



**Business trends:** Implications for Work and the Organization

By the Business Research Centre

### Colophon

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## Foreword

This report is entitled 'Business Trends: Implications for Work and the Organization'. It includes the preliminary results of the study based on developments in the economic domain and the implications for work and the organization, carried out by the Business Research Centre (BRC) at Inholland University of Applied Science.

The BRC is one of the research units at Inholland University of Applied Science that conducts applied research with a focus on sustainable innovation, organizational development, entrepreneurship and organizations with a human dimension. The following four scholars form the core team of this research group: Petra Biemans, lecturer of HRM and Entrepreneurship, Gürkan Çelik, lecturer of Cross Cultural Entrepreneurship, Peter King, associate lecturer of Governance, Finance & Accounting and Donald Ropes, lecturer of Intellectual Capital. The English translation was done by Darlene Gosch, lecturer of English and German and sworn translator of English.

Conducting this research has been of substantial added value. In the first place, content-related: the developments that were found have been enhanced. In addition, it has provided a number of interesting questions for follow-up research. Finally, joint implementation has contributed significantly to the growth of the research group and to cooperation between the participating lecturers. One of the developments outlined in this report is the increasing need for a multidisciplinary approach: complex problems require unorthodox solutions that can be found in the overlap between (professional) disciplines. In my opinion, by appointing research groups and carrying out this research, Inholland University of Applied Science has taken the first promising steps towards a new outlook.

Special thanks go to the project team responsible for the research and publication. The team consists of Wiebo Spoelstra and Nikki Bosch, in addition to the four lecturers mentioned above.

I hope you find this report enjoyable!

### **Eric Westhoek**

Director Domain Business, Finance & Law Director of the Rotterdam campus Inholland University of Applied Science

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# Introduction

### The reason for this research

The current theme at the Inholland's Business Research Centre (BRC) is 'organizational sustainability with a human dimension', which was launched in 2010 and needs an update. This exploratory study generates input for a theme, providing opportunities for the development of a sound research agenda and also provides space for overlap with other profile themes within Inholland University: creative economy, healthy society and sustainable engineering and ecology. The study provides additional insight into improving the professional field, economic and business education in its totality and the various programs within the domain Business, Finance & Law. In order to give our research direction, the following central question has been formulated: "What developments are underway in the economic field and what are the implications for work and the organization?"

### Method

To answer this central question, it was decided to carry out qualitative research. A total of 58 semi-structured interviews were conducted with people from various disciplines and sectors: scientists, entrepreneurs, politicians, professionals from both profit and non-profit sectors, as well as the government (see Appendix 1). All interviews have been transcribed and studied. In addition, the professional field committees of Finance and Business Studies, lecturers and staff from other domains at Inholland University of Applied Science gave their input during four expert meetings in which focus group interviews were held; the preliminary findings were presented to participants. Consequently, more than 100 experts have contributed substantively to this study.

### Results

A thorough analysis of this enormous dataset will take months. A first impression of the results is shown in this report. Currently, 14 developments have been found for which a trend map has been drawn up. These developments were adopted after we reviewed the data and concluded recurring themes based on our own expertise (based on our own research, the research of others and on specialized literature).

### **Reflection and follow-up**

Carrying out this research was a fascinating quest and we had great pleasure in collaborating. Much work has been done, but there is still more and necessary work to come. The next step is to analyze the data more thoroughly and to fine-tune the research agenda. Also, we want to formulate a new theme for the BRC. We are looking forward to addressing this new challenge, together with the research lecturers, and to sharing the results with the professional field.

# Development: Working relationships are becoming more transient





Relationships in the professional world are becoming more transient. Therefore, working relationships between employees and employers are continuously changing. **Going from employee to self-employed.** A scenario that has been sketched many times over is the trend that people work on basis of limited contracts. Workers are only then hired by organizations when there is a demand from the client. Employees are deployed from a just-in-time perspective. In order to fill this need, the employee must be a "sole proprietor'. That means they have to make arrangements for their own employment benefits: work, retirement, insurance etc. For individuals, this is a tremendous challenge. (*Question: As an employee, how can you effectively deal with the balance between your own interests and those of the organization? One respondent dubbed this new competency 'organizational consciousness': the balance between these two interests. At present, this must be refined for employees and organizations, but more and more it is becoming the responsibility of the individual worker.)* 

**Going from employee to project staff member.** In former times, the organization provided a structure in which the employee operated. If they worked in one or two different departments, this was called 'mobility'. This structure is disappearing and moving towards the concept of a project organization in which staff increasingly work as project staff deployed on different projects. Everyone in the organization is expected to be mobile - a sort of 'sole proprietorship', but then within their own organization. Relationships between employees, within teams and departments are becoming more transient. (*This raises a number of questions about the capacity of people to learn and change: how do you ensure that you keep up-to-date on knowledge and apply it effectively in project organizations? How do you help teams develop trust and a shared vision quickly when relationships are transient?*)

**Going from fulfilling a position to playing a role.** It has often been said that positions are being replaced by roles. In project organizations, staff is expected to assume all kinds of different roles, but these roles are temporary and therefore the relationships that develop from that role as well. At any given moment, for example, one can be the project manager, which represents a certain type of relationship. In another situation, one has a more substantive role. (*Question: how do you develop working relationships if the roles and relationships are constantly changing? What does this mean to the employee and to the organization?*)

### Explanation

Organizations must respond quickly to changes and new developments in the market. To do this, they constantly need new knowledge and competences. Training permanent employees costs much time and money. Some organizations, especially small ones, do not wish to be bound to permanent employees. They simply want to hire competent people and their knowledge. On the other hand, other organizations prefer permanent employees. In order to be agile, many structure their organization on a project basis. The challenges here are relationships between people and long-term processes such as innovation and sustainability.

