



X-Factor Leadership

Powerful conversations with heads of talent and learning at leading corporations

A Key Leadership Challenge: How To Make Your Organization Future-Proof

Published on September 8, 2022



Christian Schmeichel



David Reimer

CEO - The ExCo Group

Christian Schmeichel, senior vice president and chief future of work officer at SAP, shared smart insights with me and my colleague Adam Bryant, managing director at The ExCo Group.

Reimer: What is a key takeaway for you from these last two years?

Schmeichel: The most important takeaway is that we have seen that many things are now possible that a lot of people felt were not possible at all before the pandemic, and we need to hold onto that thinking. Second, the underlying notion of seeing the connection of people and technology moving forward is very powerful.

Technology is on the rise, and at the same time, the human elements of leadership are becoming more relevant. So, it's an imperative to stay very open-minded. You've got to have a north star and purpose, and everything that is important for your business and your people needs to be aligned toward it.

Bryant: What's your prediction on where companies are going to land in terms of back-to-office policies?

Schmeichel: I'm very confident that the way of working — at least in tech and other white-collar industries — will be very much hybrid. So it is all about finding the right balance between working in the office while at the same time having the opportunity to work remotely. I'm also a big believer that if you have the right setup in the office — making sure people see the value of getting together onsite and you

reinforce a sense of belonging — then people will certainly want to come back to the office on a regular basis.

At the same time, technology will evolve to where working remotely will feel closer to being onsite than it is today. With virtual reality, and the metaverse becoming more real in the future, it might be that people can get together virtually and feel like they are working together face-to-face.

Another dimension is artificial intelligence. Ten years from now, I certainly see AI being part of the team, so that you can ask questions in the moment and get quick answers on the spot. AI, robotics and automation in general will be a huge portion of the workforce, and this will change the way we work in terms of not just human-to-human interactions but also in human-machine interactions.

Reimer: How do you think about scenario planning when there is so much uncertainty?

Schmeichel: When we talk about future of work, I'm usually distinguishing between time horizons. The first time horizon is more or less what we have seen over the last two years. This was a period of crisis management, a kind of wake-up call, but not the future of work yet. The second time horizon is what we observe right now in many organizations that are charting their way out of the pandemic, which is all about ensuring post-pandemic readiness.

And then, when we talk about the end of the year or maybe next year,

once everyone has transitioned into this hybrid work environment as the new normal, this is when the true future of work starts, and there are three dimensions to that.

*The role of HR will ultimately
need to evolve.*

The first dimension refers to the future of the workforce. We've got to have a clear understanding of how the future of the workforce will look at our companies and in our ecosystems over the next five to ten years. We have to know which skills we will require. It's next generation workforce planning, and it will be technology-supported and heavily data-driven.

The second dimension is the future of people and workplace practices to make sure that our workforce of the future is productive, engaged and happy. This requires a future-proof people agenda, including a greater emphasis on new and emerging topics such as health and wellbeing. But recruiting, learning, diversity and inclusion need to be brought to the next level.

The third dimension is that the role of HR will ultimately need to evolve, as well. The question is, what are the new skill sets that HR will need to acquire to successfully navigate these new challenges? I certainly see a greater need for skills around data-driven HR, digital HR and agile HR. And the HR function of the future will have to be very flexible and adaptive to the changes that are coming.

Bryant: What are the leadership X-factors that will be more important in the future?

Schmeichel: To me, the most important thing, besides being clear about purpose, is being agile. The number one capability as a leader will be to stay flexible in the face of changing demands of the environment and the team, and to be able to devise a strategy amid so much ambiguity and make sure that you inspire your team.

The ability to lead diverse teams will be essential.

And with technology on the rise, it's so important to think about empathy and human connectivity. The challenges of the future will be so complex that you will need to have strong problem-solving skills, which in turn means that you will require a lot of diverse capabilities on the team. The ability to lead diverse teams will be essential.

Reimer: You've talked a lot about the importance of agility. Where does that come from for you? Was this an early habit of mind that you developed?

Schmeichel: I'm a very curious person and I love to explore things. I was very active in track and field, running 110-meter hurdles, when I was young. I even competed nationally here in Germany. And there are a couple of lessons you can learn from doing that. You need to have discipline and practice. And if you run hurdles on a regular basis, then

you start to adopt that mindset for all the other hurdles you face in life. You just need to simply jump over them. I've always liked doing that.

Bryant: Looking ahead, what do you think will be a big future challenge for the world of HR?

Schmeichel: The question that is going to be top of mind for everyone is, how can you make your organization future-proof? No matter which industry you're operating in, no matter which organization you're working for, that's the number one question. From there, everything else will be more or less doable.

If you are aware of how your organization can be more resilient and what you need to do to adapt to strategic changes — and have organizational models that are very flexible and a culture that embraces disruption and change and even proactively seeks it — then you will be in a position to get the future right. And that means also getting the future of work right, because at the end of the day, it's all about people.

Subscribe [here](#) to receive future X-Factor Leadership interviews.