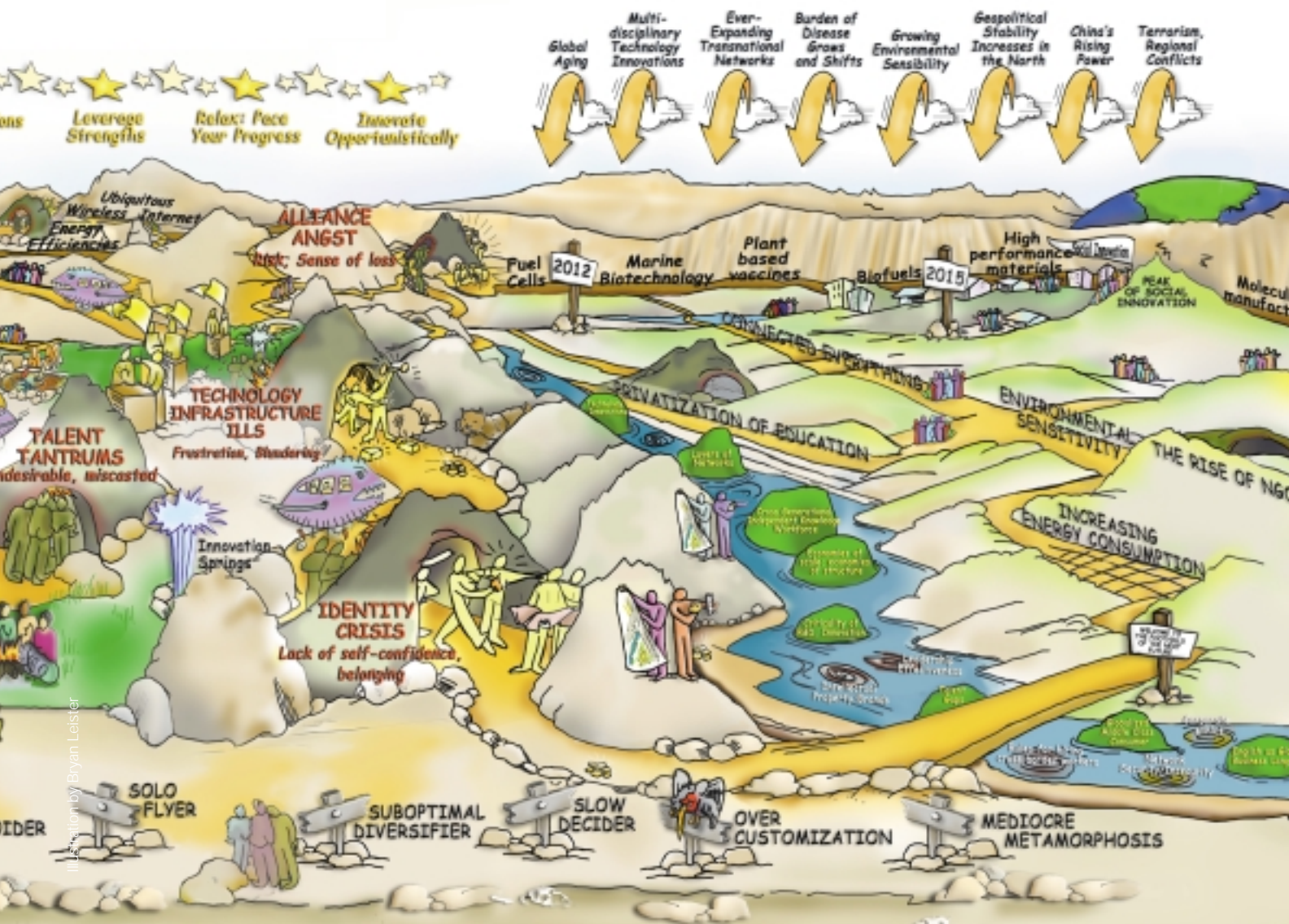


usual is no more and the old ways don't cut it. Prepare your company for certain hard roads ahead with the Badlands map and sage advice from those who have entered and survived.

By Cynthia D. Scott and Mary O'Hara-Devereaux

the Badlands



Fear, insecurity, confusion

—most executives experience at least one of those feelings when they discover they're in the Badlands, the rugged, global business landscape corporations now face. That realization is often driven home by dramatic changes in their companies' business fortunes, such as loss in market share, significant downturn of stock valuation, or major talent migration. Worldwide, companies are experiencing major structural changes. A profound disorientation sets in as companies realize it's no longer business as usual. This shift has been brewing for a decade, though obscured by the late-1990s bubble economy.

