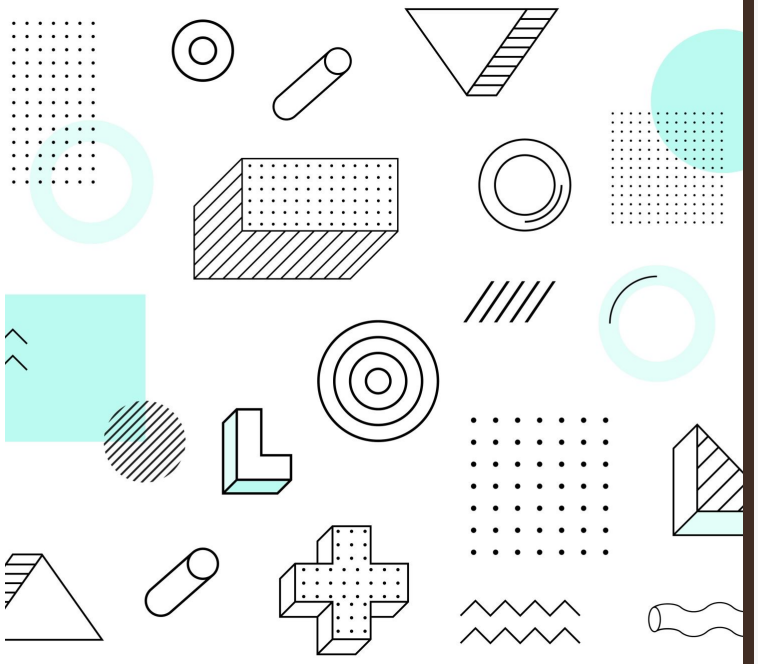


AOM Symposium

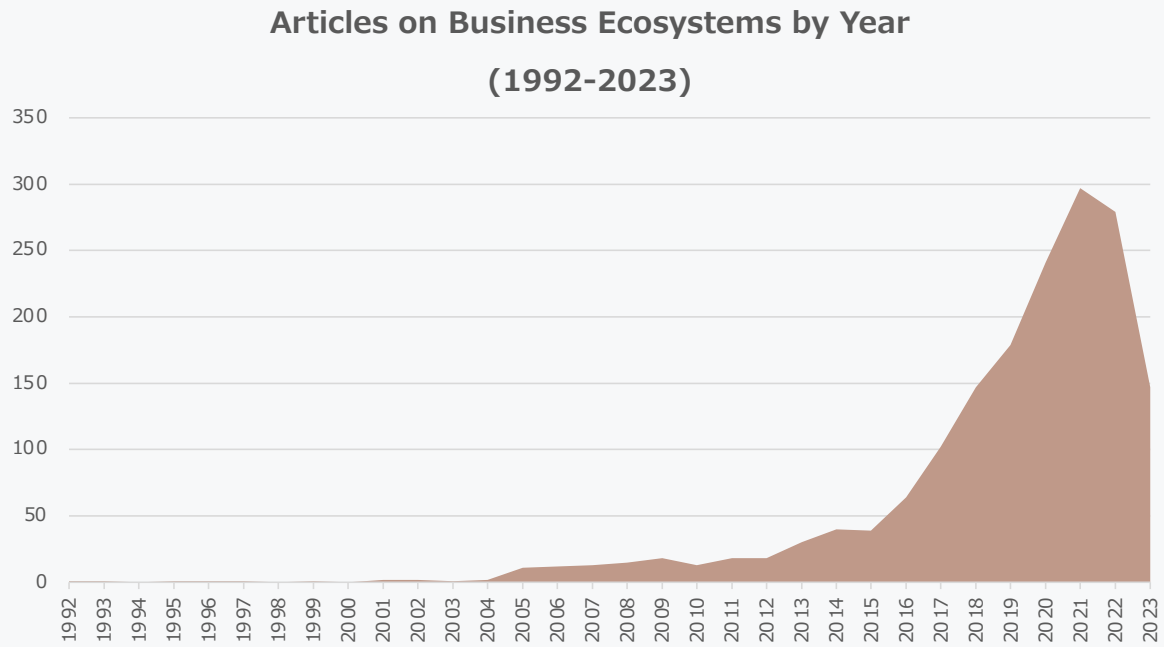
Strategic Leadership of Business Ecosystems: Charting a New Frontier of Research

Ciaran Heavey *University College Dublin*

Brian Fox *Bentley University*

Zeki Simsek *Clemson University*

RESEARCH ON ECOSYSTEMS IS PROLIFERATING



Method Note: Based on articles indexed in the Web of Science 'Business' subject category, using a topic search conducted on August 3rd 2023.

But...

What role do strategic leaders (CEOs, top management team members, boards) play in leading ecosystems as distinct from firms?

How do our theories of strategic leadership need to adapt to account for external as compared to internal spheres of influence?



Harvard Business Review

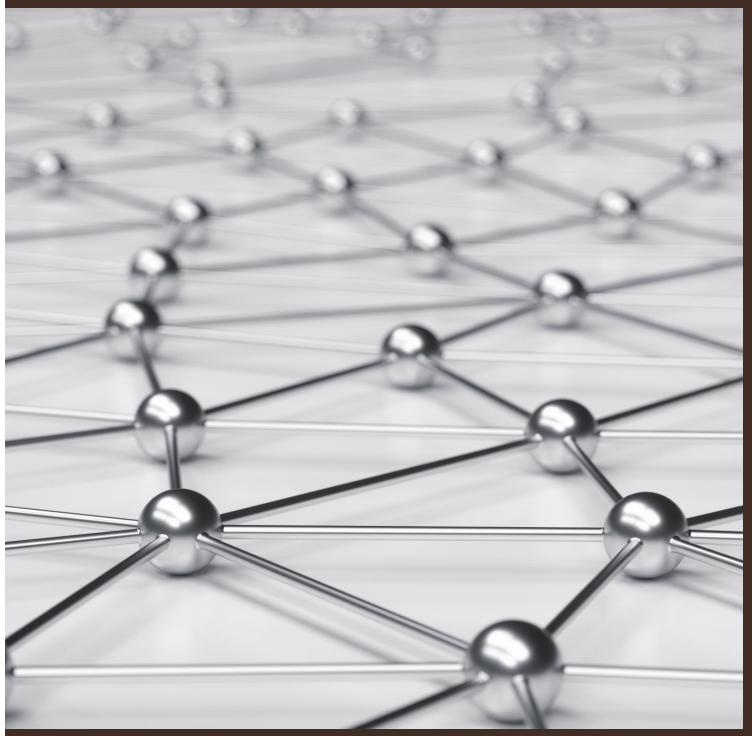
Leadership

Today's CEOs Don't Just Lead Companies. They Lead Ecosystems.

by [illegible]

Summary. [illegible]

It wasn't so long ago that a CEO was considered effective if they could keep the board of directors happy, appease shareholders, and steer clear of major reputational issues.

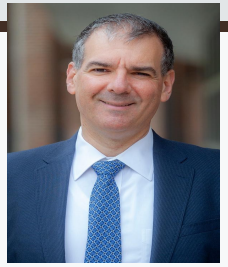


Why Strategic Leaders Matter?

- **Ecosystems cannot exist without the multifaceted interactions of leaders coordinating their knowledge, resources, and insights across firm boundaries**

- **Ecosystems give rise to multiple coordination and cooperation problems that cannot be resolved using market and organizational mechanisms alone.**

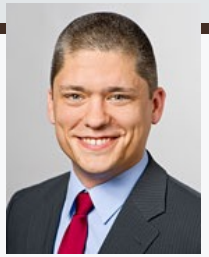
Panellists



Ron Adner
Tuck School of Business



Yuliya Snihur
TBS Education



Oliver Alexy
TU Munich



Satish Nambisan
Case Western Reserve University



Henri Burgers
University of Queensland



Shaker Zahra
University of Minnesota



Elizabeth Altman
University of Massachusetts Lowell

Special Issue Opportunity at JMS

Guest Editors

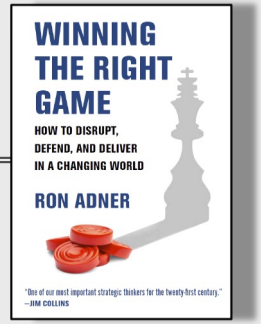
Elizabeth J. Altman (U. of Massachusetts)
Brian Fox (Bentley U.)
Ciaran Heavey (U. College Dublin)
Zeki Simsek (Clemson U.)
Shaker Zahra (U. of Minnesota)

JMS Editor:

Yuliya Snihur

Information Session: September 1st 2023 (10am EST)

Submission Deadline: May 31st 2024



Leadership Requires Followership:

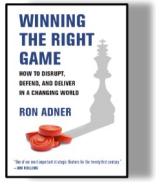
Mindsets Matter

Ron Adner
Tuck School of Business
Dartmouth College

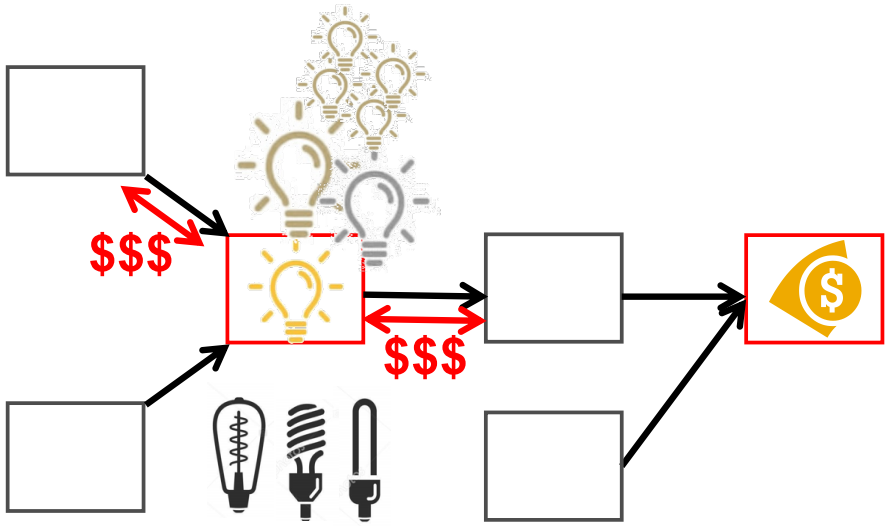
Microsoft

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So Why is this New???



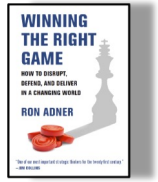
An ecosystem is defined by the *structure* through which *partners* interact to deliver a *value proposition* to the end consumer.



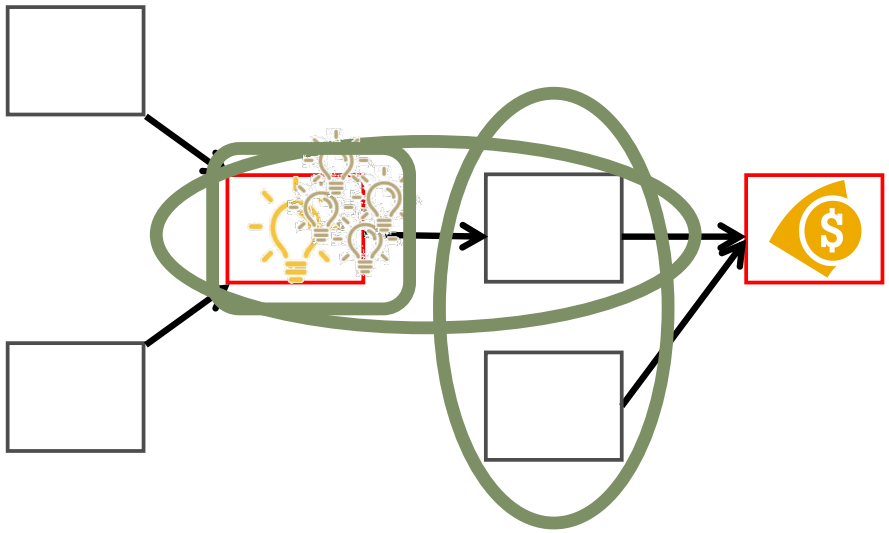
Source: Adner, Ron. 2021. *Winning the Right Game: How to Disrupt, Defend, and Deliver in a Changing World.* MIT Press: Boston.