# Development: Big Data is getting bigger

# BIG DATA



Big Data is a break in the trend. It offers infinite possibilities for marketing and new revenue models. It is increasingly possible to approach consumers on a personal and group level and even to predict their behavior and know their wishes. **Big Data is just getting 'bigger'.** In future, there will be more and more opportunities for data collection: devices equipped with sensors to collect data: 'passive data collection'. Take a refrigerator, for example. How often do we open it? Which products are in there and how full is it on certain days? (*Question: how will this data be used to develop useful products and/or services?*)

**Big Data is subjective.** The user must translate and understand the data. Deriving useful information from data is not easy, especially if it has been 'passively' collected. Management Information often needs to be translated in order to understand it. Organizations can develop a strategy based on data alone. (*Question: how to design the translation? How should we interpret the results? How do you ensure that the problem is solved?*)

**Big Data does not tell the whole story.** Data seems to be objective, but that is not necessarily true. When decisions are made solely on the basis of data without a known background or meaning, this can lead to inaccuracies. The data must be estimated to its true value. (*Question: how do you ensure that the correct analysis questions are asked? And that data is interpreted correctly and that decisions are made for the right reasons?*)

**Big Data is changing revenue models.** Big data is paramount to new revenue models because they allow rapid and adequate analyzes in the field of customer behavior. Banks and Retailers see new opportunities for revenue models. Translating data requires a fairly high level of cognitive thinking. (*Question: can entrepreneurs and students do this and do they want to?*)

**Big Data is watching you.** There is plenty of information available. Everything is recorded somewhere, and that information remains available. The privacy of consumers and citizens must be protected. (*Question: how to deal with privacy issues? How are reputations protected?* Can a mistake haunt us for the rest of our careers? How can one mend a reputation?)

### Explanation

There is an increasing amount of information that is stored and by using algorithms; all kinds of predictions can be made. It is increasingly important to learn to ask the right questions in order to derive targeted information from data. Therefore, designing algorithms has lead us to meaningful predictions. This way it is possible to anticipate what can go wrong. However, there is also a dark side to this: how can we prevent possible misuse of all this data? How do we deal with the fact that soon it will be possible not only to predict when a machine is likely to break down or food in the refrigerator is running low or has run out, but also how to predict someone's behavior? Big Data has major implications for privacy and revenue models.

# Development: Organizing and conducting business cross culturally



**Overlap.** Is crucial to business and the organization. However, organizations and companies face barriers in achieving such successful interactivity. They need inspiring examples, methods of working and rules that are acceptable to their own ethnic and cultural background. Cooperation leads to successful interactivity and hence to innovation and growth. (*Question: with whom and why do people and organizations collaborate and in what form(s)? What are the bottlenecks that organizations and companies encounter when collaborating cross-culturally and what are the decisive factors for successful innovation and growth?*)

**Cooperation pays off.** Conducting business outside one's ethnical and cultural network (working cross-culturally) make collaboration and innovation increasing important. Collaboration is based on equality, presupposes trust, rewards, long-term thinking, taking risks and dependency. Collaboration is a verb. Therefore, it is action-based. You have to invest effort in order to get good results. Collaboration is done in plenum, often with other groups and other sectors (e.g. academic institutions). Successful collaboration requires knowledge, vision, autonomous thinking skills, competencies, management qualities, tolerance and the capability of dealing with diversity (including gender). (*Question: in order to innovate, which tools and methods are useful for entrepreneurs with an ethnic background in regard to the different phases of cross-cultural collaboration?* 

**Linking perspective.** With this perspective, we try to establish a sustainable link between organizations and a diverse society and market. The concept of super-diversity means that we shouldn't rely on one dominant group. (Question: Where and how can we see the application of this linking perspective in practice? In education, we are concerned with the social task of matching talent with the necessary competences required by the professional field. For the public sector, this means that government organizations rely on the idea that a diverse civil service workforce is more capable of understanding people. (*Question: to what extent does interaction between citizens and government and organizations contribute to a participatory society, which connections play a central role? How do linking perspectives take shape in interventions and which mechanisms play a role?*)

### Explanation

The focus shifts to the overlap, which represents the development of interconnections and interaction between organizations and customers. The reinforcement of innovative and international business activity therefore serves as an important development in strengthening national and regional economies. Internationalization and an ever more diverse society is making it increasingly interesting for organizations, governments and businesses to realize growth outside their own circles. After all, when achieving growth the focus is not always on efforts to increase revenue and size, but is also aimed at strengthening expertise and therefore the impact on (market) position.

# Development: The employee must become a super hero



Employees must increasingly develop cognitive social skills and behavior in order to be effective **One must be extremely clever.** Employees must perform at an increasingly higher cognitive level because automation is taking over many of the routine tasks. It is necessary to think at an ever-increasing, abstract and process-oriented level in which processes are also becoming more complex. (*Question: what do we do with people who are not capable of thinking in such dimensions?* Where can you deploy them? How can you develop employees' cognitive ability?)