So, how can you make sense out of your trek through the Badlands? It promises to be a long, difficult journey. The landscape is under constant erosion from converging forces, causing structural shifts of tectonic proportions throughout our economic and social systems.

In this article, we orient you to the *Navigating the Badlands* map—an essential tool to make sense of this new environment. We focus specifically on the implications for learning, training, and development. Throughout your journey, it's important to remember that *bad* is a relative term. Though the Badlands is a hostile landscape, it's also beautiful, representing 10 years of opportunities. Every company's journey will be unique. But before you start, take a moment to look within. What is your company's executive, companywide, and employee readiness to adapt to the Badlands environment? Are you prepared to build the capabilities and innovations required to create a pathway to the future?

The journey

As the American pioneers stood at the edge of the Badlands of North Dakota, the landscape appeared much less treacherous than it actually was. It seemed possible to skirt the promontories. Similarly, many business sojourners rely on their past innovations to avoid the Badlands. They learn quickly, however, that old routes lead into deep canyons with no outlets. They think they have a clear view of this new landscape, but few are actually prepared for the difficulty of the journey and the changes that it requires. For the clever and alert, that response is brief and quickly subsides. They re-equip themselves, climb back on the wagon, and follow the courageous into the unknown. The only way out is through.

To survive, everyone must take the journey. This change represents a shift in context, not just in market. The Badlands is a landscape where you must adapt continuously and make the most of experiences by turning them to your advantage. The goal isn't to escape, but to use the experience as an adaptive practice field in preparation for certain hard times ahead—and future success.

Scan, scout, steer.

In a rugged landscape, you need to keep re-orienting as conditions change frequently in unexpected ways. Training and development professionals must become more externally focused. They must acquire new scanning and scouting capabilities, as well as a readiness to steer through the valleys and peaks. The ability to traverse unknown territory, retrieve data, and turn it into knowledge on which to base decisions aided the pioneers' survival. Slowly, they developed new intuition from their direct experiences. Those who didn't learn to scan the landscape for warning signs of impending disaster and then innovate perished.

Successful scanning requires the ability to recognize and codify unfamiliar indicators of change. The ability to see with new eyes requires breaking an attachment to memory-based thinking. How addicted are you to the mindsets and behaviors that made you successful in the Industrial Plains? Your assumptions about growth, culture, motivation, measurement, and structure will need to be tested in a different environment. The dot.com era and its ultimate demise were the result of poor scanning and scouting. But beware that recounting tales from your journey through the Badlands can be hazardous. Leaders brought up on models of motivation and isolated decision making may disbelieve. Telling the truth about the Badlands requires being candid and vulnerable (risky behaviors for most people), and involves the organization's stakeholders in strategic decisions. Traditional methods of strategic planning by a concentrated group of concerned executives don't provide the diverse perspectives and global views for setting a new course. There isn't time to "roll out" or "cascade" the strategy in an attempt to get people to "buy in."

Larger segments at all levels of the organization must be involved in shaping strategic direction. That will build the shared commitment needed to overcome the top-down, "not invented here" attitude of change and innovation. When people are involved in

building their future, they own it. Maps that show direction, instead of complex documents, will focus conversations in individual work units. Global organizations will use these maps to help create a language of strategy across national boundaries. In the Badlands, cross-generational perspectives are needed to best scan, scout, and steer. Participation isn't a "nice to have"; it's a requirement.

Scouts need to be encouraged to bring data back to vanguard teams and help them create meaning through spirited conversations with hard questions and rapid decision making. In order to commit to the organization, employees will demand to be involved in that process.

The Nine Pains

The Badlands has many features: rugged peaks, dangerous waterholes, confusing crossroads, and a set of nine pains unique to its hazardous landscape. A pain is a strategic issue—an internal or external opportunity or threat that drives an organization to change direction. Badlands pains are severe. They cause organizations to make difficult choices—each with a different set of tradeoffs. But only by making a choice, experiencing it, and measuring its consequences will you know whether your decision is sound. Badlands pains are chronic; they don't heal quickly, and they can be cured only through adaptation.

The goal of this journey is to create new organizations with specializations adapted to the conditions of the Badlands. To do so, companies must find the right resolution pathways, use new tools and bodies of knowledge, and forge new relationships. The rewards are worth the pain.

