

THE FUTURE OF WORK

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AGENDA

- 1** Silverchair's Journey
- 2** Generational Differences
- 3** Mental Wellbeing
- 4** Artificial Intelligence: Humans in the Loop
- 5** Living into the Future: Cultivating Organizational Resilience
- 6** Take-Aways + Commitments

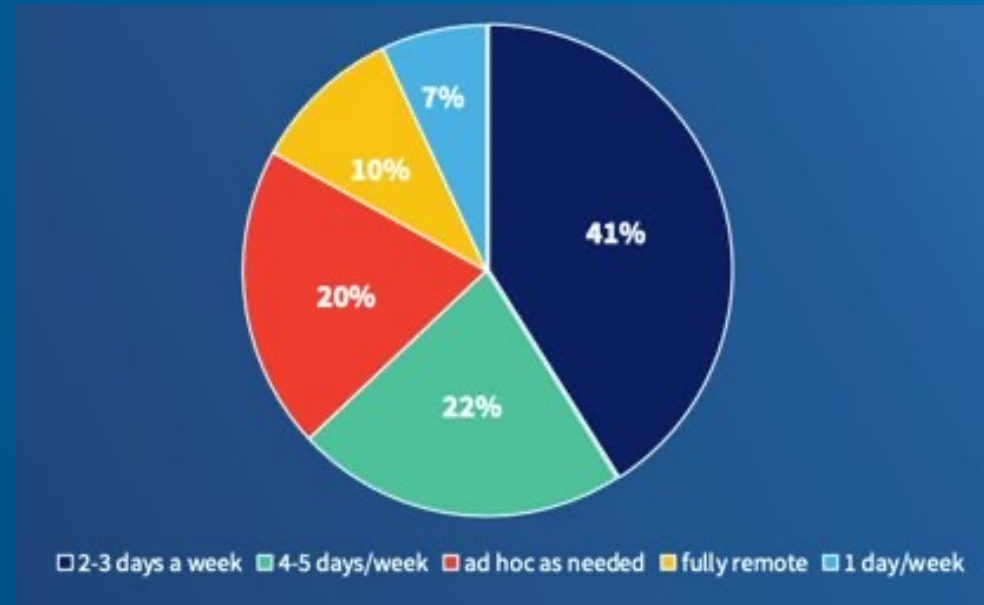
SILVERCHAIR'S JOURNEY

Prioritizing People in the Best and Worst
of Times



SILVERCHAIR'S PANDEMIC JOURNEY

- March 2020 The world changes in ways few of us could have predicted
- April 2020 With no end in sight, Silverchair dissolves the company floor plan and allows people to co-work while following strict COVID protocols
- November 2020 Silverchair has a modest layoff (but, still a layoff)
- December 2020 Numerous news sources predict "a great rethinking" of office life
- January 2021 Silverchair's CPO departs and Lily joins the organization
- January 2021 Vaccinations become available to high-risk populations
- February 2021 Report: More Americans Vaccinated Than (newly) Infected With COVID-19
- February 2021 Silverchair launches its first remote work survey
- March 2021 Dissatisfied with the shallowness of the responses, Silverchair launches a second "free text" remote work survey



WE GAINED SOME UNSURPRISING INSIGHTS

- The top three reasons people want to return to the office: (1) social/ community building; (2) meetings/collaboration/ serendipitous problem-solving; and (3) work-life separation
- Desire for **predictability** and **flexibility**
- WFH is superior for heads down work and large company meetings, but not for **collaboration** and **community building**
- Both **health/safety** concerns and whether **teammates are present** drive decisions to come to the office
- **People generally felt comfortable “hoteling”**; preference for predictability of workstations, cleanliness is of paramount importance

RESEARCH: IN A HYBRID WORK ENVIRONMENT, WORK NORMS FOCUSED ON EMPLOYEE ENGAGEMENT, WORK-LIFE FLEXIBILITY, OUTCOMES-BASED MANAGEMENT, AND STRONG COMMUNICATIONS ARE LIKELIEST TO SUPPORT PRODUCTIVITY, JOB SATISFACTION, AND THE RETENTION OF TOP TALENT*