**One must continue developing intellectual capacity.** Employees need to learn new things all the time. Technologic and social growth is developing rapidly. Employees also need to learn continuously because the context in which they work is constantly and rapidly changing. (Question: how should one go about designing the learning process? How can learning be effectively implemented at the workplace? Formal training is slow and can not respond quickly enough. In addition, there is not much time or funding available. Is technology the answer? Informal learning? Other forms of corporate learning? Other types of training? How do you help people set aside old knowledge and skills?)

**One has to be very social.** Employees must not only be very knowledgeable in their field, they must also be able to apply their knowledge in changing and diverse social environments. Globalization, internationalization and computer technology, such as social media, present even more complexity. Diversity is constantly increasing and the teams in which people work are also getting more diverse. Therefore, it is necessary to have a command of a number of so-called 21st century skills, such as collaboration and cultural skills. (*Question: what do you do with brilliant people who are socially awkward? Talent management is becoming more important. And how do you develop creativity? Is that possible or is it innate? How do you ensure clear communication in diverse teams? After all, communicating effectively with peers is challenging enough).* 

**One must be extremely flexible.** The working environment is constantly changing. This means that the employee must be prepared for constant change. One must be prepared to work under constantly changing conditions in constantly changing places, with constantly changing colleagues at constantly changing times (Here is a question for those responsible for organizing tasks: how do you create a culture or structure that fosters this openness? How do you ensure that there is a connection? What does it mean if this doesn't happen? Does it mean that the organization cannot find new staff? Or does current staff leave the organization, taking their knowledge and skills with them?)

### Explanation

The employee's environment is increasingly dynamic, changing often and at a faster than ever pace. Organizations must continually change in order to stay competitive. This requires a lot from knowledge-intensive organizations such as those established in the Netherlands. On the one hand, employees must maintain their expertise. On the other hand, they must be prepared and competent enough to remain working in a instable environment. These developments have major consequences for the design of new learning processes, both at the workplace and in education.

# Development: Continuous and dead-end careers



Peoples' careers change. There is great demand for people who continue to develop professionally. They are expected to demonstrate a broader perspective than merely that of their own area of responsibility. A large group, often finding themselves in dead-end career paths, is threatening to fall to the wayside if society and organizations do not take action. **Continuous education.** Change has become today's constant. This means that employees have to adapt. (*Question: how do you create a culture and structure in which lifelong learning is the most normal thing in the world?*)

**Constant turnover of blind management.** Management positions are disappearing, particularly at middle management level. Instead, employees are expected to manage themselves. Or one implements horizontal management: in the form of project management or supervision in the form of a staff role. (*Question: Should we remain educating students for management positions? And how do we teach people to manage others from the position of a non-hierarchical role? This requires other qualities such as persuasiveness. How can we prepare co-workers and society for this?*)

**Dead-end careers require the development of sustainable talent.** Because jobs will disappear, there are quite a few people heading for a dead end. Only, exactly which track leads to a dead end? This phenomenon will cause a lot of friction on the labor market. (*Question: how can organizations respond proactively to this development? What is the role of staff planning? How can we achieve truly sustainable employment for large groups of people?*)

**Dead-end careers require a new way of organizing.** Otherwise large groups of people threaten to fall by the wayside. Moreover, the Participation Act (the hiring of occupationally disabled people) requires that people be employed according to their capacity. This implies a responsibility for organizations, staff and for society. Work must then be organized differently for those who need to be deployed according to their capacities. (*Question: how should we organize this? And how do we create a collective social consciousness and awareness at the individual and organizational level? How do we ensure that everyone can continue to participate? How do we ensure that there is enough variety in work, in order to fulfill the requirements of the Participation Act?)* 

Less traditional organization requires a different approach in regard to direction and structure. Organizations and their business models are changing, as well as the labor market. Jobs and careers are taking on a new form. People are simultaneously assuming multiple jobs, tasks and roles. Employees are acquiring a different attitude/behavior now that a range of qualities are required of them. The structure and management of the organization is not taking sufficient account of this development. (*Question: is this going to be problematic in the long run? What are the answers? How can we change this to an opportunity rather than a threat?*)

### Explanation

Careers are changing. The traditional career path, were employees slowly grow within the organization, is disappearing and has already disappeared for the most part. Young people entering the labor market have to commit to lifelong learning, will have multiple employers and will most likely be dismissed once in a while or maybe they will resign and start working for themselves. This requires a different skill set that not everyone has. Both government as well as organizational HR policies will have to devote attention to this and innovative solutions will be needed.

# Development: Flexible organizational boundaries



Due to internal and external factors, organizations must continually change. Organizational boundaries are changing; they are becoming more diffuse, making it difficult to determine what is happening inside or outside of the organization. **Context determines the size and structure of the organization.** In order to be competitive organizations need to change. This is due to a changing environment. This environment is unstable and continuously requires different skills of individual employees and also of the team. (*Question: how can we design continuously changing organizations that are capable of responding to the environment? In other words how do we design organizations with flexible structures?*)

**Collaboration is implied.** Collaborating is simply what organizations do. Organizations tend to be smaller, changing their structure and size if that is what the customer desires. Because consumer issues can be very complicated, these small organizations (which are increasing in numbers all the time) need to make use of knowledge and skills of third parties. (*Question: how can we ensure effective collaboration? How do you learn to speak the language of another organization? How do you translate knowledge into your own context?*)