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So Why is this New???



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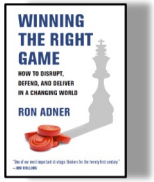


Scale & Control

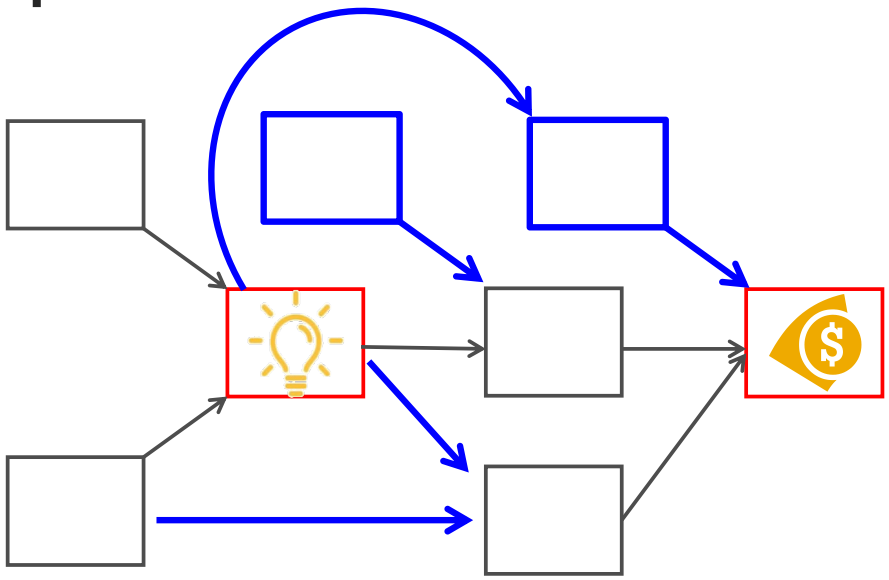
Source: Adner, Ron. 2021. *Winning the Right Game: How to Disrupt, Defend, and Deliver in a Changing World.* MIT Press: Boston.

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What is an Ecosystem Innovation



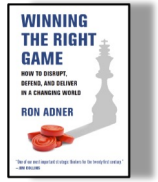
An ecosystem innovation alters structure, membership, and roles in the creation of a new value proposition.



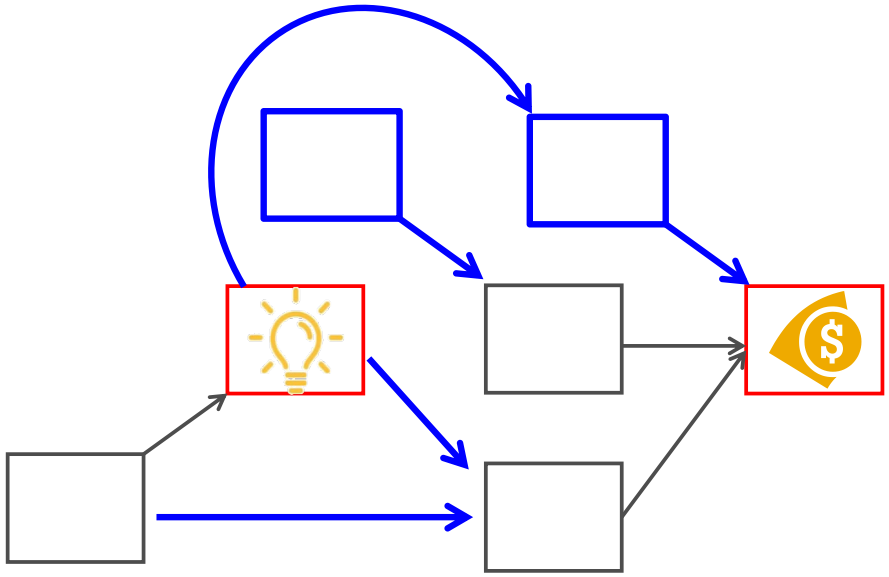
Source: Adner, Ron. 2021. *Winning the Right Game: How to Disrupt, Defend, and Deliver in a Changing World.* MIT Press: Boston.

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What is an Ecosystem **Strategy**



Your ecosystem strategy is the way you approach the *alignment* of partners and secure *your role* in a competitive ecosystem.

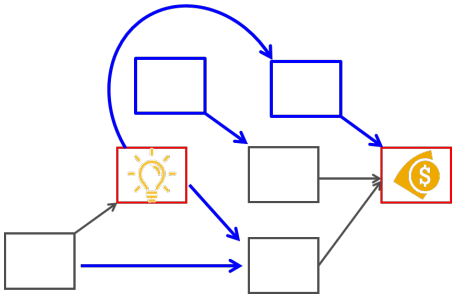


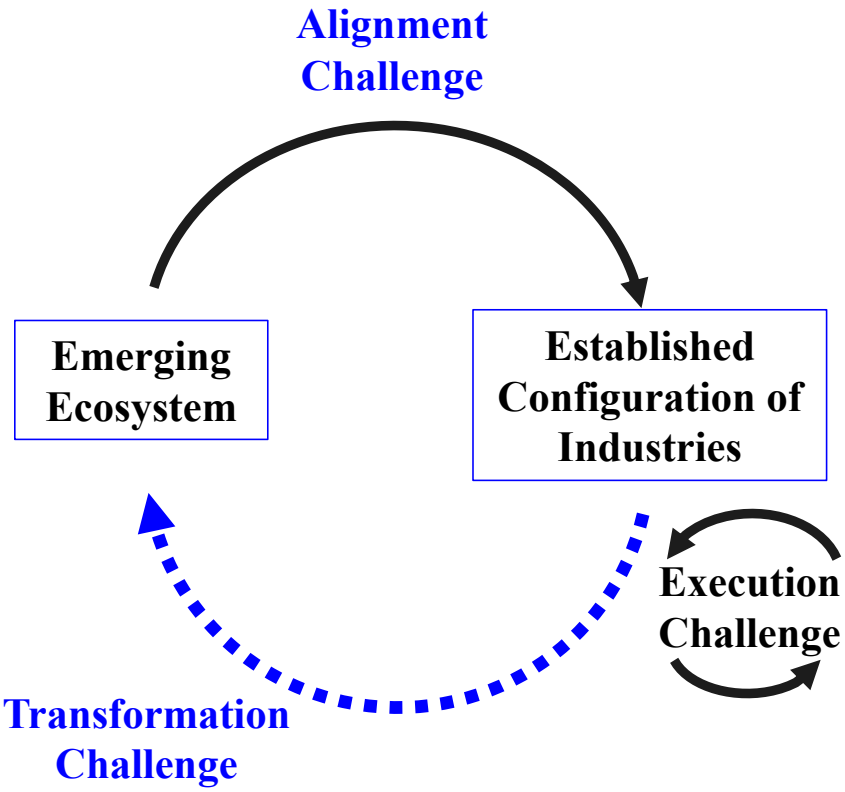
Alignment & Reconfiguration

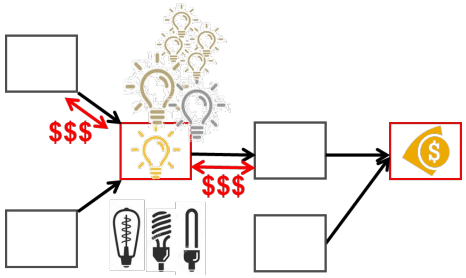
Source: Adner, Ron. 2021. *Winning the Right Game: How to Disrupt, Defend, and Deliver in a Changing World.* MIT Press: Boston.

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The Ecosystem Cycle (Adner, 2021)







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What if they had a CEO baby?





2001



2002

Live Search

2006

bing

2009



2010

Windows Azure

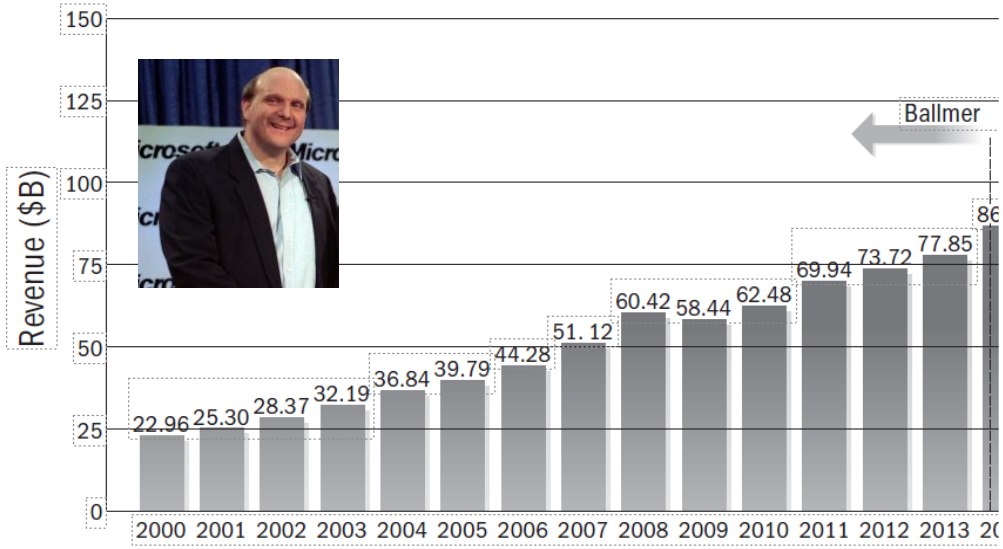
2010

Cortana

2013

Microsoft
NOKIA

2013







Microsoft

Microsoft
LinkedIn

Microsoft
MINECRAFT

Microsoft
GitHub

OpenAI

Better Leaders vs Different Leaders

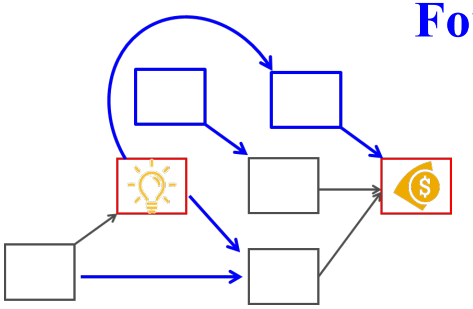
Established Industry
EXECUTION MINDSET
Company First
Exercising Leadership
Internal efficiency to match product strategy





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The Ecosystem Cycle (Adner, 2021)



Founder



Alignment Challenge

Humility is easy when you have no standing



"Professional" CEO

Emerging Ecosystem

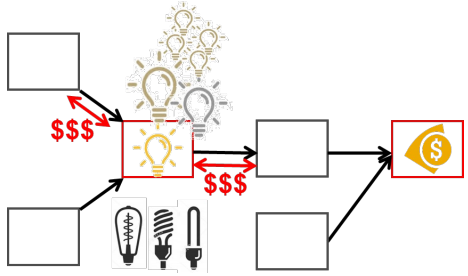
Mature Configuration of Industries



Transformational CEO

Execution Challenge

Transformation Challenge



Humility requires discipline when you are the top dog

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Alignment Mindset vs Execution Mindset

- There *is* a natural tension
- Company first vs. Coalition first
- Scaling through relationships → Willingness to commit those relationships
- New ecosystems → Absence of hierarchy.
- Successful incumbents → Leadership must be **re**-earned and **re**-established. But this time, humility must be a discipline.