**How to Do Hybrid Right, Lynda Gratton, Harvard Business Review, May-June 2021*

HEAVILY INFORMED BY OUR PEOPLE, SILVERCHAIR'S WORKPLACE OF THE FUTURE STRATEGY AND POLICIES TAKE SHAPE

We will remain completely remote until the public health situation changes markedly for the better

- Silverchairians will continue to have the option to come into the office while observing safety protocols

Once it is safe to return to work, we will nevertheless be a remote-first organization

- This means that – with very few exceptions – we are not going to require that you be in our physical office full time
- The details of what this looks like for individuals and teams are TBD

Silverchair will maintain a physical office location

- Although we will need to sort out how much office space we actually need, we do plan to keep a physical office in some form

WE ULTIMATELY ADOPTED 6 HYBRID WORK NORMS

1. Organize Intentional and Purposeful Gatherings
2. Balance Work-Life Flexibility with Accountability
3. Ensure Inclusive Team Communications
4. Provide Outcomes-based, Growth-oriented, Ongoing Performance Management
5. Actively Promote Community Building and Celebration
6. Focus on Health and Wellbeing

SILVERCHAIR'S JOURNEY

April 2021 The Silverchair Culture and Policy Advisory Group (i.e. the “Ag”) convenes

Vaccines become widely available in Virginia

May 2021 Silverchair announces policy requiring attestation of “fully vaccinated” status starting June 14th

June 2021 Silverchair begins renovations based upon feedback from our people

June 2021 EEOC says employers may require immunization against COVID

June 2021 Silverchair hosts its first in-person event since March 2020, focusing on teaching hybrid work norms

August 2021 Confronted with breakthrough infections among our people and increasing concerns about the Delta variant, Silverchair cancels its annual family picnic

COVID tests now free to all Silverchairians and their families

Strong employee experience and organizational effectiveness scores on org health survey



SILVERCHAIR'S JOURNEY

- December 2021 Silverchair hosts an in-person holiday party, adopting its office COVID policy for attendance
- January 2022 Silverchair shifts to a Strengths-based performance management system
- March 2022 Shift in internal ways of working to better support customer success
- July 2022 The Annual Silverchair Family Picnic proceeds without incident
- August 2022 Announcement of majority investment by TSCP
- October 2022 The First Annual Silverchair Summit takes place in Charlottesville, VA (requiring testing before each day)

On its second annual org health survey, Silverchair is rated higher



**AS THE ECONOMIC LANDSCAPE
SHIFTED, NEW QUESTIONS AROSE**

**WHAT DOES IT MEAN TO REMAIN
PEOPLE-CENTERED WHEN BUDGETS
ARE CONSTRAINED?**

**WHAT IS OUR RESPONSIBILITY AS
LEADERS – INDIVIDUALLY AND
COLLECTIVELY?**

WE'VE KEPT LISTENING: 2024 ORGANIZATIONAL HEALTH SURVEY

Strengths

1. Direct manager
2. Diversity + Inclusion
3. Culture

Opportunities

11. Performance Management
10. Communication
9. Capabilities

WE'VE TAKEN ACTION

- Leadership team discussion and action planning
- Culture and policy advisory group engagement; team- and role-group level engagement
- Departmental goals reporting (and prioritization of PeopleOps objectives)
- Improved communications around company activities and progress to goals
- TINYpulse deployment
- Executive team development (Conscious Leadership)
- Company-wide competencies
- The Culture Code: Canonizing our hybrid work norms



AND WE'VE LEARNED

- Take an **agile approach**: experiment and adapt, with optimism and resilience
- Navigate the change curve with discernment and sensitivity to the impact on Silverchairians, **engaging people** along the way
- **Place people at the center** of the story
 - Not just space design, but work norms and expectations
 - Maintaining a wellness focus
 - Actual work (not just collaboration) is also better IRL
 - The cognitive load of IRL is real, but the isolation of WFH and its mental health impact is greater
 - Offering extreme transparency and agency
- **Clarity of expectations** makes all the difference (departmental, role, and ways of working)

PREDICTIONS ABOUT THE FUTURE

- Generational differences
- Mental wellbeing
- AI: Humans in the loop
- The importance of organizational resilience