**Paradox: collaboration is unnecessary.** Organizations are increasing in size, partly because they must develop new knowledge and skills. They acquire this through acquisitions and mergers. (*Question: how can we ensure that these organizations continue to innovate? They are often clumsy and slow. Also, the application of knowledge in a new context is an area of concern.* 

**Innovation as a term is loosing its meaning.** Innovation is becoming a commonplace process. Due to pressure from the environment, organizations are learning and continuously innovating. Because the environment is very complex, the organization must be able embrace and deal with this complexity. Continuous improvement and innovation is now self-evident. (*Question: But how do you do this? Dealing with complexity is just as difficult as understanding what is happening around you.*)

**One world with one system.** Organizations often have their own system, such as that for accounting and controlling. But in order to be able to collaborate, systems must be integrated. (Question: how do you integrate a different system into your own / or how do you design and adapt a system that functions across organizational boundaries? Or is it wiser to abolish the organizational boundaries in order to promote this idea?)

**Fully connected.** Everyone and everything is connected through, for example, social media, which make the internal processes of every organization accessible. Everything is getting more transparent. (*Question: how do you manage your communication and data? How do you ensure that knowledge results in a competitive advantage?*)

### Explanation

Two strategies to respond to the wishes of the client: staying small and agile with shifting alliances and changing structures to respond to this. Alternatively, by growing incredibly large and acquiring innovation through acquisitions makes it possible to honor every wish. The organizational boundaries become flexible and it is sometimes impossible to determine what is taking place inside or outside the organization. Dealing with a complex environment makes it essential to design learning organizations with a flexible structure. The organizational identity is thus becoming more diffuse and harder to grasp.

# Development: Business without borders



**Distances are getting shorter.** The points throughout the supply chain, starting with the manufacturer and ending with the consumer, are disappearing. Manufacturers are increasingly electing to approach consumers directly with as few intermediaries as possible. Wholesalers are being adversely affected, as well as intermediaries (insurance) and retail. Such points in the supply chain, operating between the consumer and the producer, may become redundant in the long term. (*Question: how is this being dealt with? How are wholesalers and retailers dealing with it? What does this mean for the producer and what kind of consumer behavior arises from it? And what does that mean in terms of organizational competitiveness?*)

**Color blindness is on the rise.** It is an increasing necessity for companies to take social relationships and respect for differences into account. Each consumer group should be approached differently (due to cultural differences and physical boundaries). If businesses want growth, they must be there to serve these cultures. (*Question: what type of intervention and which modes of communication are required and useful to reach and serve new and different customer groups?*)

**The whole world is a market.** The entrepreneur should not only focus on their own neighborhood or city, but should especially look beyond borders and see the whole world as their market. Today's entrepreneur does not limit himself to geographical, cultural and ethnical boundaries. (Question: how do entrepreneurs develop this mindset and approach? Which competences do they need? How do entrepreneurs deal with blurred boundaries? Is running an online business a manifestation of this trend? What does this mean for language learning?)

In business without borders, innovation is worth the effort. The link between the entrepreneur and the international environment and their interaction is important for the development of innovation. The greater the interaction and network of the entrepreneur, the greater the chance that he will encounter new information and innovative ideas. There is a lack of insight into the extent and the ways and the reasons why entrepreneurs do or do not conduct business outside their own borders. (*Question: What are proven paths towards business without borders? What are entrepreneurs up against? How do they develop in this respect?*)

### Explanation

More often and more intensively, people with different backgrounds are coming into contact with one another. This means that people are coming into contact with different ways of working, cultures, ways of thinking and acting. This may lead to new revenue models and methods of working and also to new communication lines and structures. It may also require a different type of leadership: less management and more customer focus. An integrated, interactive and iterative approach is needed, in which different dimensions are reviewed, forces are combined and work is carried out in phases. This is a process in which developments are carried out in close interaction with the different parties, both inside and outside the organization.

# Development: (Hyper) diversity is becoming the standard



**Increasing Demographic diversity.** Due to the ageing population, there are four generations present in today's workplace. The number of older employees will continue to increase due to a later retirement age. Moreover, according to the OECD, everyone above the age of 50 is considered a senior. (*Question: how do you ensure that senior employees remain involved in the organization - which is often not the case - and how can you harness the power of learning between the generations?*)

Internationalization is becoming increasingly important. National borders are blurring; work conducted inside and outside the European Union is becoming increasingly fluid. This allows for changing diversity in both organizations and society. (*Question: how do you utilize diversity, what level of diversity is desirable? When is an organization diversity-proof or over-diverse and therefore out-of-focus?*)

**Individualization and anti-standardization stimulate the human dimension.** Everyone is different and should be approached differently. Be it a customer or an employee. Substantive processes such as learning and development can no longer be standardized. (*Question: how do you manage people in an organization where everyone is very different? And what happens if there is less time to provide leadership and to delve into the other person?*)

**Connectivity creates a new dimension.** ICT makes connections between people and organizations possible. This ensures diversity when dealing with each other. Man and machine will be inextricably linked. Robot technology is developing rapidly, even for complex tasks. Partnering up with machines is both a quality and a requirement, creating a new dimension of diversity, a dimension that has not yet been explored. (*Question: where to start? Man or machine? And what exactly is a machine? Is man becoming a machine?*)

### Explanation

Changes are underway in several dimensions: demographic, international and technology. People are living longer and therefore have to work longer. The knowledge and skills of senior employees offer all kinds of opportunities for organizations if they know how to deploy this knowledge effectively. An ever larger and more diverse pool of highly skilled immigrants offers all kinds of opportunities. People literally come from all over the world. Simply dealing with this diversity is a waste of talent and does not provide satisfaction: organizations must learn how to utilize the power of diversity for creativity, durability and productivity. At the same time, managing diversity is not an easy task; tailoring work to individuals requires a lot from people and organizations. Innovative, interactive and integrative ways of exploiting differences will become the standard.