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Key Research Questions

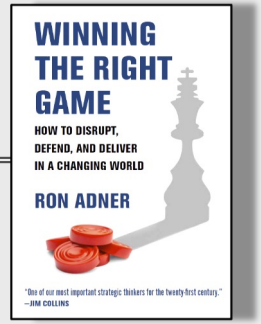
- **Managing tradeoffs at different levels**
  - **BoD**
  - **Corp CEO**
  - **BU leaders**
  - **Project leaders**
- **Managing transitions**
  - **Opportunities**
  - **Personnel**
- **Talent development and Org design**
  - **Skillset**
  - **Mindset**
  - **Responsibility, Control, Resources**

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Who is the Ecosystem Leader?

The Leader's job is to give others the reason to decline contending for the lead.





Leadership Requires Followership:

Mindsets Matter

Ron Adner
Tuck School of Business
Dartmouth College

Microsoft

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Business models, innovation, and business ecosystem leadership

Yuliya Snihur, TBS Education, France



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Ecosystem research: Future challenges

1. Role of leaders during **ecosystem emergence**: envisioning the future vs. technological hype

2. Role of leaders during **ecosystem evolution**: proactive shapers vs. reactive adjusters

3. Strategic leadership of **distributed ecosystem** interactions

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ROLE OF LEADERS DURING ECOSYSTEM EMERGENCE: **ENVISIONING THE FUTURE VS. TECHNOLOGICAL HYPE**

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Business models, why should we care?

- Business model design has been related to **positive (entrepreneurial) firm performance**

Leppänen, George, & Alexy, 2022; Zott & Amit, 2007

- New business models can lead to **ecosystem emergence** and transformation

Hannah & Eisenhardt, 2018; Snihur, Thomas, & Burgelman, 2018

  - helping environmental and societal transformations (e.g., renewable energies, sharing or circular economy, autonomous driving, etc.)
  - enabled by skillful **entrepreneurial framing** to construct meaning and mobilize actors by focusing attention on selected salient features of their business model



Snihur, Thomas, Garud, & Phillips, 2022

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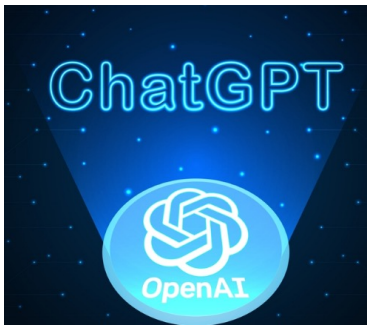
Envisioning the future vs technological hype

"Leading a software industry revolution designed to free customers;" "makes software obsolete" (Salesforce early framing)

Snihur, Thomas, & Burgelman, 2018

Hope or hype?









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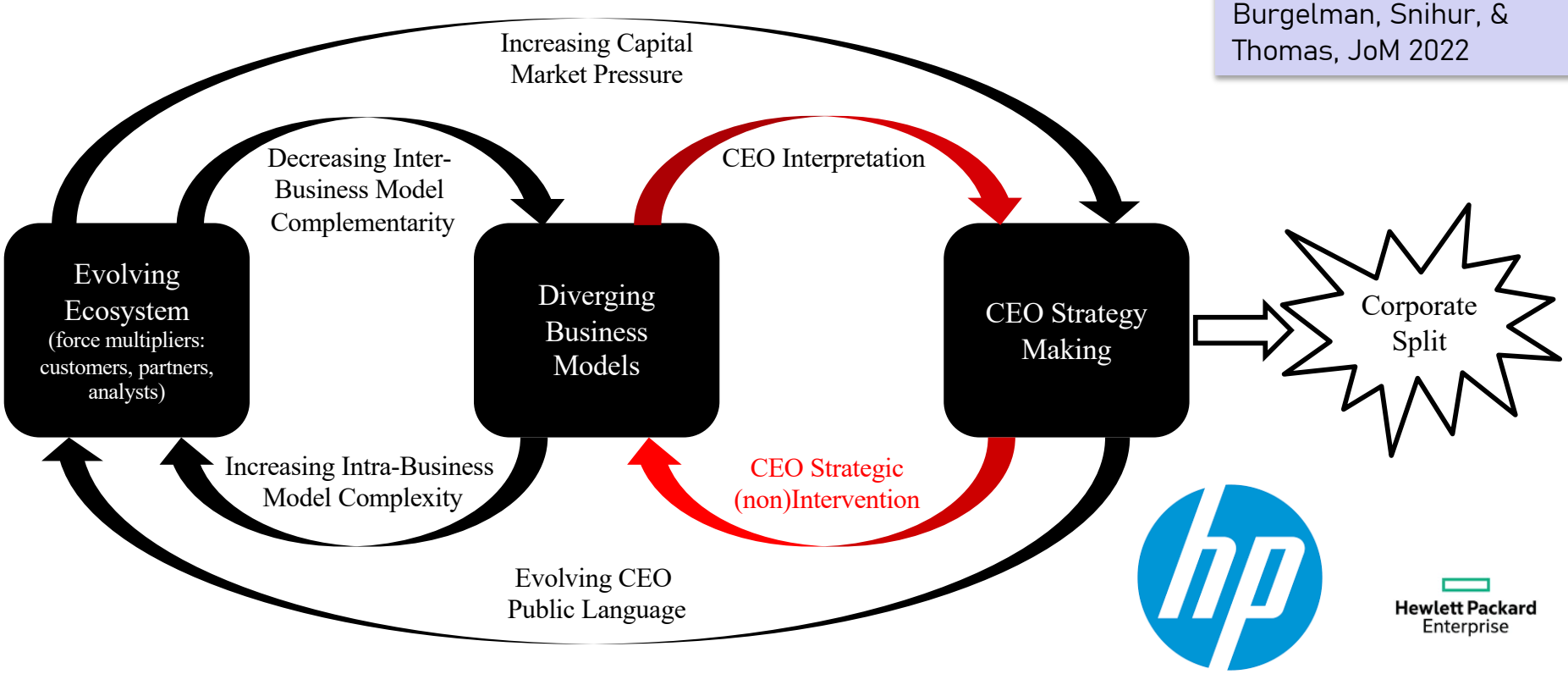
ROLE OF LEADERS DURING ECOSYSTEM EVOLUTION: **PROACTIVE SHAPERS VS. REACTIVE ADJUSTERS?**

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Ecosystem forces driving corporate split at HP

Hewlett-Packard

Growing old, but not together



Burgelman, Snihur, & Thomas, JoM 2022

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STRATEGIC LEADERSHIP OF **DISTRIBUTED ECOSYSTEM INTERACTIONS**

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Ecosystem reactions in Salesforce case

Force multiplier	*Response to disruptor framing*	*Response to incumbent framing*	*Response to disruptor's new ecosystem*	*Response to incumbent's old ecosystem*
Customers (first SMEs, then large enterprises)	Resonating	Equivocating	Adopting	Post-2002: abandoning
Partners (first SMEs, then large enterprises)	Resonating	Equivocating	Extending	Post-2002: abandoning
Media	Amplifying	Post-2001: criticizing	Promoting	Demoting
Analysts	Comparing with incumbent	Comparing with disruptor	Comparing with incumbent's ecosystem	Comparing with disruptor's ecosystem

Snihur, Thomas, & Burgelman, 2018

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Strategic leadership of **distributed ecosystem interactions**

- Multiple actors involved, including media, social media, investors, and regulators

- How to manage and lead such **distributed ecosystem interactions** during ecosystem emergence or evolution with increasingly more porous boundaries between internal employees and external collaborators, platform organizing, and fluctuating social evaluations?

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Ecosystem Research: Future Challenges

1. Role of leaders during ecosystem emergence early on: envisioning the future vs. technological hype

2. Role of leaders during ecosystem evolution: proactive shapers vs. reactive adjusters

3. Strategic leadership of distributed ecosystem interactions

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JMS special issue on Strategic Leadership for Business Ecosystems

tbs EDUCATION INSPIRING EDUCATION INSPIRING LIFE

Guest Editors

Elizabeth Altman (U. of Massachusetts)

Brian Fox (Bentley U.)

Ciaran Heavey (U. College Dublin)

Zeki Simsek (Clemson U.)

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JMS Editor:

Yuliya Snihur



Submission deadline May 31, 2024

JOURNAL OF MANAGEMENT STUDIES

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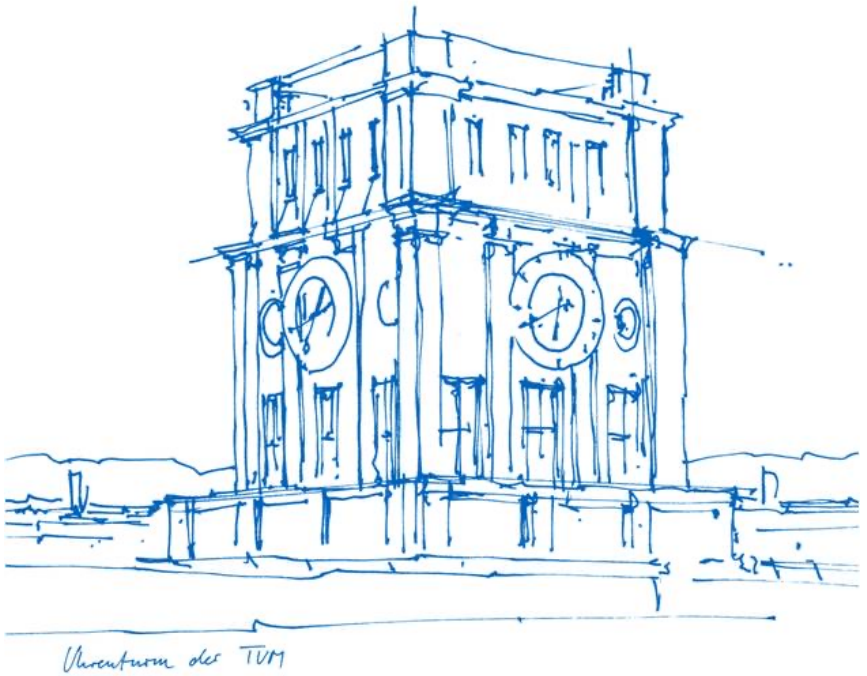
How Strategic Leaders May Try Shaping Emerging Innovation Ecosystems

Oliver Alexy

Technische Universität München

Academy of Management Conference 2023

Boston, August 7, 2023



The core problem in words of eternal wisdom



"Prediction is very difficult, especially about the future."

Danish proverb, often (incorrectly) attributed to Niels Bohr (above) (also to Mark Twain, Churchill, …)



"The future, too, used to be better."

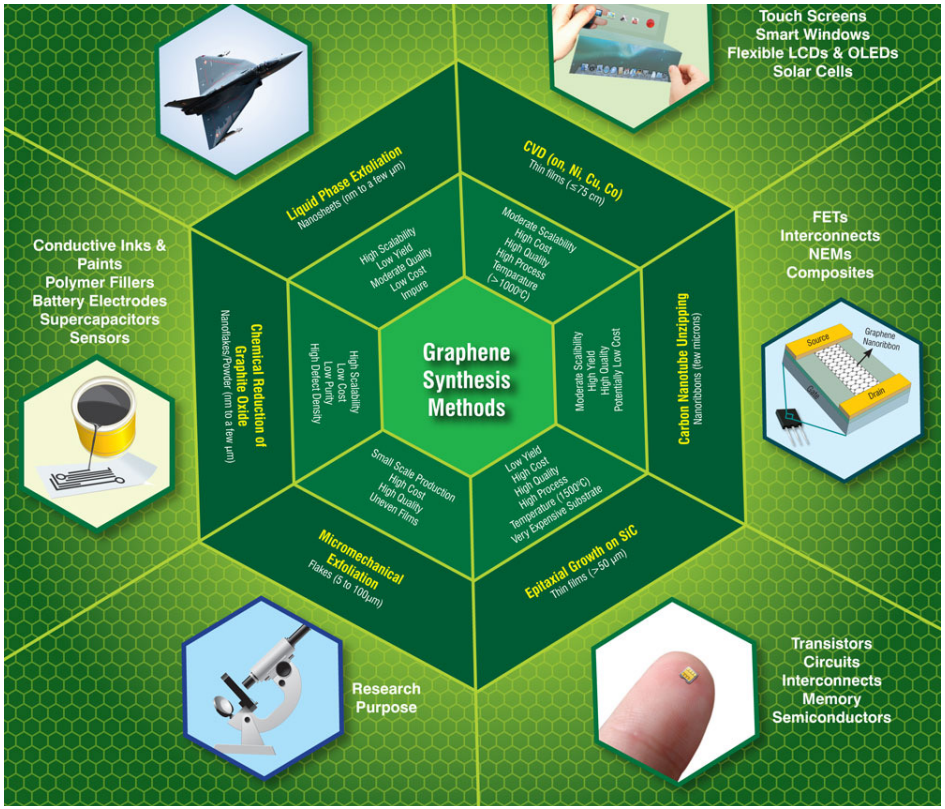
Karl Valentin (the Munich comic)



"Impossible to see, the future is."