GENERATIONAL DIFFERENCES



WHY GENERATIONAL DIFFERENCES MATTER

- Generational perspectives broadly shape conventional ways of working
- Studying later generations, in particular, allows the identification of important trends
- However, no generation is monolithic
- Harvesting the best of what each generation desires creates a workplace of inclusion, resilience, and possibility
- Important to understand the composition and evolution of your workforce

“Demographics are the single most important factor that nobody pays attention to, and when they do pay attention, they miss the point”

-Peter Drucker

TRADITIONALISTS Born: 1925 – 1945

Dependable | Straightforward | Tactful | Loyal

Shaped by:

The Great Depression, World War II, radio, and movies

Motivated by:

Respect, recognition, providing long-term value to the company

Communication style:

Personal touch, handwritten notes instead of email

Worldview:

Obedience over individualism; age equals seniority; advancing through the hierarchy



BABY BOOMERS Born: 1946 – 1964

Optimistic | Competitive | Workaholic | Team-Oriented

Shaped by:

Vietnam War, Civil Rights Movement, Watergate

Motivated by:

Company loyalty, teamwork, duty

Communication style:

Whatever is most efficient, including phone calls and face-to-face

Worldview:

Achievement comes after paying one's dues; sacrifice for success



Baby Boomers who expect to or already are working past age 70 or do not plan to retire*



10,000

Baby Boomers reach retirement age every day*

GENERATION X Born: 1965 – 1980

Flexible | Informal | Skeptical | Independent

Shaped by:

The AIDS epidemic, the fall of the Berlin Wall, the dot-com boom

Motivated by:

Diversity, work-life balance, their personal/professional interests rather than the company's interests

Communication style:

Whatever is most efficient, including phone calls and face-to-face

Worldview:

Favoring diversity; quick to move on if their employer fails to meet their needs; resistant to change at work if it affects their personal lives



Startup founders who are Gen Xers—the highest percentage*

BY 2028

Gen Xers will outnumber Baby Boomers*

MILLENNIALS Born: 1981 – 2000

Competitive | Civic- and Open-Minded | Achievement-Oriented

Shaped by:

Columbine, 9/11, the internet

Motivated by:

Responsibility, the quality of their manager, unique work experiences

Communication style:

IMs, texts, and email

Worldview:

Seeking challenge, growth, and development; a fun work life and work-life balance; likely to leave an organization if they don't like change



Percentage of global workforce to be made up of Millennials by 2025*



18% men

12% women

Millennials ages 25–34 living at home with their parents*

GENERATION Z Born: 2001 – 2020

Global | Entrepreneurial | Progressive | Less Focused

Shaped by:

Life after 9/11, the Great Recession, access to technology from a young age

Motivated by:

Diversity, personalization, individuality, creativity

Communication style:

Social media, texts, IMs

Worldview:

Self-identify as digital device addicts; value independence and individuality; prefer to work with Millennial managers, innovative coworkers, and new technologies