# Development: IT is ticking

Information and communication technology is increasingly serving as the beating heart of and between organizations. Technology makes this possible. The dominance of technology has major implications for organizations and the people who work there.



**Work is changing.** ICT is becoming broader and more deeply integrated in organizations. ICT no longer an island, but is increasingly the actual framework of the core work processes. This makes work more enjoyable, but also has consequences for implementation. It calls for a continuous learning process: people must be constantly equipped with the necessary skills to use ICT in a broad spectrum, both at work and in their personal lives. (*Question: how can organizations and employees become sufficiently equipped to be able to use this evolving technology?* 

Work is disappearing. Self-service is increasingly becoming the standard. Even knowledge is increasingly being offered in bite-sized chunks. Automation, robotics and digitalization are taking over (parts of) the work process. This is eliminating jobs. (*Question: particularly work in the 'mid-segment' of management seems to be disappearing. How can society and organizations overcome this? How can we prevent people from falling by the wayside?*)

**Job creation.** Technological developments ensure that there will be jobs to come. But these jobs will be different in nature than the jobs that are disappearing. They will be more complex, less predictable and they will often require a high level of appropriate professional and intellectual ability. (*Question: Do we have enough people who can do this? And are people prepared sufficiently in terms of education and training?*)

**Secure work!** Bring your own device (BYOD) is standard. Everyone wants to work with the device of their choice and not have to depend on the employer's choice. (*Question: how can the organization ensure technological security so that people can 'collaborate.*'?

**ICT is evolving rapidly.** Developments in ICT are rapid, so rapid that it is difficult for people and organizations to follow and for regulations to keep up with the pace. It seems people and organizations continually fall behind. (*Question: how do we create time and space to adequately implement ICT?*)

### Explanation

ICT is here to stay and has changed the way of working fundamentally. How can we ensure that organizations, their people and newcomers to the labor market are sufficiently equipped and able to continue dealing adequately with this? The 21st century skills should be placed high on the agenda.

# Development: Dealing with the 'Billy Bunter effect'



The government is drafting ever more legislation and regulations and demanding more and more accountability, both for the internal and international markets. Traditional bureaucratic solutions no longer work. Organizations are being challenged to deal with this situation without losing their flexibility. **Increasing intervention by judicial institutions in society.** Increasingly, organizations have to deal with more and more claims; more contracts and these contracts are becoming more business-like. (*Question: what effect does this have on organizations? Do we find ourselves increasingly in a culture of distrust and hedging? Or is the tendency more towards business-like.* 

**Safety & security.** In the future, safety and security issues will play an increasing role. Organizations have become increasingly vulnerable due to an increase in the number of contacts worldwide because employees have all kinds of business documents on their private devices. There is an increased focus is on security. (*Question: how can organizations remain agile and at the same time comply with increasing safety compliance requirements?*)

Laws and regulations. Current legislation has not caught up with developments. The blurring of boundaries has the effect that legislation needs a broader implementation, country by country. Organizations, such as Starbucks for example, pay very little tax because there are no uniform European tax agreements. These agreements are negotiated with individual member states. (Question: Organizations seek loopholes in laws and regulations. How can countries and organizations ensure that cultural and ethical elements are part of decision-making and not only done because it is legal? Or this is not necessary? How is international legislation ensured?)

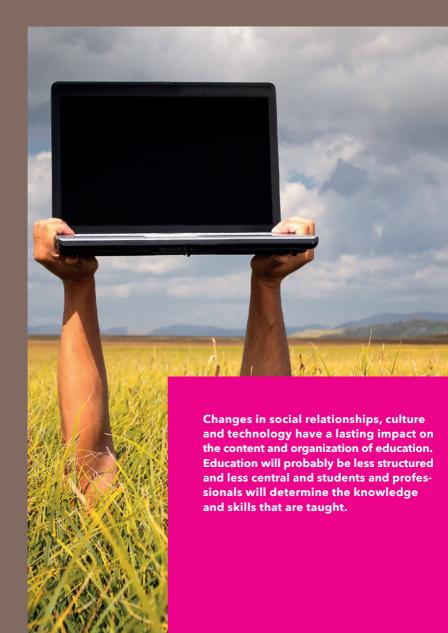
**Governance.** It is increasingly expected that Organizations participate in social responsibility: how does the organization deal with issues such as the environment and employees in low-wage countries? Public opinion can make or break the organization. (*Question: how do organizations create a realistic image and how do they ensure that their employees adhere to codes of conduct and agreements?*)

**Management Information.** How does the government spend taxpayers' money? Partly as a result of the need for accountability and control, a number of 'SMART' (Specific, Measurable, Acceptable, Realistic and Time-bound) objectives are formulated and a variety of reports need to be submitted to senior management. One respondent indicated that he produces, in addition to a monthly report, 25 A4 pages of accountability information quarterly (*Question: are we possibly going too far in this matter? Are we over-relying on paper work? After all, paper reality is sometimes different from real world reality. How do organizations and society maintain an overview?*)

### Explanation

On the one hand there is a need for legislation and the justification of spending and behavior. On the other hand, this leads to a lot of paper work and rules that in practice are hard to comply with or monitor. From a desire to be in control, organizations have to comply with the necessary accountability. How do organizations create an optimum balance so they remain flexible and ensure safety? How can organizations avoid the 'Billy Bunter Effect': they are overwhelmed with all the requirements? This is a dilemma that, in the coming years, will only get worse.

