply about doing meaningful and interesting work, but with a sense of balance with other life priorities. At this moment in time, I find the focus in Asia to be a bit more oriented toward « go big. »

What are the key differences in behavior at work for the young and old generations?

Of course, the generations differ around the world – and even within one age group, I’m reluctant to offer broad generalizations. That said, allow me to offer some broad generalizations. We know from the work of

Looking back, how did you benefit most from your original studies?

I’ve always thought of the pharmaceutical industry as my personal learning « laboratory. » Because I understand the industry and its products so well, it’s where I’m able to push the boundaries of my understanding of other issues. Particularly in the earlier years of my career, when I was working with a client in an unfamiliar industry, I found myself focusing in part on simply figuring out the unique dynamics that client faced. With pharmaceutical clients, I could focus fully on exploring the organisational and human issues.
developmental psychologists that individuals’ views of how the world works and what’s important, are strongly influenced by events they experience in the pre- and early-teen years. Often these experiences influence how we define success, including success at work.

In many parts of the world, the generation that I call «Traditionalists,» people in their 70s today, grew up during a time of rebuilding after World War II. They saw a world filled with promising opportunities and their desire was to join, to pay their dues, to earn their way up and – eventually – reap the rewards of membership. They tend to value loyalty and respect those in positional roles of authority.

The generation we call «Boomers», people in their late 50s and 60s today, grew up in a world that was increasingly crowded. The unanticipated explosion in birth rates meant that most communities were totally unprepared for the dramatic influx of kids. This generation learned early-on that there quite literally were too few chairs for them all. To succeed you had to be good – really good. You had to work hard and compete. These traits mark many in this cohort. Success at work is about being chosen, obtaining greater power and financial reward. It’s about winning.

«Generation X», people in their late 30’s through mid-50’s today, experienced a world in which the social norms were changing – lay-offs were occurring, divorce rates sky-rocketing. Many were «latch-key kids,» taking care of themselves throughout much of the day. They found that they needed to be able to take care of themselves; they value self-reliance above all. At work, they value options, knowing that there are alternative career paths, back-up plans. They like to be given choices. They don’t like corporations that back them into corners.

The youngest generation in the workplace today, the «Millennials» or «Generation Y», grew up with both digital technology and a growing number of terrorist acts. The latter created a world in which it is logical to assume that something random might happen to you tomorrow. You had better live your life to the fullest today. At work they demand meaningful work now, not in several years. They expect to be challenged. And, because they learned to use digital technology unconsciously, they invented new things to do with it; for example, they are what I call «coordinators», not planners.

Now we are being joined in the workplace by the «Re-Generation», people roughly 20 or younger. These individuals experienced the global financial crisis and are very aware of the environmental issues facing the planet. They think in terms of making the most of a finite set of resources. They save and are wary of debt. They share, borrow, and barter. Many tell me they hope to become entrepreneurs one day. If they work for corporations, they look for ones that share their values.
In your opinion, which countries have the best universities? And what criteria are relevant for you?

I’m not a student of educational approaches and don’t have a research-based response to this question. What I know comes from my work with young people and with employers, and neither group is satisfied with universities today. Employers continue to feel that new hires lack the skills they need for success; young people often conclude that the value of a university education is not worth the price. Universities need to change. Increasingly, we will all receive our factual learning through technology; we need experiences in universities that teach skills in observation, reflection, relationship-development, empathy, ethical decision-making and so on. I am satisfied when participants in the programmes I design and teach at LBS tell me that they didn’t actually learn new content, but that they experienced the ideas and reflected on them in dramatically different ways than they ever had before; they drew new insights. These are my criteria for relevance.

Which is the most important talent for a manager nowadays?

I struggle to pick one. Forced to do so, I’ll choose understanding oneself. By this I mean, understanding you own lens on the world, why things look the way they do to you. Understanding your biases, your strengths, your «go-to» approaches. Knowing what you do well and what you need your team to help you with. Being authentic. This sense of knowing who you are is essential to having the confidence to relate to others.

In your studies, you have proven that companies can succeed with very different structures and organizational forms; however, a common identification with and commitment to the company is crucial. How can these two values be encouraged?

Companies need a strong link from their «purpose» (I use this term to include all the variables – mission, values, beliefs, and so on) – essentially the company’s core reason for being and the experiences they deliver both to their customers and to the people who choose to work there (who increasingly will not be «employees» in the traditional sense). This link is the implicit promise that is made to each group. Companies need to understand their promise and deliver on it. The fascinating aspect of my research is that different companies can make dramatically different promises, and each will still find customers and employees drawn to that promise. The point is not that all companies need to make the same promise (you all don’t have to be fun and edgy, with ping pong tables in the lobby, for example; you can be highly structured, rule-bound and predictable – some people prefer that), but whatever you promise, you must deliver on it fully.
What talent is overrated?

Height. Just kidding, of course, although I do laugh at the studies that have been done on past leaders, showing that the best are taller than average. This general set of characteristics – taller, more imposing, more charismatic – probably was true for leaders in an industrial era. But the role then was to impose one’s views on others, to create conformity. Success was derived from producing quantity, at quality and cost. Standardization, hierarchy, top-down decisions were a brilliant way to meet this challenge.

In today’s world, however, the manager must be more like the «wizard behind the curtain» – someone who is engineering an environment in which everyone can contribute, to leverage the intelligence of the organisation fully.

What can Western leaders learn from their Asian peers?

Patience and the willingness to invest time. When I was a young consultant, I observed that a team of US executives would often allocate 2 hours for a discussion that would be given a full half day in Europe, and a full week in Japan. More recently, I have had the opportunity to study several of the amazingly successful Chinese companies and been struck, above all, by the amount of time the senior leadership in each spends together – talking, debating, socializing ideas, coming to a shared understanding.

Because of globalization, is the world of business getting increasingly similar, or do cultural differences that are to be observed in the management of a company remain of great importance?

Human differences remain of great importance. It would be an oversimplification to say that these differences are always based in our geographic heritage. But the values of the individuals who form the core of the organisation are and will remain of great importance in the success of the business.

Interview: Peter Hartmeier