Yoda

Innovation ecosystems often emerge around big issues: Grand technological (supply) and social (demand) shifts





Managerial challenges of *actively* and *purposively* building innovation ecosystems

- Technological and market opportunity ≈ technological and market “complexity”
  - It is actually complexity (which would be countable) or indeterminacy (we simply cannot know)?

- Learning about technological options and (latent) market needs remains noisy without commitment
  - You can only understand what is possible, feasible, desirable, and eventually viable by building it
  - Even simpler: “The killer app is unforeseeable” – think Apple/Jobs 2007: “The killer app is making calls”

- Yet, commitment forecloses options! Parallel exploration of (generative!) options is impossible
  - Knowledge/costs
  - Path dependency/incommensurability

- Finally – what if everyone is trying to shape?

A solution: Visions as guardrails

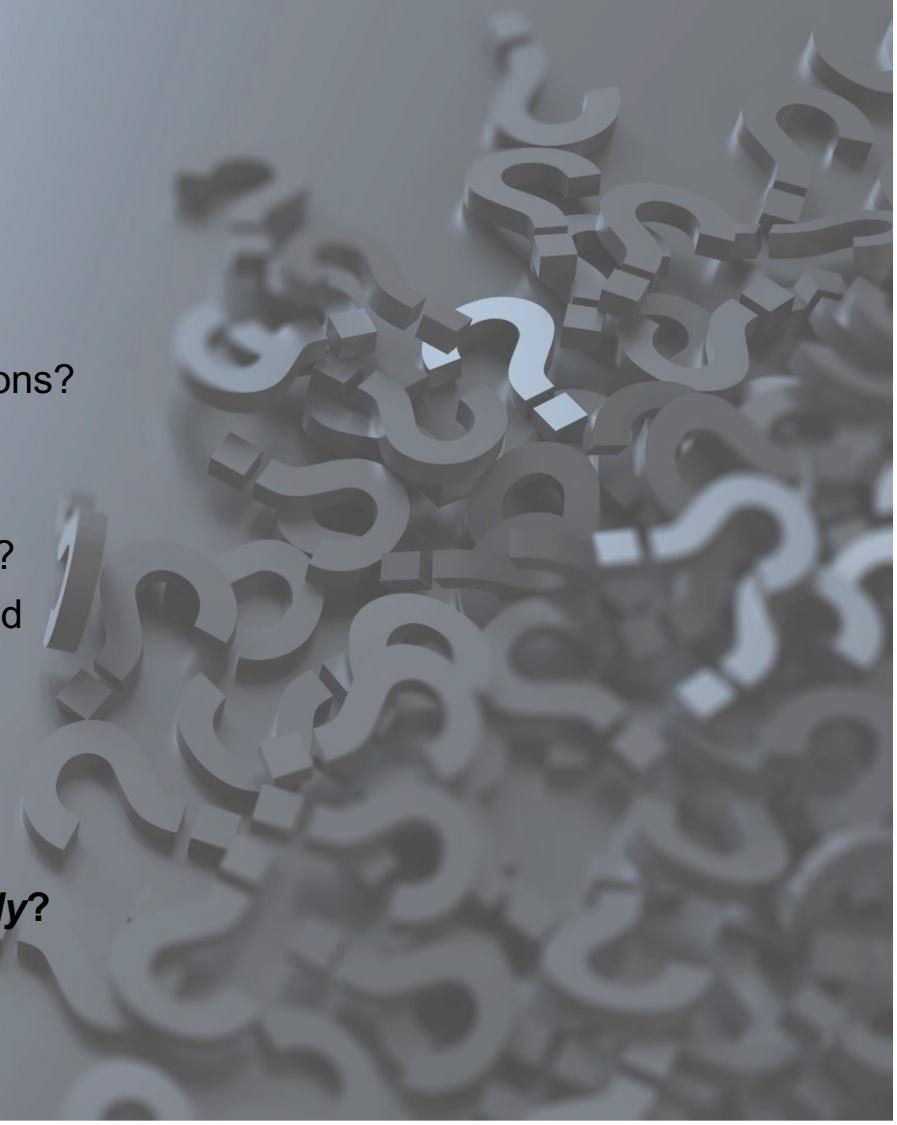
- The coordinating function of a (specific) vision
  - Allows others to “do their job”
  - Allows for clean experiments, complementarity
- Vision as directed guardrails to the future
  - Leaders need to steer value creation
  - Leaders need to anticipate value capture
- A procedural view on designing ecosystem
  - *Influencing* others’ beliefs and actions
  - *Monitoring* developments and possibilities
  - *Updating* vision and projected bottlenecks



Some emerging questions

- How do strategic leaders design good visions?
  - From motivating to coordinating effect. Both matter.
  - From foresight to process. Both matter.
- How do strategic leaders address competition between visions?
  - Standards races; metaverse vs. omniverse; …
- How wide should strategic leaders allow the “guardrails” be?
  - The wider the firm searches, the more collaborators to find
    >> value creation ↑↑↑
  - … but the harder to bring the process back to the firm
    >> value capture ↓↓↓

>> The big one: How do we manage generativity *effectively*?



Thank you!

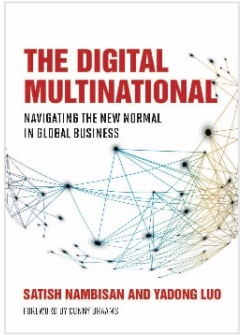
Oliver Alexy
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80333 Munich, Germany
o.alexy@tum.de

WEATHERHEAD SCHOOL OF MANAGEMENT
CASE WESTERN RESERVE UNIVERSITY

STRATEGIC LEADERSHIP OF BUSINESS ECOSYSTEMS IN A DIGITALLY CONNECTED AND GEOPOLITICALLY FRAGMENTED WORLD

Satish Nambisan
Case Western Reserve University

AoM 2023 Symposium



Axiom 2023 Business Book Award (Gold Medalist)

Global Scope of Business Ecosystems in the Digital Economy



- Li, J., Chen, L., Yi, J., Mao, J., & Liao, J. (2019). Ecosystem-specific advantages in international digital commerce. Journal of International Business Studies, 50, 1448-1463.
- Nambisan, S., Zahra, S. A., & Luo, Y. (2019). Global platforms and ecosystems: Implications for international business theories. Journal of International Business Studies, 50, 1464-1486.
- Parente, R., Rong, K., Geleilate, J. M. G., & Misati, E. (2019). Adapting and sustaining operations in weak institutional environments: A business ecosystem assessment of a Chinese MNE in Central Africa. *Journal of International Business Studies*, *50*, 275-291.

Geopolitical Tensions and Rising Nationalistic Sentiments









Why Technology Will Define the Future of Geopolitics

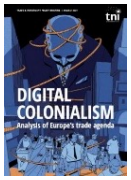
By Eric Schmidt March/April 2023

Made in America, Made in France: Protectionism Threatens the Atlantic Tech Alliance



China Introduces New Rules Governing Cross-Border Transfers of Data

Many companies will have to seek approval before exporting data, increasing compliance and business costs



Econographics | April 27, 2023

The root causes of geopolitical fragmentation

- Witt, M. A. (2019). De-globalization: Theories, predictions, and opportunities for international business research. *Journal of International Business Studies*, *50*(7), 1053-1077.
- Cha, H., Wu, J., & Kotabe, M. (2021). The vulnerability problem of business ecosystems under global decoupling. *Management and Organization Review*, *17*(3), 617-623.
- Cui, V., Vertinsky, I., Wang, Y., & Zhou, D. (2023). Decoupling in international business: The 'new' vulnerability of globalization and MNEs' response strategies. *Journal of International Business Studies*, 1-15.
- Witt, M.A., Lewin, A.Y.,Li, P.P., & Gaur, A. 2023. Decoupling in international business: Evidence, drivers, differential impact, and opportunities for research. *Journal of World Business* (58/1): 101399.
- Luo, Y., & Van Assche, A. (2023). The rise of techno-geopolitical uncertainty: Implications of the United States CHIPS and Science Act. *Journal of international business studies*, 1-18.

Emerging Context for Strategic Leadership of MNEs' Business Ecosystems

Digitally

CONNECTED

New *digital affordances* for strategic leadership

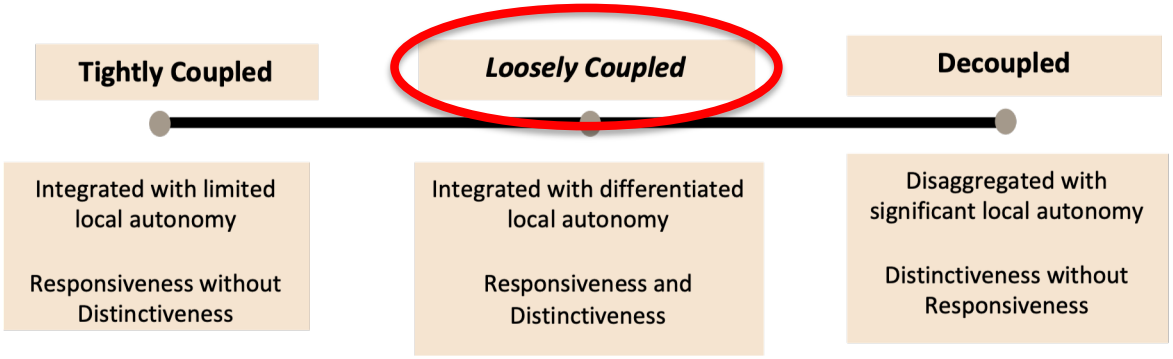


Geopolitically

FRAGMENTED

New *techno-geopolitical* barriers to strategic leadership

MNE and its business ecosystem as a *loosely coupled digital organization*



Responsiveness: Foreign subsidiaries and parts of the MNE ecosystem operate together or are responsive to one another

Distinctiveness: Individual subsidiaries and foreign ecosystem partners reflect the distinctive aspects of their local market/geopolitical context

Orton, J. D., & Weick, K. E. (1990). Loosely coupled systems: A reconceptualization. *Academy of management review*, *15*(2), 203-223.

Nambisan, S., & Luo, Y. (2021). Toward a loose coupling view of digital globalization. *Journal of international business studies*, *52*(8), 1646-1663.

Nambisan, S. & Luo, Y. (2022). *The digital multinational: Navigating the new normal in global business*. MIT Press, Cambridge: MA.

Nambisan, S., & Luo, Y. (2022). Think Globally, Innovate Locally. *MIT Sloan Management Review*, *63*(3), 79-84.

Nambisan, S. (2023). Digital strategies for managing global operations in the new normal. *Management and Business Review* (forthcoming).