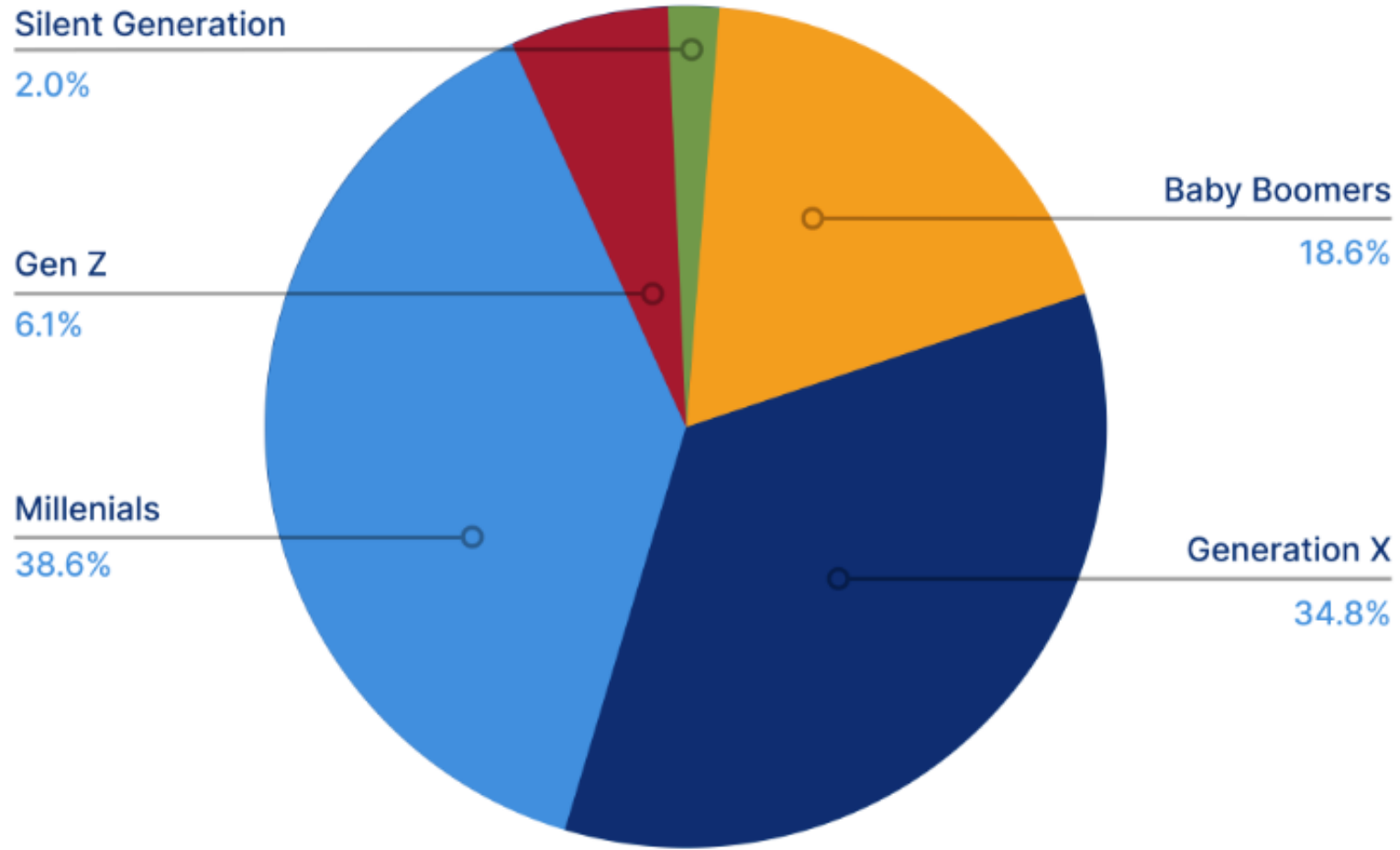
Gen Zers who want to work at companies where they can learn skills to "advance their careers"*



Gen Zers who believe government and employers should subsidize, pay full tuition or provide direct training for students.*

*Source: Purdue Global [Generational Differences in the Workplace \[Infographic\] \(purdueglobal.edu\)](https://www.purdueglobal.edu/Generational-Differences-in-the-Workplace-Infographic)

2020 Data*



*By 2030, Gen Z will constitute 30% of the US workplace

[Gen Z In The Workplace: How Should Companies Adapt? – Imagine | Johns Hopkins University \(jhu.edu\)](#)

TRADITIONALISTS (BORN BEFORE 1946)

- **Respect for Authority:** Traditionalists value a hierarchical organizational structure and often **respect authority** based on seniority and tenure.
- **Job Security:** Having lived through the Great Depression and World War II, they **highly value job security** and stability.
- **Loyalty and Duty:** This generation tends to demonstrate **strong loyalty** to their employer and often stays with one company for a long time.
- **Formal Communication:** They **prefer formal communication** channels, such as written memos or face-to-face meetings.

BABY BOOMERS (BORN 1946-1964)

- **Stability and Job Security:** Having grown up in the post-World War II era of prosperity, Baby Boomers often **value job security and steady employment**. They are more likely to stay with a single employer for a long period.
- **Traditional Work Ethic:** They are often characterized by a **strong work ethic**, valuing hard work, dedication, and loyalty to the company. They value **recognition** and personal achievement.
- **Face-to-Face Communication:** Baby Boomers tend to **prefer face-to-face** communication and may be less inclined toward remote work compared to later generations.