Organizations will struggle with the nine Badlands pains in different ways and at different levels, but nothing will undergo a greater transformation than training and development. The following scenarios mark major challenges that training and development will face in its journey.

Coping with cultural disintegration. Corporate culture, as we know it, is a relic of the 20th century. It falls off a cliff into the Badlands and disappears in a dry creek bed. It later reemerges with new sets of values and behaviors as the organization continues the metamorphosis crafted during the Badlands journey. In the early going, organizational stability no longer holds people together. Loyalty is replaced with self-interest and protectiveness leading to a lack of commitment

and trust. Comfort from past relationships disintegrates as teams form and reform, and as companies merge and reconfigure. There's a gnawing feeling of incoherency and mistrust. People are stressed and exhausted from encounters with multiple relationships and subcultures.

The journey through the Badlands provides organizations with new myths, heroes, villains, and heretics. Cultures are created through the repeated interaction of people over time. A more diverse group of people will be actively and meaningfully involved in creating the new organization, though it will certainly have indistinct boundaries. Customers and consumers will become more proactive and interactive through multiple layers of partnership networks.

That provides a challenging learning environment for training and development professionals, particularly at the beginning of the Badlands journey when people are distracted by the complexity and uncertainty of the environment and their roles. Circles of trust constrict, and the ability to absorb new learning diminishes. A new emotional literacy must be developed to help people feel as though they belong. Creating rituals that help people bond in new ways to an unstable organization will be a role for training and development practitioners.

More rapid decision making, rapid learning. The new environment demands that organizations create the capacity for rapid decision making. It's also critical that decisions are made in a way that keeps options open. A key impediment to rapid decision making are the boundaries between diverse participants. Training and development teams must become skilled at facilitating groups to transcend those boundaries quickly.

Often, decision makers won't have the knowledge or framework they require. Groups will need to learn

Economic Structural Shifts

Every 100 years or so, a systemic structural shift occurs. Driven by clusters of multiple innovations and strong environmental forces, the emerging socioeconomic system and business environment have more discontinuities than similarities with the past. The entire system undergoes transformation. The shift isn't about bringing greater efficiency to existing structures; rather it's about creating something fundamentally different. That process can take 10 to 15 years and involve ongoing strategic issues. Companies that survive are transformed.

how to generate new ideas as well as disseminate new learning to others. That's particularly true at strategic levels. It's essential that organizations develop the ability to execute complex strategies that influence changes in their industry, standards, government relations in different countries, strategic partners for new technologies, and development of new talent.

The major cross-cutting demand is for more infor-

mal learning support from training and development professionals. A broader application of just-in-time learning is needed, as are new methodologies for implementation. That will require keeping up-to-date on business results in order to provide learning facilitation support and access to critical information. Learning professionals must scan and scout for the best resources in the environment to support the constant flow of new

The Nine Pains Explained

Competency Addiction:

Euphoria, Smugness

An unconscious, automatic use of mindsets and business behaviors once responsible for success in the late industrial age. When applied in the Badlands, however, these mindsets and behaviors don't achieve the desired results. Applying old mindsets feels comfortable and is often reinforced by euphoria and smugness, but their ineffectiveness wastes resources and debilitates organizational vigor.

Leadership Insecurity:

Fear and Inadequacy

Profound feelings of fear and inadequacy afflict executives and managers. It occurs when well-developed, once-successful habits and intuition become outmoded. Leaders sense the need to build skills that foster interdependence, but the risks associated with sharing power seem overwhelming.

Valuation Volatility:

Vexation and Disorientation

Vexation and disorientation take over as stock prices fluctuate widely and objective valuation standards disappear. Diverse drivers such as greed, intangible value, and analysts with conflicts of interest create long-term instability and uncertainty. New tools have yet to emerge, and old ones aren't very useful.

Strategy Tragedy: Failure and Doubt

A startling feeling of failure and doubt emerges when carefully honed strategies don't produce the expected business results. Throughout the Industrial Plains, where the business fitness landscape was far less rugged, linear strategy development and implementation were successful—long-term. Strategy creation and execution are much more complex in the Badlands.

Talent Tantrums: Undesirable, Unfit

Volatility in commitment and gaps in essential staff skills and competencies result in an organization that's unfit to compete and innovate. The challenge is to recruit and retain the most valuable talent. The organization feels fragmented and unattractive to the vibrant knowledge workers who can bring innovation.