Key Research Themes for Strategic Leadership of MNEs' Business Ecosystems

- Developing an inclusive and adaptable vision for value creation and capture
  - acknowledge the primacy of geopolitics in global business
  - latitude for local adaptation and meaning-making (techno-geopolitical uncertainty)
  - allow for digitally generative opportunities (value propositions, business models, etc.)
  - address emergent inconsistencies and contradictions across geographies
- Adopting new roles and structures for distributed strategic leadership
  - extended leadership structures that include MNE subsidiaries and local partners
  - emergent and overlapping ecosystem leadership roles & responsibilities as strategic concerns/issues span global and regional/local contexts
  - digital infrastructures that enhance strategic leaders' sensing capabilities

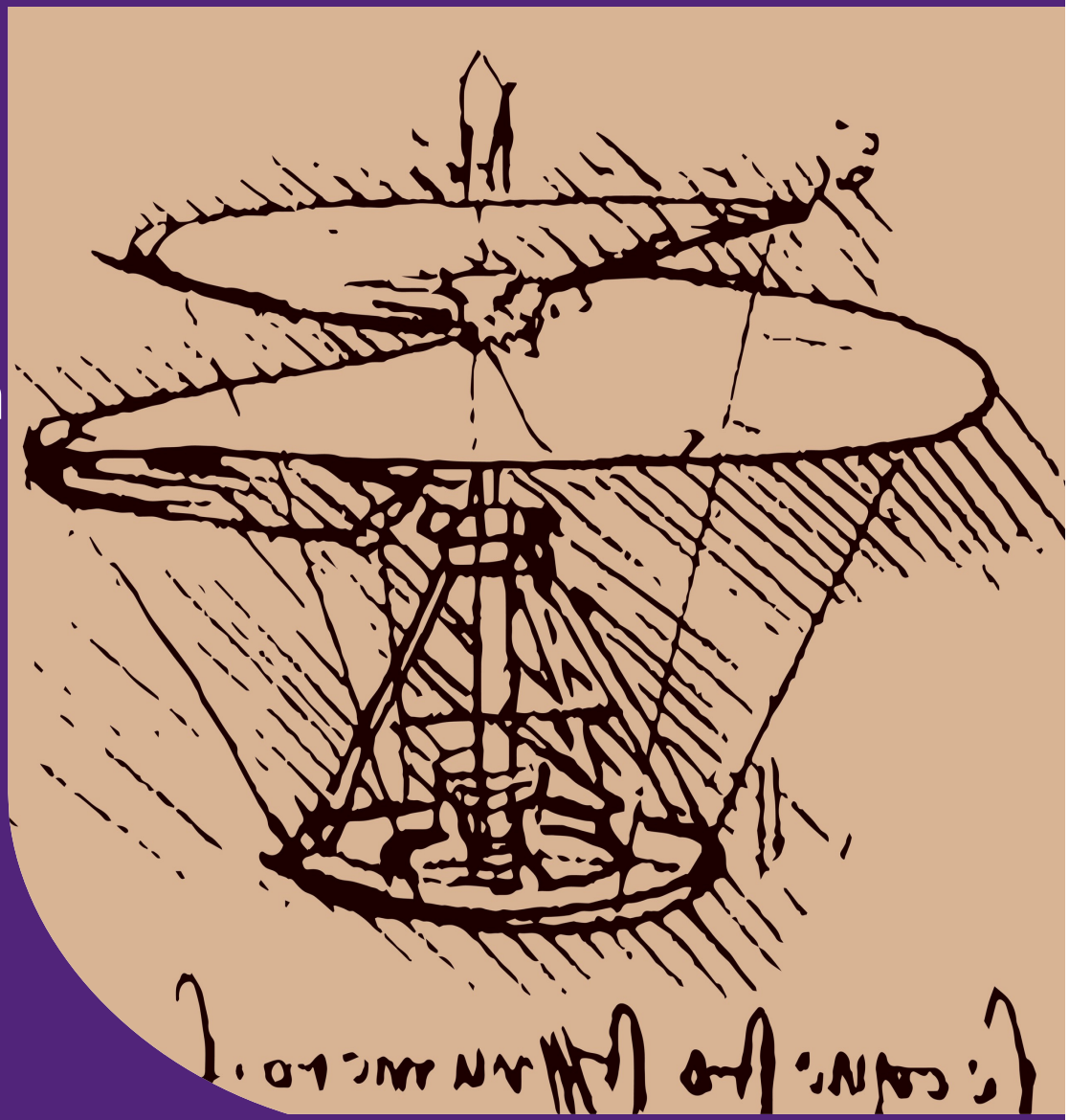
Key Research Themes for Strategic Leadership of MNEs' Business Ecosystems

- Strategic leader interfaces (Simsek et al., 2018) in global business ecosystems
  - redefine headquarter-subsidiary relations and interactions in the context of business ecosystems
  - SLIs as deeply embedded in local social, technological and geo-political contexts
  - rising significance of SLIs involving 'extra-ecosystem stakeholders' and their micro-dynamics
- Managing emergent ecosystem risks and negative externalities (political, social, etc.)
  - new types of techno-geopolitical risks: institutional/infrastructural risks, reputational risks, cross-border interdependence risks, cyber security risks, digital harm
  - strategic leaders as *corporate or business diplomats* to influence/shape techno-geopolitical conditions and mitigate risks – individual and collective efforts (intelligence, representation, bridging, advocacy, negotiation, etc.)

Thank You

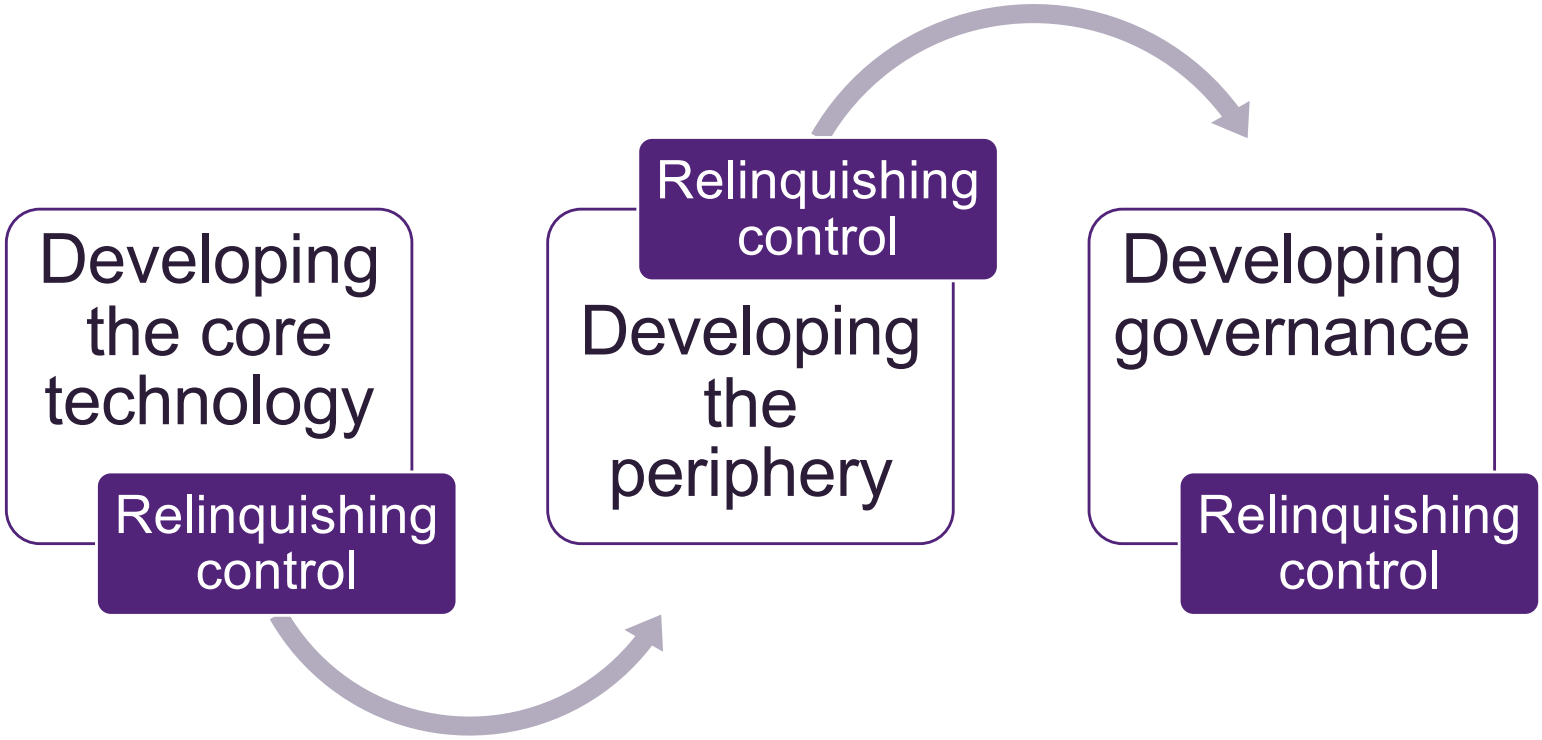
Strategic leaders

- Development of ecosystem
- Collaboration
- Relinquishing control



Henri Burgers

Co-development of a platform-based ecosystem by strategic leaders

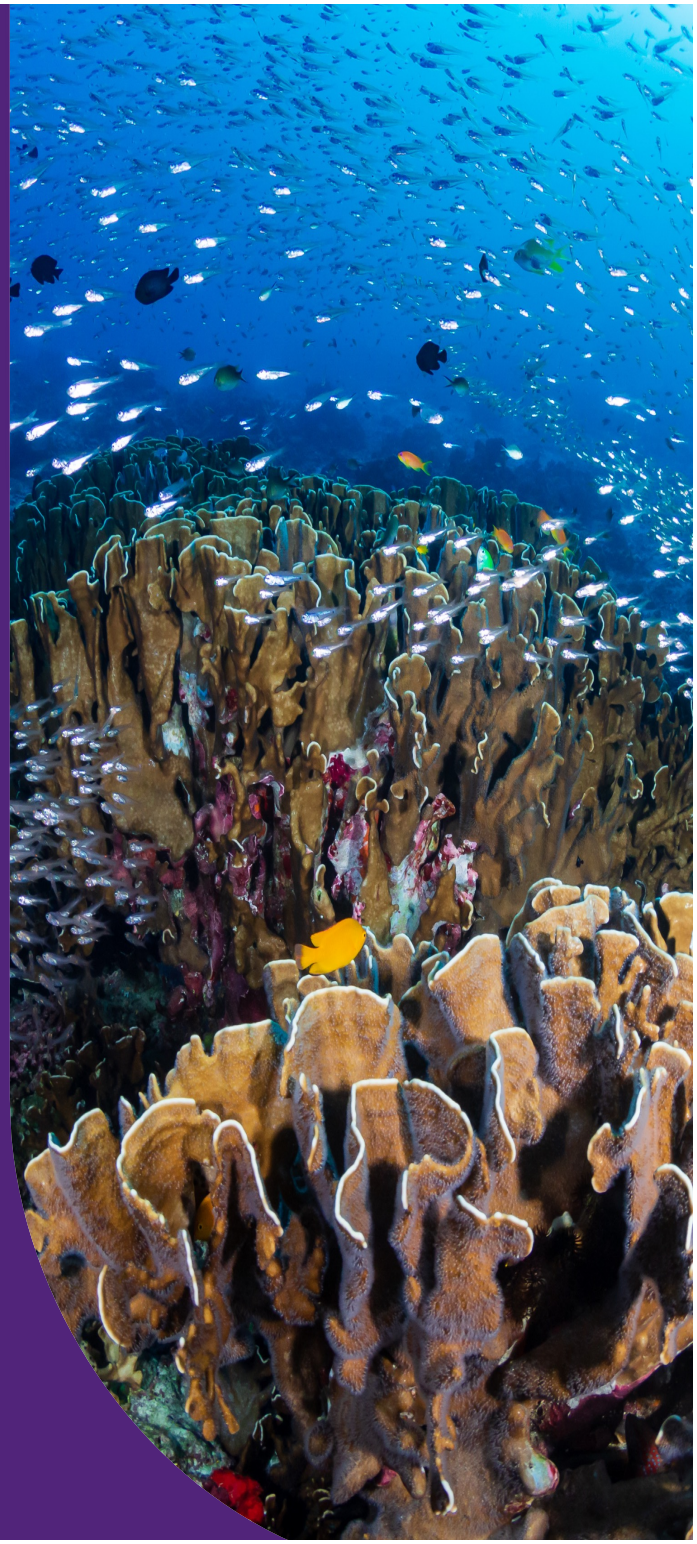


Based on Cavallo et al. (2022)