GENERATION X (BORN 1965-1980)

- 1. Work-Life Balance:** Generation X places a high value on work-life balance. They saw their parents commit intensely to their jobs, often at the expense of family time, and many in this generation strive for a better balance. They prefer **jobs that offer flexibility** in schedules and the possibility to work remotely, long before it became a necessity.
- 2. Job Security:** Having experienced significant economic downturns and corporate downsizing during their formative years, Gen Xers **value stability and job security**.
- 3. Independence:** They prefer to work independently with minimal supervision, valuing **autonomy over micromanagement**. They appreciate being given trust and responsibility in their roles.

MILLENNIALS (BORN 1981-1996)

- 1. Meaningful Work:** Millennials seek **jobs that not only provide a paycheck but also have a purpose**. They want to contribute to causes and organizations that they believe in and that make a positive impact on society.
- 2. Flexibility and Work-Life Integration:** More so than the previous generation, Millennials prioritize flexibility in when, where, and how they work. They led the charge for the gig economy, remote work, and unconventional work hours, aiming for **a seamless integration of work and life**.
- 3. Professional Development:** Millennials are **keen on learning and growth opportunities**. They value mentorship, continuous learning, and chances to advance their careers within an organization. They're known for job-hopping, partly in search of roles that offer these opportunities.

GENERATION Z (BORN 1997-2012)

- 1. Digital Integration:** Having grown up in the digital age, Gen Z expects technology to be seamlessly integrated into their work. They **value efficiency, digital tools** for collaboration, and the ability to **work remotely or with flexible schedules**.
- 2. Diversity and Inclusion:** This generation places a high premium on working in **diverse and inclusive environments**. They expect their employers to not only talk about diversity and inclusion but to actively practice it.
- 3. Mental Health and Well-being:** More than any previous generation, Gen Z workers are **vocal about the importance of mental health** support and initiatives in the workplace. They look for employers who offer robust mental health resources and a culture that supports well-being.