# Development: Education is shifting and expanding



Less structured. Education (institutions, leadership, lecturers and students) need to become more agile; during their studies, students need to learn to be agile and deal with rapid change, uncertainty, the estimation of risks and the exploitation of chances. Being agile and having the ability to adapt to change also requires a more intuitive approach. Existing institutions will remain, but education and the professional field will collaborate more closely and education will be organized in a more cursory and transient form. (*Question: people have different learning styles but today's education is still focused on the average student. How will education deal with individual curriculum and what does that mean in terms of more personalized teaching and the organization of the educational process?*)

**Decentralization.** The primary process in an educational institution is paramount. Those carrying out and supporting this process (lecturers and support staff) are increasingly being charged with the responsibility and quality of the primary process. (*Question: what does this mean for the monitoring of leadership qualities? The process of the individualization of society continues.* What does that mean for the educational process and collaboration? Will universities and universities of applied science still exist as institutions? Will students still follow lectures at central locations in physical buildings?)

**Competencies that can be acquired.** Graduates of 2025 will have a high level of agility and flexibility, based on a solid foundation of personal understanding, professional knowledge and skills. They will be expected to be creative and disciplined and have perseverance. In addition, collaboration, curiosity, learning from mistakes and receiving and giving feedback are core competencies. Important is also the willingness to work based on principles (normative framework) and having a critical attitude in relation to policies and practices of organizations. (*Question: how will education continue to ensure competence development and how will education continue to be the forerunner in the development of student competencies*?)

**The role of the lecturer is changing.** From teaching in front of the class and administering exams to a coach who guides, encourages and gives meaning to the development of the student. The lecturer will not do this alone but in cooperation with a team, which the professional field is a part of. The lecturer will also maintain frequent and intensive contact with companies or institutions. In the longer term, perhaps lecturers will be (partially) replaced by robots. (*Question: will lecturers assume different tasks and roles in the educational process? How important is the collaboration between the school and the professional field? Will society or business communities become a classroom that is part of the educational institution, where the certification takes place?)* 

### Explanation

The educational process and structures surrounding these roles are changing. A shift is taking place towards more personalized education and structure in which society or business communities, which are part of the institutes of learning, provide certification. Interaction with the professional field is becoming more dominant.

# Development: The emergence of the 'Multi-Mania' organization



Organizations are facing increasing complexity: both within the organization itself and with the outside world. Action needs to be taken using multiple perspectives: people must deal with increasingly more and different stakeholders and with increasing diversity within the organization. **Multicultural.** Organizations are increasingly multicultural, because society is becoming increasingly multicultural. (*Question: how to achieve that staff collaborate optimally in spite of increasing diversity? How can a common company culture be ensured? How does it project what the organization is and what it stands for?)* 

**Multinational.** The world is getting smaller. Organizations and entrepreneurs increasingly work across borders. (Question: how can a company and its employees prepare for this? How can they acquire adequate knowledge and understanding of other countries? How can they ensure sufficient language skills?)

**Multidisciplinary.** Complex problems require unorthodox solutions that can be found in the overlap between (professional) disciplines. A multidisciplinary approach leads to solutions to wicked problems. One respondent said: 'insights gained from biology can contribute to solutions within and between organizations. Professionals must learn to build multidisciplinary networks to find effective solutions. (*Question: how do we teach people, in and out of education, to do so capably?* There are indeed many programs in the Netherlands that offer education aimed at a defined professional field. The same goes for research: this is often specialized while unusual combinations lead to new insight).

**Multiple points in the supply chain.** Not supply chains but networks. One respondent said: in a supply chain, you only see the back of the person in front of you and someone is always at the forefront. "In a network, the links are less linear and structured. The same goes for (work) processes between people and between organizations (nodal firm). For almost all positions, from high to low, it is necessary that people see beyond their own tasks in order to best serve the customer. (Question: Who still has an overview and how is this maintained?)

**Multichannel management.** The communication from an organization to the outside world takes place through various channels simultaneously. By using social media, internal communication has become external communication. Through social media, the customer's opinion has become a significant factor (*Question: how organizations can respond proactively to this?*)

**Multimedia in business.** Technology is becoming more intertwined in the workplace. Your telephone calendar, conferencing though Lync or Skype, printing from your tablet, asking a colleague a quick question through a chat program and everyone preferably wants to do so with the device of his/her choice. (*Question: how do you integrate technology in your work (at a skill and work-process level) and how can you ensure that technology can handle this? Jobs are disappearing due to self-service. How do you ensure that everyone is able to deal with all of these changes?*)

### Explanation

Companies and thus their employees are forced to operate on multiple levels simultaneously. This requires:

- different competences and different mixes of people;
- powerful educational programs that also go "against the grain" (including education in a tight labor market and during economic crises);
- HR policy with a vision and decisiveness.

Only organizations that are able to do so, will be sustainably successful.