From the micro-perspective of a leader (Spigel, 2018)

- Leader understanding of ecosystem
- Resolving of tensions (Wareham et al., 2014; Cennamo and Centalo, 2019)
- Emergence and evolution of ecosystems (Daymond et al., 2022)
- Process perspective

Henri Burgers (h.burgers@uq.edu.au)



Strategic Leadership in Entrepreneurial Ecosystems

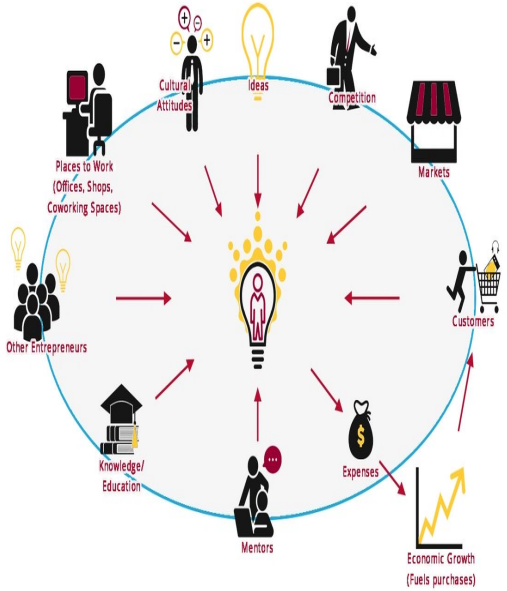


Shaker A. Zahra

University of Minnesota

AOM 2023 Boston

Entrepreneurial Ecosystems



Ecosystem for an Entrepreneur

- I focus on entrepreneurial ecosystems
  - Source of new forms of organizations
  - Arena where new business models are formed, tested and refined
- Usually, these ecosystems:
  - Focus on the birth and growth of different types of entrepreneurial companies
  - Are fragmented, exhibiting considerable strategic variety
  - Are constantly in flux and evolution
  - Are populated by startups and some incumbents

Value of Senior Leadership in Ecosystems



- Ecosystem evolution is determined by the actions of interdependent strategic actors
- These actions are shaped by visionary leaders/entrepreneurs
- Leaders also have to be institutional entrepreneurs
  - Overcome ecosystem fragmentation
  - Shape direction & speed of evolution
  - Ensure coordination (e.g., norm and standard setting)
  - Address the "problem of the commons", while creating and capturing value for their own organizations

Building Ecosystem-wide Institutions



- Both informal and formal institutions
- These institutions regulate and direct strategic behaviors, reduce information asymmetry, and curb opportunism
- Paradoxically, they may constrain managerial discretion

Investing in Ecosystem Evolution & Growth

- These investments take many forms:
  - Building institutions
  - Promoting networks
  - Building linkages with external actors
- Benefits to firms making these investments are far from certain
  - Competitors' mix might change
    - ➢ Later Entrants may have different business models & incentives
  - Others might be more clever in deriving advantage
  - Attention focused on investing, not value capture
- The questions: how to transform these investments into firm-specific advantage

Building Organizational Capabilities vis-à-vis Ecosystem Evolution

- Entrepreneurial ecosystems are in constant flux
- Success recipes are not known ex ante
- These recipes change, with the evolution of the ecosystem
  - They also change with a firm's accumulated experience and track record
- This raises several issue re. organizational capabilities:
  - Which capabilities to have
  - How to assemble them
  - How to retain their currency as the ecosystem evolves

Is There a Deficit of Senior Leadership in Entrepreneurial Ecosystems?



- Many entrepreneurs are novices, with limited organizational experience
- Yet, they work to create a new "world order"
- History shows that visionary founders (e.g., Jobs, Gates, etc.) were especially successful
  - But the need the help and support of boards, advisors
  - They often combine different types of leadership styles
    - This combination also varies with experience and time

4 Styles

- Visionary
  - Purpose, Direction & Scope
- Architectural
  - Blueprints for change
  - Business models
- Integrative
  - Connecting firm with stakeholders
  - Functional integration
  - Integration of business and family
  - Strategic discipline
- Charismatic
  - Idea selling, motivation, championing

Conclusion

- Entrepreneurial ecosystems are an interesting setting where founders and other entrepreneurs develop and hone their leaderships skills
- These skills are essential for company, as well as ecosystem, evolution
- Achieving successful ecosystem growth and evolution requires leadership to address several paradoxes that arise between individual firm benefits and collectivity

MITSloan Management Review

Workforce Ecosystems and Strategic Leadership

AOM Boston| August 2023

Co-authors
David Kiron (*MIT Sloan Management Review*)
Jeff Schwartz (Deloitte retired; Gloat)
Robin Jones (Deloitte)
And other colleagues at *Deloitte* and *MIT SMR*

MITSloan Management Review

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BIG IDEA

Future of the Workforce

IN COLLABORATION WITH: Deloitte.

MIT SMR and Deloitte continue their research on the future of workforce for a third consecutive year in 2022.

In 2020, the research team focused on *opportunity marketplaces*: internal platforms that help organizations develop, engage, and retain talent. In 2021, the team published on *workforce ecosystems*: structures that consist of interdependent actors, from within the organization and beyond, working to pursue both individual and collective goals. In 2022, the team further explores how management practices must evolve to oversee a workforce comprised of a varied set of actors.



GUEST EDITOR

Elizabeth J. Altman

Associate professor, Manning School of Business, UMass Lowell

Learn more →

https://sloanreview.mit.edu/big-ideas/future-of-the-workforce/

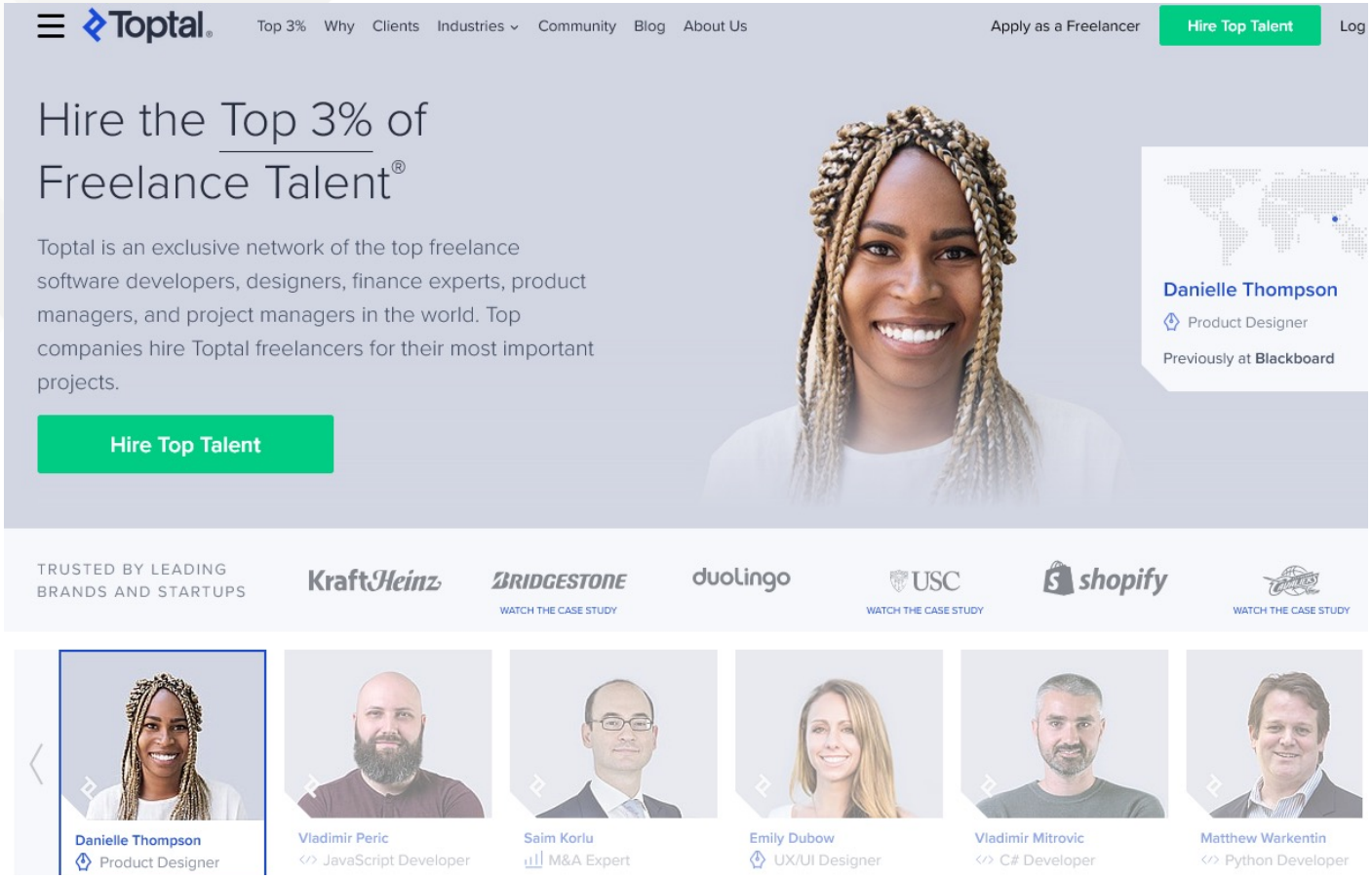
When we say *workforce*, what do we mean?

EMPLOYEES …



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CONTRACTORS, FREELANCERS, AND GIG WORKERS…



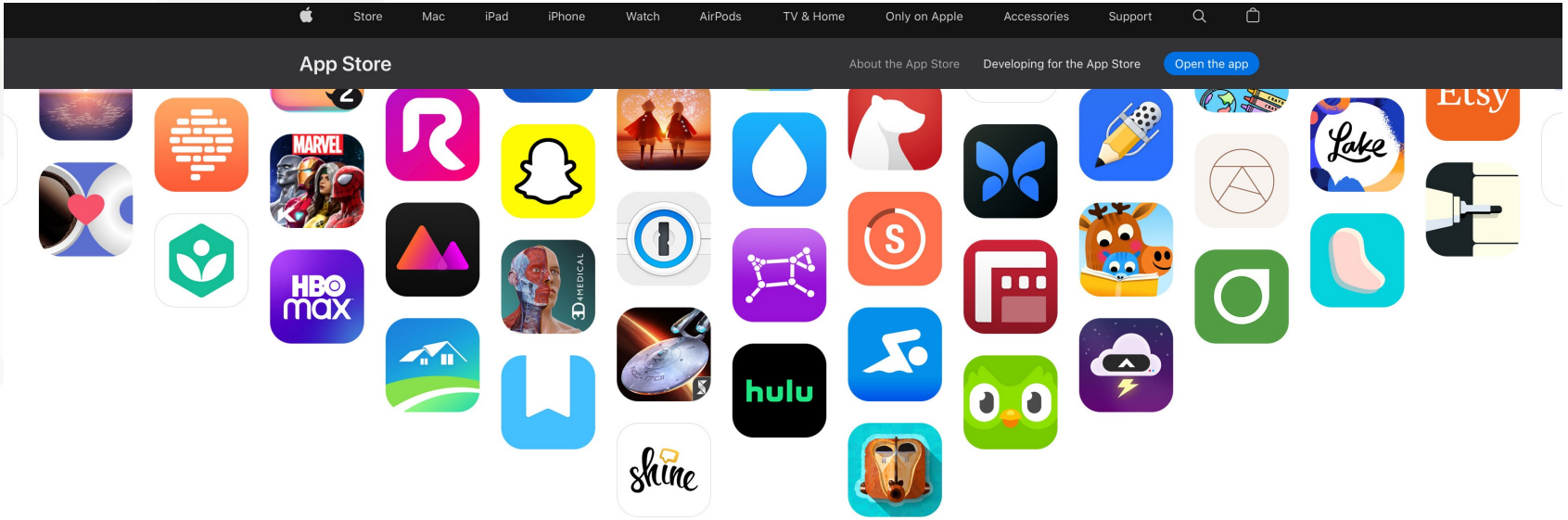
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SUBCONTRACTORS …



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COMPLEMENTARY BUSINESSES (LIKE APP DEVELOPERS) …



App Store

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… AND CHATBOTS, ROBOTS, AND OTHER TECHNOLOGIES



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WE DEFINE...

work·force ec·o·sys·tem

noun /ˈwərkfôrs/ /ˈēkōˌsistəm/

A structure focused on value creation for an organization that consists of complementarities and interdependencies.* This structure encompasses actors, from within the organization and beyond, working to pursue both individual and collective goals.