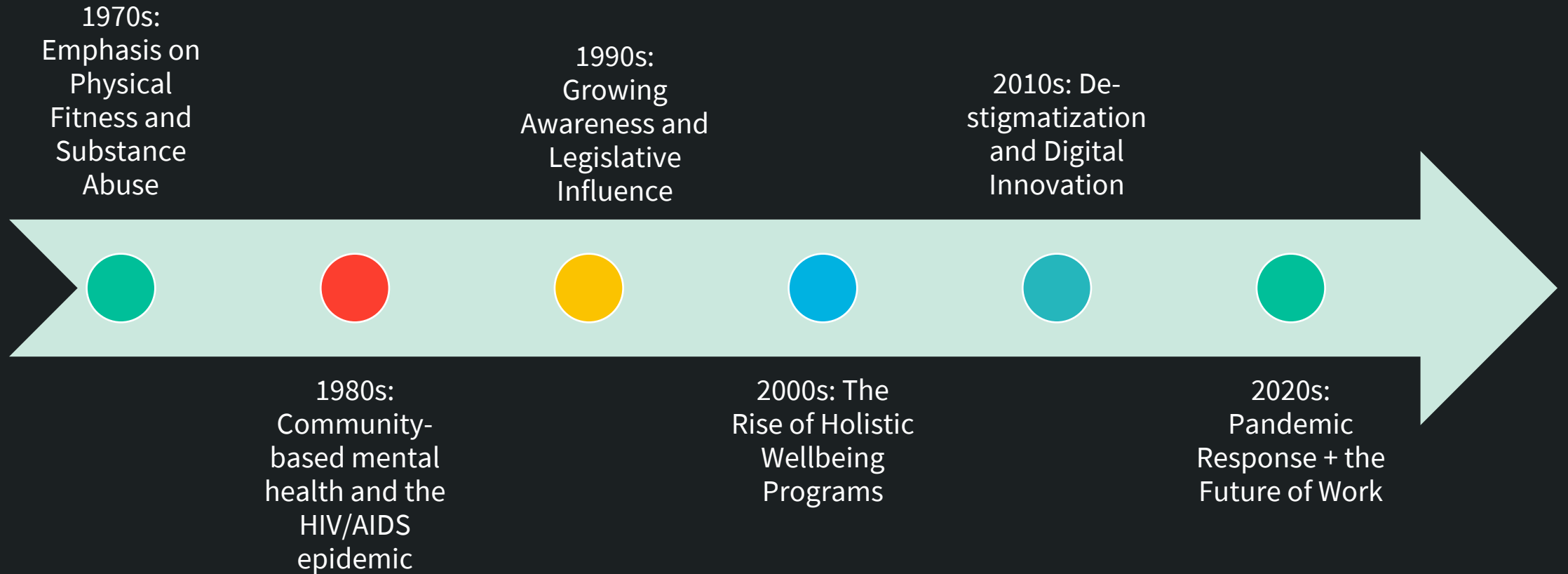
DISCERNIBLE TRENDS

- Flexibility (IRL versus WFH; work hours)
- Autonomy
- Stability (to the extent possible)
- Professional growth
- Diversity and inclusion (not just lip service, but action)
- Meaning and purpose
- Support for mental wellbeing

MENTAL WELLBEING



AN EVOLUTION: US EMPLOYER ATTITUDES TOWARD MENTAL WELLBEING IN THE WORKPLACE



SILVERCHAIR SUPPORT FOR MENTAL WELLBEING



Social support (Focus Fridays; “state of mind”; mental health days)



Leave (paid FMLA + short-term-disability)



On-demand services (EAP, Calm App)



Specialized benefits (medically necessary travel reimbursement, Fringe platform)

THE ROLE OF LEADERS

- Understand the options
 - Know what your organization offers and be ready to share
- Tune in to people
 - Learn to identify when someone may need HR support (e.g., FMLA, ADA)
- Analyze problems holistically
 - When performance issues arise, is it a skill issue, a will issue, or something else?
- Adopt the right mindset
 - Taking care of people is taking care of business
 - Advocate for what is needed (benefits, training, cultural norms)
 - Model self-care and self-compassion



AI: HUMANS IN THE LOOP



THIS IS NOT A PRIMER ON AI TECHNOLOGY

However, these are the major business applications of AI currently in use

- 1. Rule-Based Systems:** These are one of the earliest forms of AI, based on a set of predefined rules or algorithms to process information and make decisions. They are used for structured tasks where the rules are clear, such as processing loan applications or simple customer service inquiries.
- 2. Machine Learning (ML):** ML algorithms improve automatically through experience by using statistical techniques to learn from data. This type of AI is used for a variety of tasks, including predictive analytics, customer segmentation, and fraud detection.
- 3. Natural Language Processing (NLP):** NLP enables machines to understand, interpret, and generate human language. It's used in applications like chatbots, sentiment analysis, language translation, and voice-activated assistants.
- 4. Computer Vision:** This AI type allows machines to interpret and make decisions based on visual data. It's used in image and video analysis, facial recognition, autonomous vehicles, and medical image analysis.
- 5. Robotics Process Automation (RPA):** Although not AI in the strictest sense, RPA is often associated with AI as it automates repetitive tasks traditionally done by humans. When combined with AI, RPA can perform more complex automation tasks, such as interpreting text on documents or automating responses to emails.
- 6. Cognitive Computing:** This AI simulates human thought processes to solve complex problems. It's used in areas requiring decision-making support, such as healthcare diagnosis, financial planning, and customer service personalization.
- 7. Predictive Analytics:** Utilizing various AI techniques, predictive analytics forecasts trends, behaviors, and activities based on historical data. It's widely used in marketing, sales forecasting, risk management, and supply chain optimization.

