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How are bosses and younger workers affected by the trend towards a lower proportion of households owning homes outright? A lot. PHOTO: LOUIE DOUVIS

# Think laterally to stay ahead

**Trends** You're probably not looking in the right places to notice the things that will change your business.

Fiona Smith

Home ownership is not so much a dream for young people. It is more of a mirage, as rising house prices are forcing young people to rent or remain with their parents.

But if your business has nothing to do with real estate what does this have to do with you? Plenty, says a former futurist with the Walt Disney company, **Yvette Montero Salvatico**.

She says companies need to look outside the areas of their business to spot the trends that will affect their future.

One example she points to is the dramatically changing pattern of home ownership and its implications for the workplace. In Australia over the past 15 years, the proportion of households that are outright home owners has fallen to about 31 per cent from almost 42 per cent, according to the Australian Bureau of Statistics.

So if there is a larger population of

young people who, free of the mortgage burden, can afford to take a risk with their careers and be their own boss, that means they are likely to be less loyal to their employers.

If bosses, in turn, want the best skills their money can buy, they will have to make themselves attractive to these people. They may have to think beyond cool work spaces and extra holidays.

They may have to rethink what employment means. They may have to accept that their workforce is transient, and build a great alumni network so they can bring those people back in whenever they need them, wherever they are, maybe sharing them with other employers.

"Talent is more accessible. There's going to be a people cloud. Individuals will be able to work for multiple organisations at the same time," says Montero Salvatico.

**Alex Hagan**, chief executive of workforce strategy consultancy Kienco, says pinpointing trends such as declining home ownership is useful, "but by the time a trend is in the newspaper and magazines, it is too late to take advantage of it".

"You need an understanding of trends and values to build agility into the workforce of the future. People often think of strategy as a roadmap or

set of directions, but we can't predict the future. We can get some insights into it, things that may happen".

Montero Salvatico – now a principal in the US-based Kedge, a foresight, innovation, and strategic design firm – will be speaking at Hagan's Strategic Workforce Planning Conference on March 26 in Melbourne.

She spent 13 years at the Walt Disney Company, where she worked to identify future workforce trends and assess their potential impact on the company. The Disney company employs around 100,000 people around the world.

Now, Montero Salvatico helps other companies prepare to take advantage of shifts that they may not yet be aware of – otherwise known as "weak signals".

The trend for young people to turn away from home buying is not the only signal she sees as likely to affect the workplace. The increased amount of car pooling is another. When there is a movement towards sharing cars or bicycles or living quarters, she believes it can be accompanied by a shift in values and the way people view collaboration and competition.

Montero Salvatico says one of the challenges for companies is to be able to see past what they already know to discover what they don't know.

"We have this natural filtration sys-

tem which acts as a sieve. When confronted with new data, you look at whether it aligns with what you know and confirms your biases," she says.

This means we are often blindsided by things that don't fit with what we know and expect, however "the changes and new data you need to take notice of will be at odds with what you know to be true".

Montero Salvatico says when she tells clients about the patterns or weak signals she is discerning, "nine times out of 10, they have no idea those things are coming". There is no point looking for guidance among your competitors, she says. "We look outside of our industries. Some of the best weak signals emerge in another realm."

"We don't look at HR [human resources] magazines or Google 'future of talent'. Instead, I'd look at social trends, technology, environment, politics and factors in macro-economics. It might be a consumer trend today," she says.

"You can't predict the future, but what we can do is make very well-informed maps of possible plausible futures and make sure strategies are effective, no matter what the future turns out to be.

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