*By complementarities, we mean that some members of the system (workers or organizations) work independently yet together offer value for their mutual customers. By interdependencies, we mean that some members rely upon one another for their shared success (or failure); they win or lose together.

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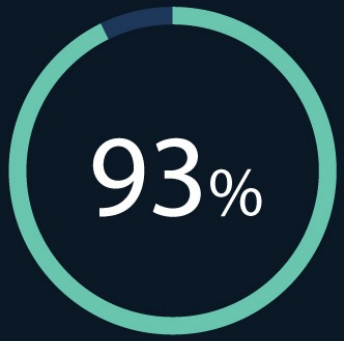


THE ENTIRE WORKFORCE ECOSYSTEM REFLECTS THE BRAND

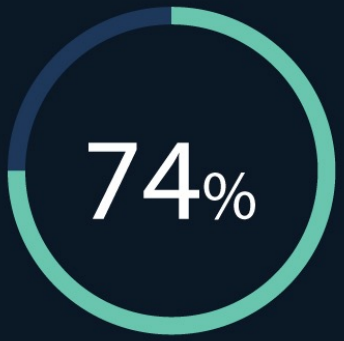
> Our customers don’t perceive the contingent workforce to be hired help. They perceive them to be a reflection of our brand.

Michael Smith
CEO, Randstad Sourceright

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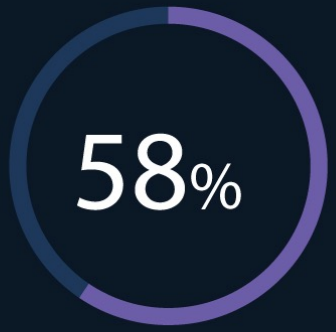
of managers view some external workers as part of their organization's workforce.



of managers agree that effective management of external contributors is critical to their organization's success.

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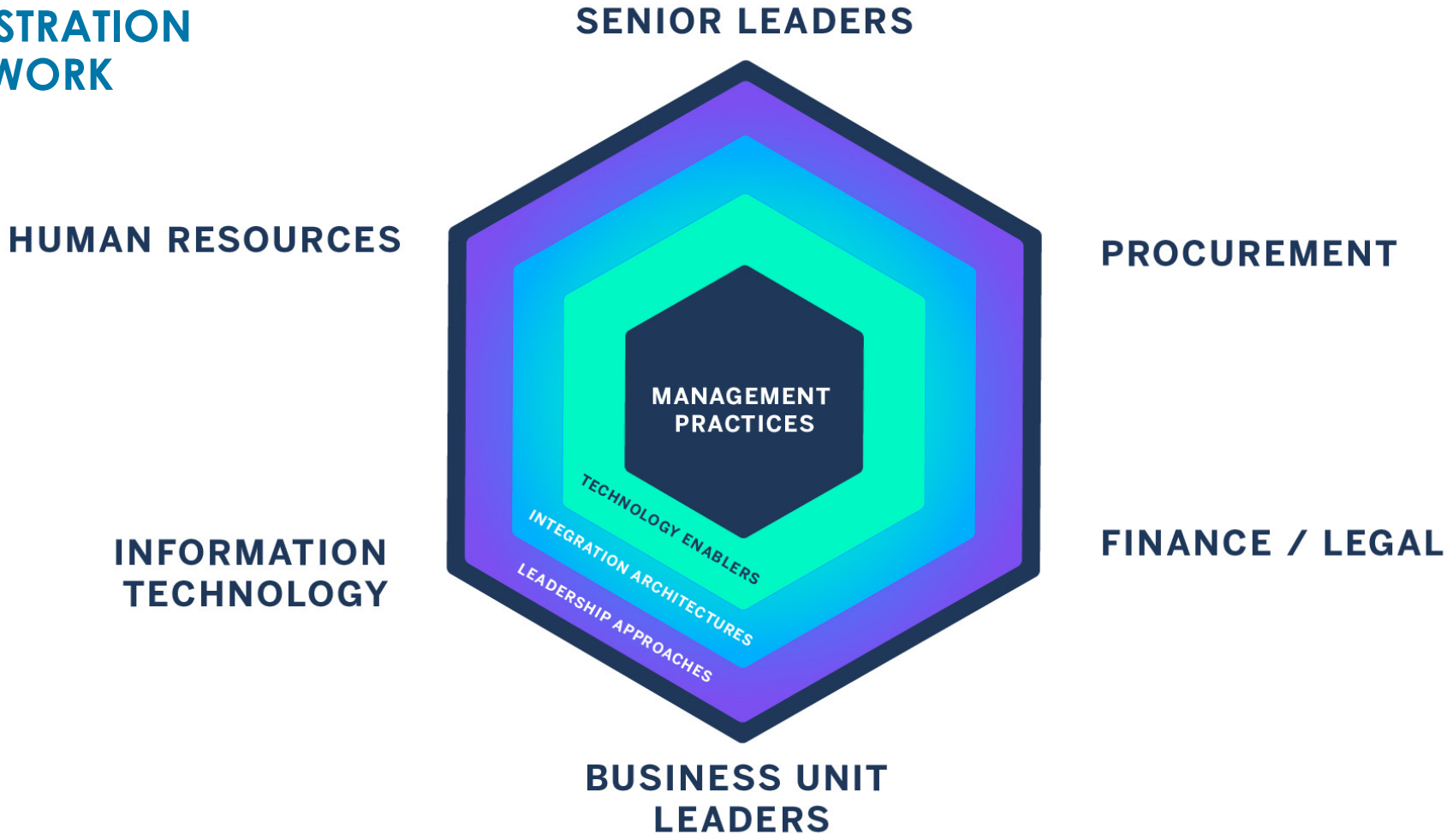
of managers agree their organizations take an integrated approach to managing employees and external contributors.



of managers agree their organization is sufficiently preparing to manage a workforce that will rely more on external contributors.

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WORKFORCE ECOSYSTEM ORCHESTRATION FRAMEWORK

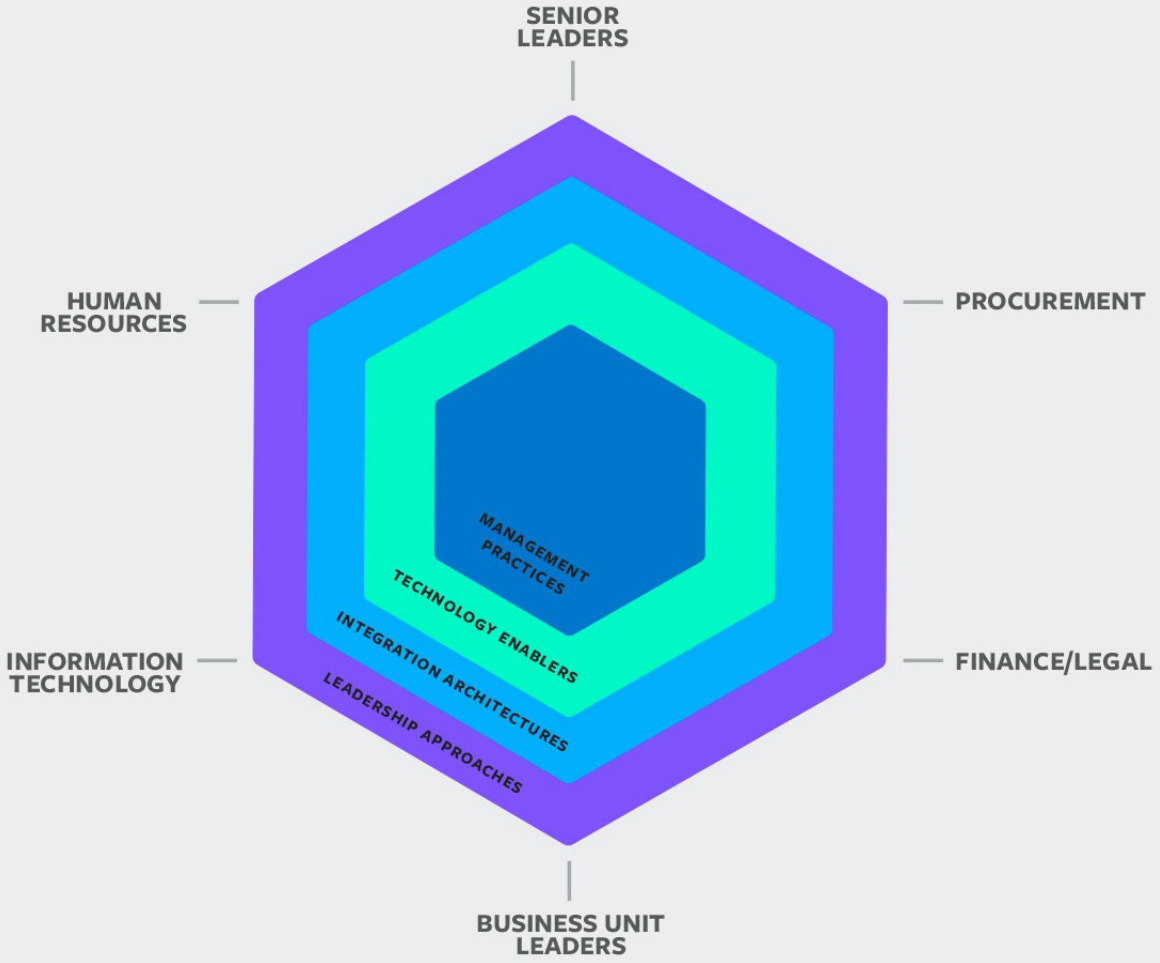


Identifying the critical players in workforce ecosystem orchestration

SENIOR AND BUSINESS UNIT LEADERS
Primary orchestrators who take a holistic and integrated view

HUMAN RESOURCES AND PROCUREMENT
Functional groups with responsibilities for accessing and managing internal and external contributors

IT AND FINANCE/LEGAL
Groups that serve crucial roles enabling workforce ecosystems to operate effectively



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LEADERSHIP APPROACHES

Workforce ecosystems require significant shifts in leadership approaches and mind-sets as leaders manage both internal and external contributors.