Customer Conundrum:

Confusion, Fragmentation

The shift from mass markets to multiple-niche markets is driven by smarter, informed customers who are discriminating and demanding. Organizations feel confused and pulled in multiple directions (fragmented) trying to please and delight complex customers.

Identity Crisis:

Lack of Self-Confidence and Belonging

Early on in their journey through the Badlands when market share drops, brand erodes, and traditional intellectual property rights weaken, a company's character takes a hit. Identity is fragmented in response to membership in multiple networks and the resulting interconnectedness. Questions about core purpose and values surface concerns about belonging. There's often tension between individual and organizational identity.

Partnership Paralysis:

Risk, Sense of Loss

Anxiety emerges from managing the numerous, diverse relationships needed to conduct business successfully in the Badlands. Multiple temporary relationships require new assurances of fairness and protection of integrity. There's a sense of loss as long-term, established partnerships wither and organizations experience the uncomfortable risk of ambiguous, short-term partnerships.

Technology Infrastructure Ills:

Frustration, Blundering

A collision between legacy systems and new connective technologies occurs. There's more technology, but it's less easily combined. Peer-to-peer architectures accelerate the need for out-structure. The challenge of integrating technology causes frustration and a feeling of ineptitude or blundering.

decisions and options. That means, in part, they will need to become more specialized in their knowledge.

Valuation and volatility. The valuation volatility of the late 1990s will persist throughout this decade. A challenge for t&d is the constant demand by top management to show specific ROI for programs, which may make several key navigational competencies (innovation, resilience, engagement, and commitment) undervalued. This dilemma continues as will the demand for linkage to business results. Training and development professionals know that there often isn't a direct way to link most training to bottom-line results, particularly as knowledge work occupies a larger share of their occupation.

The critical innovation for t&d people is to create frameworks, measures, and strategies that link their efforts to business results that are understandable to the executive team. A continued dialogue between senior executives and the learning executives based on old ideas, language, and frameworks is a waste of resources and a fatal mistake. Part of executive readiness will be learning how to partner with HR and training leaders. Learning and performance leaders must practice creative destruction. They must rid themselves of old mindsets and systems that won't work in the Badlands or they will perish and be replaced. It's essential that they relieve their own pain of Competency Addiction.

Learning needs and learners. Bands of free agents with skill-based portfolios will wander the Industrial Plains searching for opportunities to add value. They've been cast out of organizations through outsourcing, early retirement, and restructuring. Their metrics for loyalty and commitment are forever changed, spurred by notions of Me Inc. They manage their careers like personal portfolios. They experienced the Badlands up close and personal, often before organizations could respond. In some cases they fired their organizations and took their skills to places that would value their contributions. It will be essential to connect and nurture these relationships for organizational advantage.

During the journey through the Badlands, specialized mobile networks of knowledge workers will become commonplace and loosely coupled to the organization. New learners include customers who will be more involved and will interact along the entire value chain. Suppliers will become key players in the multitude of value webs that make up organizations. All of those people will need support; they're the target of training and development initiatives.

As the decade rolls on, cross-generational teams will emerge as an important nexus of innovation. Supporting and nurturing their development as high performers will provide a competitive edge. The wisdom of the boomers coupled with the well-honed knowledge skills of Gen Y will combine to fuel the changes required in the organization.

A need to match people to business results. Organizations pursued the grail of competencies and benchmarking, giving them capabilities more specialized and context-specific than they realized. The other side of competency is disability, which becomes evident as companies find themselves in the Badlands. Competencies evolved in limited contexts rarely prepare organizations for the broad understanding required to launch into new strategies for conducting business in a networked global economy.

Organizations and employees that suffered from Competency Addiction often inhibited the development of new skills and mindsets for a renegotiated psychological contract with work. Organizations also pursued competencies based on the hierarchies of the Industrial Plains, such as 360-degree feedback, which created narrow evaluation frameworks and often lacked the broad view needed in a global environment.

You can enter the Badlands alone, but you can't get out alone. Shared innovation is the platform for survival. Only through cross-generational teams will new ideas be supplied and coupled with the capacity to execute. Wise travelers will engage in spirited dialogue, as the scouts return with stories of the treacherous route ahead.

The field of workplace learning has the opportunity to provide some guides through the Badlands. It can lead the scouting parties into the unknown territory and build capabilities to support innovation and survival. Learning professionals will be critical in helping executives gain the readiness they need to lead their organizations. In the process, they'll also transform themselves and their roles. TD

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