# Development: Alert leaders can let go



Executives are expected to address challenges in a focused manner and that they look beyond the moment and observe keenly. In addition, managing an organization and its employees is done more and more remotely and with fewer management layers. This is partly due to the digitization of work and the work process, as well as to the higher level of education. Managing without managers. There is a shift from supervision leadership (control) to the abandonment of control (trust). Lower layers of management are disappearing. Organizations are becoming increasingly horizontal; there is less top-down management. The question is: who still manages? Management aims for results and responsible professional have control over the quality and implementation of the (production) process and the support process. Self-directed individuals and teams organize and carry out the work. (*Question: what does this mean in regard to agreements laid down in standard labor contracts? There are teams that receive their own responsibilities and may even decide who their manager will be. They discuss among themselves how much team members will earn. Letting go is one of the most difficult aspects of leadership. How can this be implemented in the organization?)* 

**Serving, facilitating leadership.** The pyramid is being shaken up and the hierarchy is being turned upside down. Employees are their own talent managers, they determine their own training plan; managers support and possibly motivate the employee to reflect. Listening to employees, getting them to come up with ideas, implementing integral leadership with broad generalist tasks rather than specialized ones constitutes important dimensions. This is also in line with the leadership image of broader and differently trained people. (*Question: how does this relate to the finding that top executives score high on the "scale of psychopathy?*)

Value-driven leadership. The employee of this century is changing. People do not want to do a job when only a couple of their capabilities are utilized that are coincidentally high in demand on the market. Development plans within organizations often focus too heavily and too often on the development of functional capabilities. People no longer want to distinguish between the outside (their social success) and the inside (their personal growth).Today's professional is searching for a relationship between these two and for satisfaction in his/her life. An appeal is being made for more open space for individual contribution. (*Question: how can this kind of company culture become more visible in the behavior of leaders and managers of the organizations?* How organizations can tap people's intrinsic motivation?)

### Explanation

Organizations striving to be successful are constantly looking for a culture and a way of managing that reflects their organizational values and characteristics in relation to the developments in the environment in which they operate. The existence and the survival of most organizations are dependent on their culture and management style, which attracts and binds customers to the organization in in a changing environment.

# Development: The changing playing field of financial professionals



**The need to restore confidence.** The financial crisis has led to much mistrust in the sector, even though confidence is precisely one of the pillars on which our financial system is based. Accountants who place public interest above self-interest are contributing to the restoration of confidence in their profession and to a 'continuous improvement of professional quality'. Steps are also being taken in the banking sector to promote ethical conduct and restore confidence. (Question: Is the financial world really changing or are external forces necessary for this change?)

### ICT innovation is leading to major changes in the work of financial professionals.

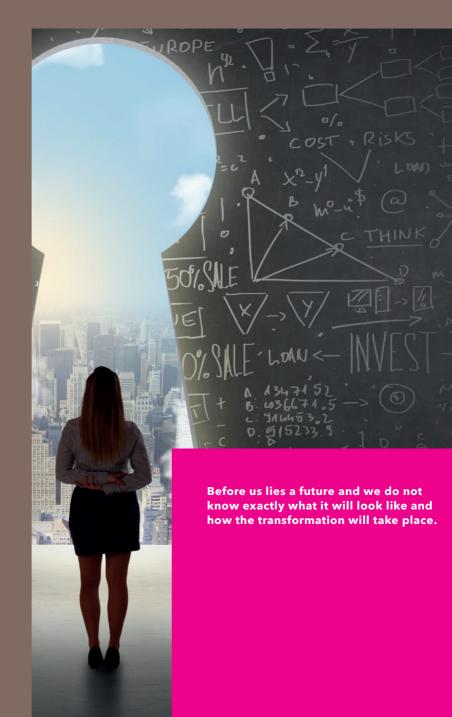
Automation and digitization of invoicing, reporting and points in the supply chains are leading to ongoing innovation in the work of accountants and controllers; Big Data is ensuring greater transparency and is making it possible to predict behavior at an individual level. The collecting, cleaning, storing, transmitting, analyzing and visualizing of Big Data and process mining are becoming increasingly important; the exponential growth of digitized data and computing power makes it possible to monitor and analyze processes more accurately. Thus the role of finance is changing: less of hardcore finance to that of a business partner. ICT innovation is initiating such changes as continuous monitoring (internal perspective) and continuous auditing (external perspective) and this is leading to a shift in costs: from an hourly (consultancy) rate to technology (ICT) and to the disappearance of jobs at intermediate vocational educational level (+) because the importance of 'routine work' is decreasing while the importance of information analysis is increasing. (*Question: what does this information mean to business? How can operations be improved and how are competitive advantages achieved?*)

**Tone at the top and soft controls in the boardroom.** Legislation, procedures and figures (hard law and hard figures) are becoming less important as criteria to gauge peoples' behavior and performance. People, especially those in leadership positions, are increasingly being judged on the extent to which their behavior is morally justified. Hard forms of control and supervision appear to give no assurance that amoral, immoral and/or criminal behavior can be prevented on the part of management. The focus is now shifting to softer, but perhaps more effective forms of controlling behavior in organizations.

### Explanation

The boardroom door is increasingly wide open and administrators are appearing more frequently on the shop floor in search of ideas. Leaders are expected to demonstrate integrity and transparency of behavior and to be accountable for their behavior. The current generation of leaders is still struggling with this, future generations of directors and managers will demonstrate exemplary behavior. The realization is slowly dawning that for manageability of organizations, the behavioral component is essential. Practice shows that it is not difficult to create (cognitive) awareness in this regard. However, this cognitive awareness is always temporary. The affective aspect does not necessarily follow and the real challenge is to change (behavior) structurally.