New Leadership Behaviors:

- Building community within and beyond **organizational boundaries**
- Influencing without authority
- Extending **DEI principles and practices** beyond employees



From the Survey



... but 45% say
their organization integrates external contributors into its culture

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MITSloan Management Review

IN COLLABORATION WITH:

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Intentionally Orchestrating Workforce Ecosystems

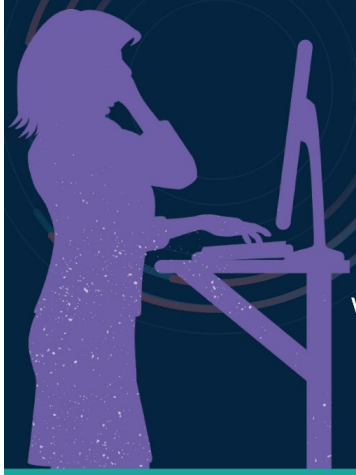
Eight Ways Leaders Differentiate

Elizabeth J. Altman, David Kiron, Robin Jones, Susan Cantrell, and Steven Hatfield



Intentional Orchestrators outperform other organizations in eight ways:

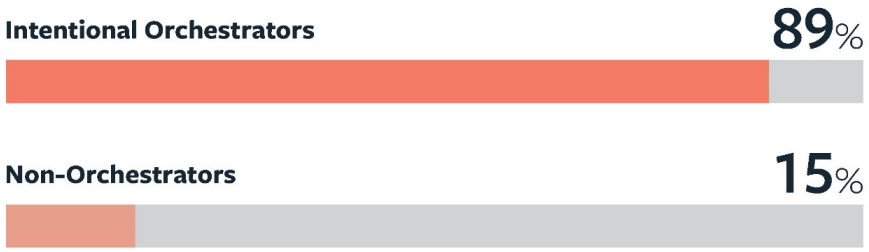
1. Aligning workforce needs with strategic goals and objectives
2. Allocating work among internal and external workers
3. Accessing workers to accomplish strategic objectives
4. Integrating external workers into their organization's culture
5. Managing the workforce across functional areas
6. Measuring worker performance
7. Managing the workforce for maximum performance
8. Supporting workforce management and growth with technology





2 ALLOCATING WORK

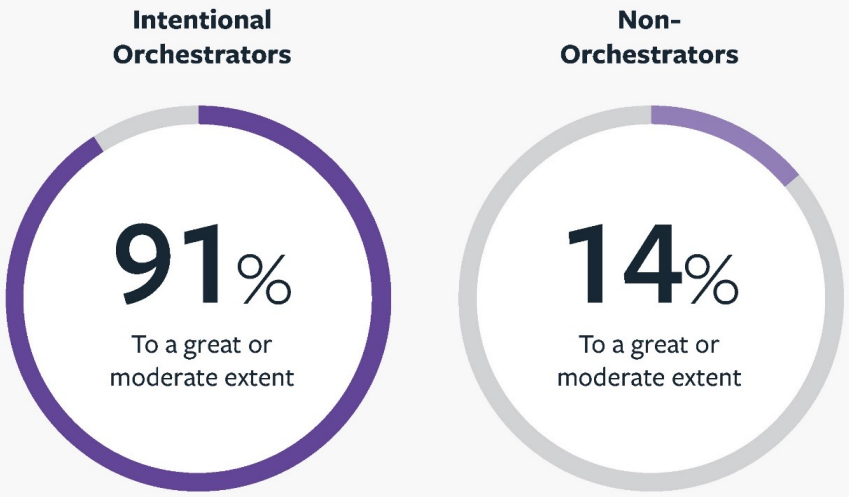
89% of Intentional Orchestrators feel that their organizations take the **right approach to distributing work** throughout their ecosystems.



To what extent do you feel that your organization has the right approach to distributing work among employees and its extended workforce?

4 INTEGRATING INTO CULTURE

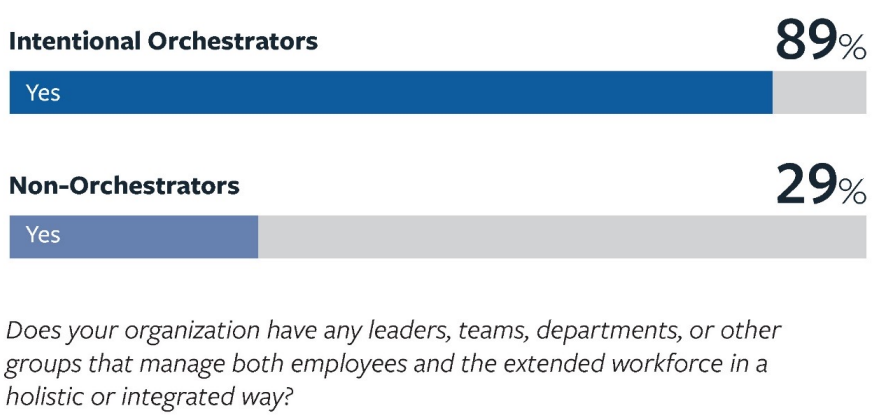
Intentional Orchestrators are more than **6x** more likely than Non-Orchestrators to **integrate external contributors** into their culture.



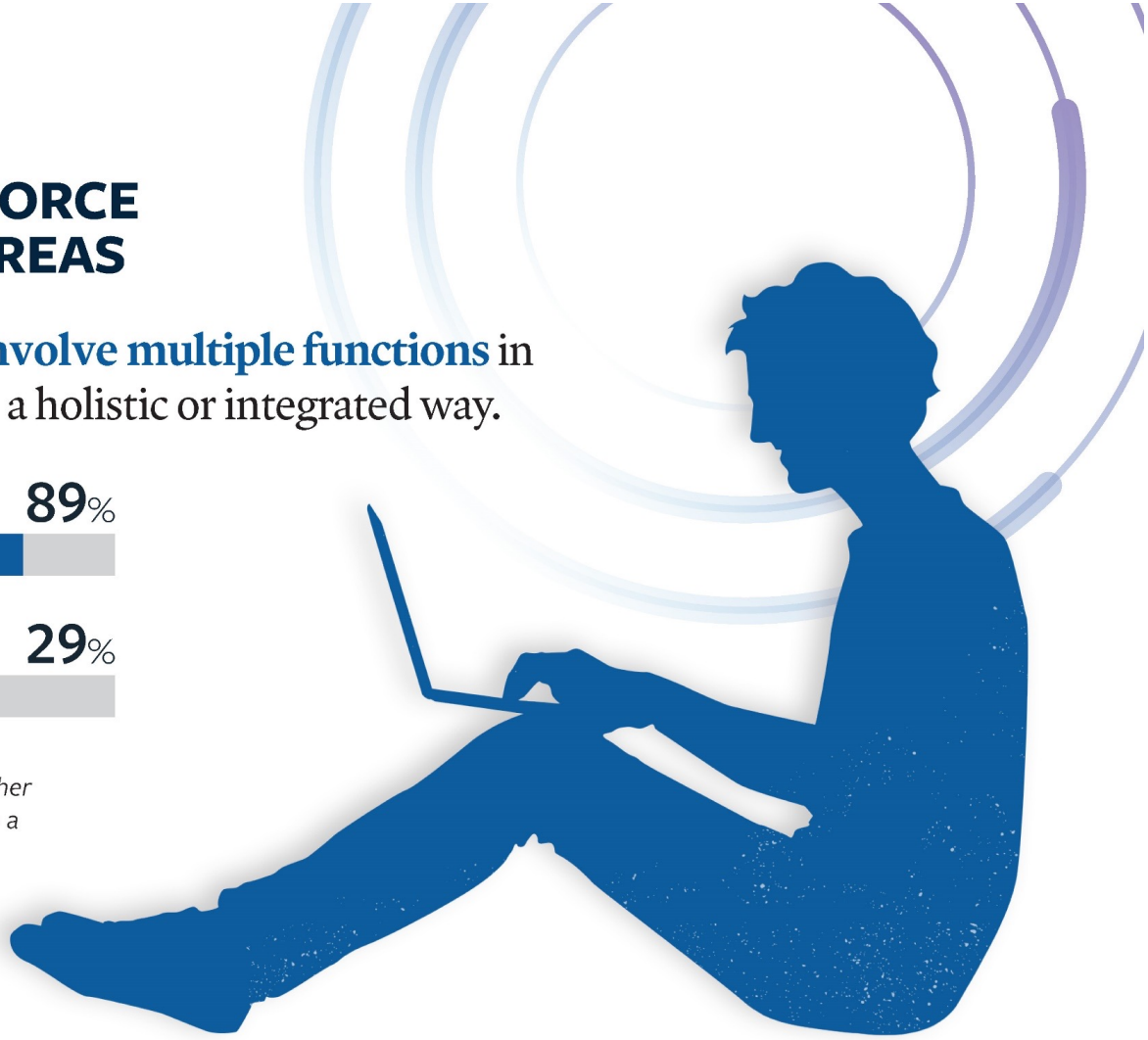
To what extent does your organization integrate external contributors into its culture?

5 MANAGING THE WORKFORCE ACROSS FUNCTIONAL AREAS

89% of Intentional Orchestrators **involve multiple functions** in managing their workforce ecosystems in a holistic or integrated way.



Does your organization have any leaders, teams, departments, or other groups that manage both employees and the extended workforce in a holistic or integrated way?





IMPLICATIONS FOR ORGANIZATION DESIGN AND LEADERSHIP

"You have the procurement piece that negotiates the contracts, you have the IT piece that coordinates the access to systems, **but there was no one really owning it holistically.** And when we talked with the other functional areas, there was real support to say, 'This belongs in People & Culture because it is the whole integrated workforce.

We have an opportunity to really understand the capabilities that quite a number of people bring to us that aren't as deeply established in the current employee base.'"

Cris Wilbur, Chief People Officer, Roche

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TAKING A MORE EXPANSIVE VIEW OF THE WORKFORCE WITH A FOCUS ON SKILLS

We will manage the external workforce even more actively, not only to attract labor, but also for **access to skills** that we may not have enough of internally.

It's becoming even more important in tech-related work, where **skilled talent is less inclined to join a traditional workforce**.

Markus Graf
VP of HR and Global Head of Talent, Novartis

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LEADERS CAN FOSTER AN EQUITABLE AND INCLUSIVE WORKING ENVIRONMENT

"You have to think about it holistically, and you have to really **harness the power that is your entire workforce to be successful.** I've got to make sure that we're building an entire team and that it's inclusive. You have to find a way to build **trust** within the ecosystem at all levels."

"It's about pulling everybody in. We can't have people who are not inside the family being treated differently: They're here. Somebody brought them to the family reunion."

Maj. Gen. Ronald Clark, U.S. Army

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Diversity, Equity, And Inclusion Can Boost Innovation, Value Creation, And Equitable Opportunities

When we talk about diversity, we're not just talking about gender, we're not just talking about race. We're talking about experiences. We're talking about your background and experiences — where you live, where you vacation, the cultures you've been exposed to. **If you want to have access to the best talent, you have to value and appreciate diversity.**

Elizabeth Adefioye, Senior Vice President & Chief Human Resources Officer, Ingredion

We're also bringing in people who are neurodiverse, for example, through our Autism Hiring Program, which is designed to provide career readiness training and possible full-time opportunities for individuals on the autism spectrum.

Jen Felch, Chief Digital Officer & CIO, Dell Technologies

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WHO IS RESPONSIBLE FOR THE WORKFORCE?

"A business unit leader's job is to get the work done. It's not their job to figure out how they develop all the skills needed for all of the players sustainably over time. Nobody owns that. The project guy doesn't own it. HR doesn't own it. Accounts payable doesn't own it. **Who owns it**?"

Cathy Benko
Board Member, Nike

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LABOR LAWS, ETHICS, AND SOCIAL RESPONSIBILITIES

Labor laws vary across geographic regions, especially with respect to how organizations may (or may not) interact with external contributors. These variations have implications for leading workforce ecosystems, including work allocation, performance measurement, workforce planning, and hiring practices.

Orchestrating workforce ecosystems involves grappling with ethical considerations regarding the treatment of external contributors, such as safety, fairness, health, and economic security. Embracing workforce ecosystems has implications for a company's social responsibilities.




WORKFORCE ECOSYSTEMS
Reaching Strategic Goals with People, Partners, and Technologies
ELIZABETH J. ALTMAN, DAVID KIRON, JEFF SCHWARTZ, AND ROBIN JONES

THANK YOU

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