**AI IS NOT COMING FOR
YOUR JOB**

**A PERSON WHO KNOWS
HOW TO USE AI IS
COMING FOR YOUR JOB**

SPECTRUM OF HUMAN INVOLVEMENT



Human Guided

- *Heavy human direction*
- *AI follows human input*

Human Collaborative

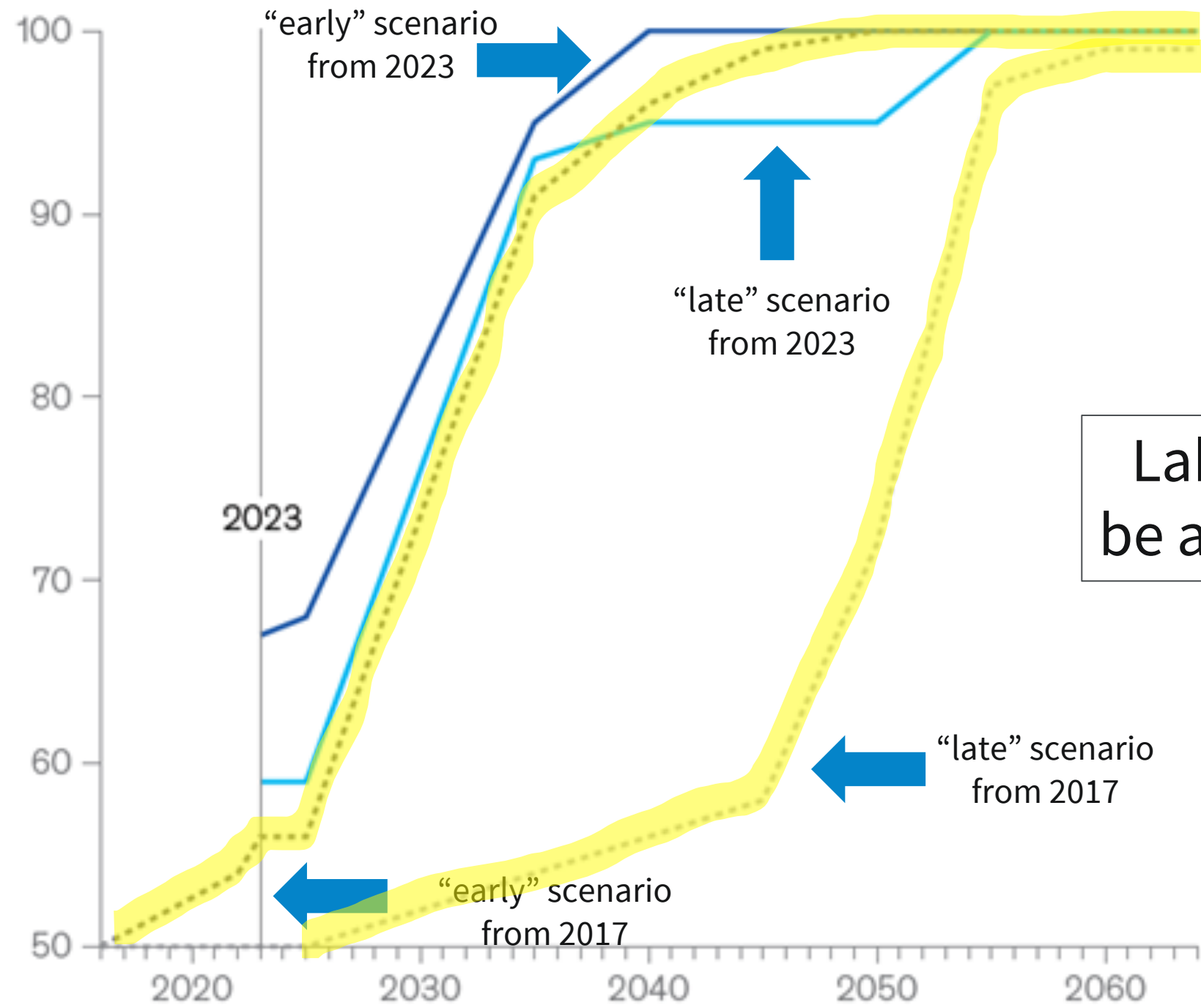
- *Joint AI-human efforts*
- *Mutual refinement*