# **Preview**



This publication presents an outline of the transition that is currently underway in the economic professional field and what this will possibly mean for work and the organization. The database has been studied by using the expertise of four lecturers and forecasts have been made about developments in the field of entrepreneurship, learning, innovation, HR, leadership, finance and related underlying causes and connections. Notably internationalization, technology and demographics appear to initiate these changes. The results of the study, as set out in fourteen trend cards, are inter-related and even partially overlap. Also, links have been established between the cards and many trends have been formulated based on questions that enable successful interactivity between the research areas of the lecturers. This highlights the added value of a multidisciplinary approach.

This practical research into business trends shows that organizational structures, jobs and boundaries are disappearing or changing. Internationalization, digitization, professionalization and individualization are being executed at a rapid pace. These results are largely a confirmation of what has also been found in other studies, such as the Social and Cultural Planning Office, the Scientific Council for Government Policy and other lecturers at Inholland University of Applied Science such as Guido Walraven (City Dynamics) and Frans van der Reep (Digital World). In this sense, the trends observed are not new. What is new is the way they are organized, the connections that have been established, the questions for future research and the implications for education that have been formulated.

Institutions of higher education have a social task and a keen sense of responsibility to appropriately manage today's talent and prepare students well for society and the labor market of tomorrow. Insight into this report makes it clear that the research group plays an important role in contributing to close cooperation with the professional field and education. One of the challenges we see for ourselves is to persuade the university (including students), the professional field and administrators that contributions from research are essential for society, education and the labor market. The research group aims to achieve this through: knowledge transfer, reinforcement of the educational curriculum and professional development of lecturers and students. Now that we have reached this understanding, we will study this rich data set further in the coming period with the help of qualitative and quantitative research techniques. The resulting insight that we have achieved so far will result in a new research agenda, research topics and various publications.

Petra Biemans, Gürkan Çelik Peter de Koning Donald Ropes

# What does this mean for you or your organisation?




# Appendix 1: List of interviews

- 1 Mennolt Beelen, Deloitte
- 2 Margret de Blanken, Inholland University of Applied Science Academy
- 3 Erik Boer, Amsterdam Center for Entrepreneurship (ACE)
- 4 Greg Camoenie, KLM Cargo
- 5 Hugh de Deugd, Inholland University of Applied Science
- 6 Jan Dexel, MEZ
- 7 Diederik van Dommelen, VNO-NCW Rotterdam and PWC
- 8 Rob Eijbergen, VU University and the University of Groningen
- 9 Sander Gerz, Solvec
- 10 Aron Glass, Tax Office of The Netherlands
- 11 Frank Goo , Danieli Corus BV
- 12 Ad van Goor, KPN
- 13 Ramon Grob, Better Finance BV
- 14 Peter de Groot, THOBS Career Development
- 15 Gert-Jan Hermelink, Stratagem Consulting Group
- 16 Max Herold, The Ministry for Social Affairs and Labour
- 17 Taco de Hoek, Economic Institute for Construction
- 18 Pieter van der Hoeven, Inholland University of Applied Science
- 19 Paul Hoogstraten, Lagerweij & Partners
- 20 Moreno van Jaaren, Municipality of Amsterdam
- 21 Tanja Jadnanansing, Member of Parliament PvdA Party
- 22 Fred Jenninga, Tata Steel
- 23 Jaap Jongejan, SBI Training & Advice and FNV Format
- 24 Arnout van Kempen, Financial, Privacy & Legal Compliance BV
- 25 Mireille van Kol, Training Center Quint Wellington
- 26 Bram Koster, AVRO TROS
- 27 Heleen Kuijten, Schiphol Group
- 28 Hank Ruit, Vitens
- 29 Adem Kumcu, Unitee
- 30 Tjeb Mans, Marezate
- 31 Harold Marsman, Kessels Smit
- 32 Ivo Matser, ISM University of Management and Economics
- 33 Marcel Nollen, Inholland University of Applied Science
- 34 Jesper Norskov, Aarhus Academy

- 35 Susanne Ostengaard, Aarhus Academy
- 36 Stefan Peij, Governance University
- 37 Jaap Peters, DeLimes
- 38 Karin Potting, The Hague University of Applied Science
- 39 Ben Radstaak, ACN
- 40 Jet the Ranitz, Inholland University of Applied Science
- 41 Nico Rijkhoif, Ziggo
- 42 Shaun Riordan, Yaacomm
- 43 Marit Roubos, Schiphol Group
- 44 Rob Schapink, Erasmus University Rotterdam
- 45 Ellen Sjoer, The Hague University of Applied Science
- 46 Wim van Slooten, Dutch Market Research Association
- 47 Rudy Snippe, Inholland University of Applied Science
- 48 Rogier Sparreboom, AON
- 49 Bernard Spoelstra, Imation
- 50 Ahmet Taskan, HOGIAF
- 51 Cees van Tilburg, Hewlett Packard
- 52 Fou-Kahn Tsang, Alfa Accountants
- 53 Piet Vessies, AWVN
- 54 Rob Visser, Groenland Kip
- 55 Guido Walraven, Inholland University of Applied Science
- 56 Lars Wever, KLM Cargo
- 57 Jan-Willem Wienbelt, ICT automation
- 58 Jeroen Wittink, Inholland University of Applied Science

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