Human Validated

- *AI creates autonomously*
- *Human checks final output*

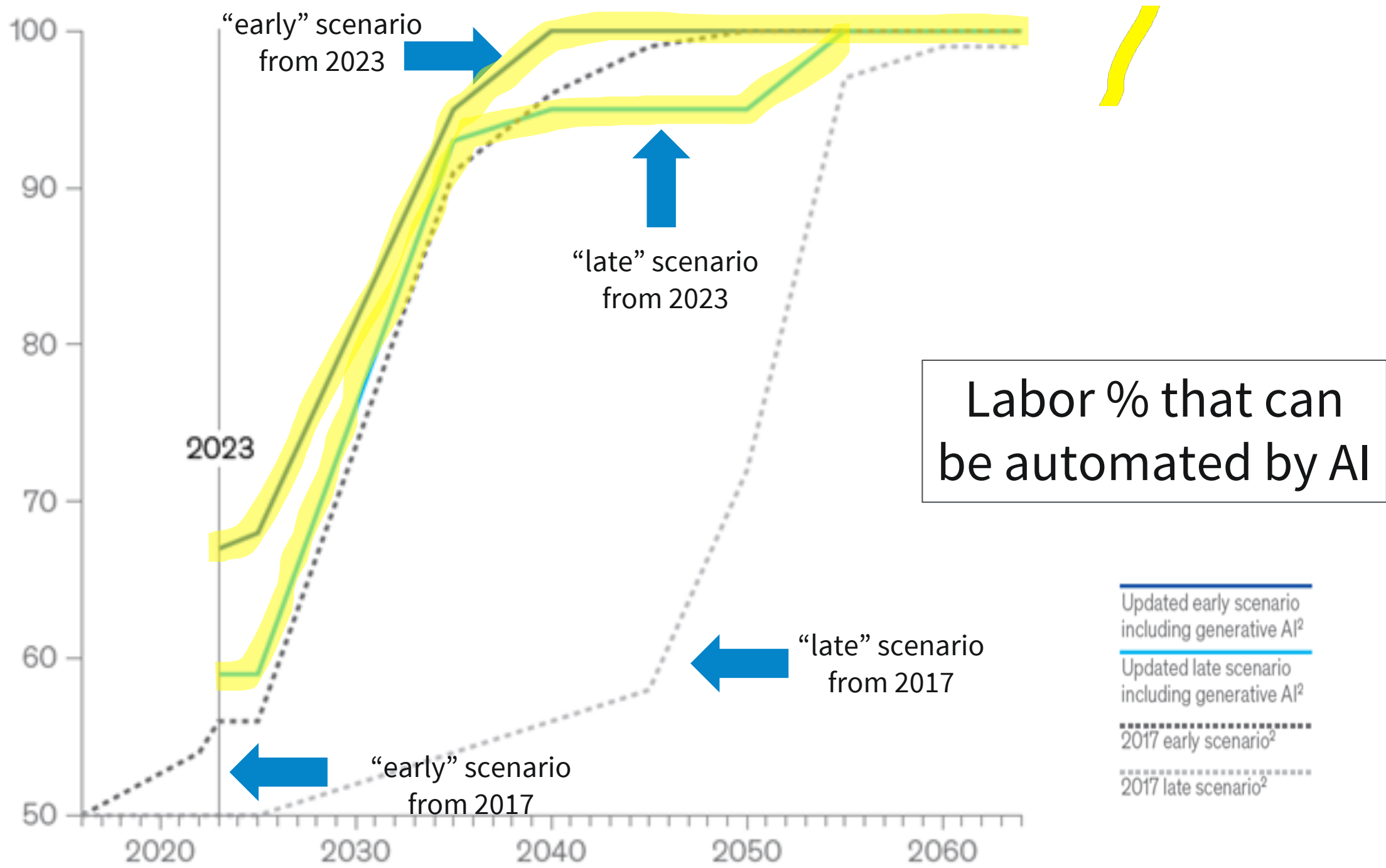
Automated

- *Independent AI operation*
- *Minimal human oversight*



Labor % that can be automated by AI

- Updated early scenario including generative AI²
- Updated late scenario including generative AI²
- 2017 early scenario²
- 2017 late scenario²



“early” scenario from 2023

“late” scenario from 2023

2023

Labor % that can be automated by AI

“late” scenario from 2017

“early” scenario from 2017

- Updated early scenario including generative AI²
- Updated late scenario including generative AI²
- 2017 early scenario²
- 2017 late scenario²

THE CHALLENGE

AI WILL IMPACT EVERYONE

Dramatic changes to how we work are on the horizon. Being successful tomorrow requires businesses and their people to build proficiency today.

AI IS NOT (YET) APPROACHABLE FOR THE MASSES

While the capabilities are exploding, accessibility is still a hurdle. Many people are hesitant to interact. Many more simply don't know how to get started.

PEOPLE NEED STRUCTURE AND GUIDANCE

Top-down push to “figure out AI” will be ineffective. Many people are still looking for help getting started. Savvy employers will create learning pathways and incentives for people to skill up.

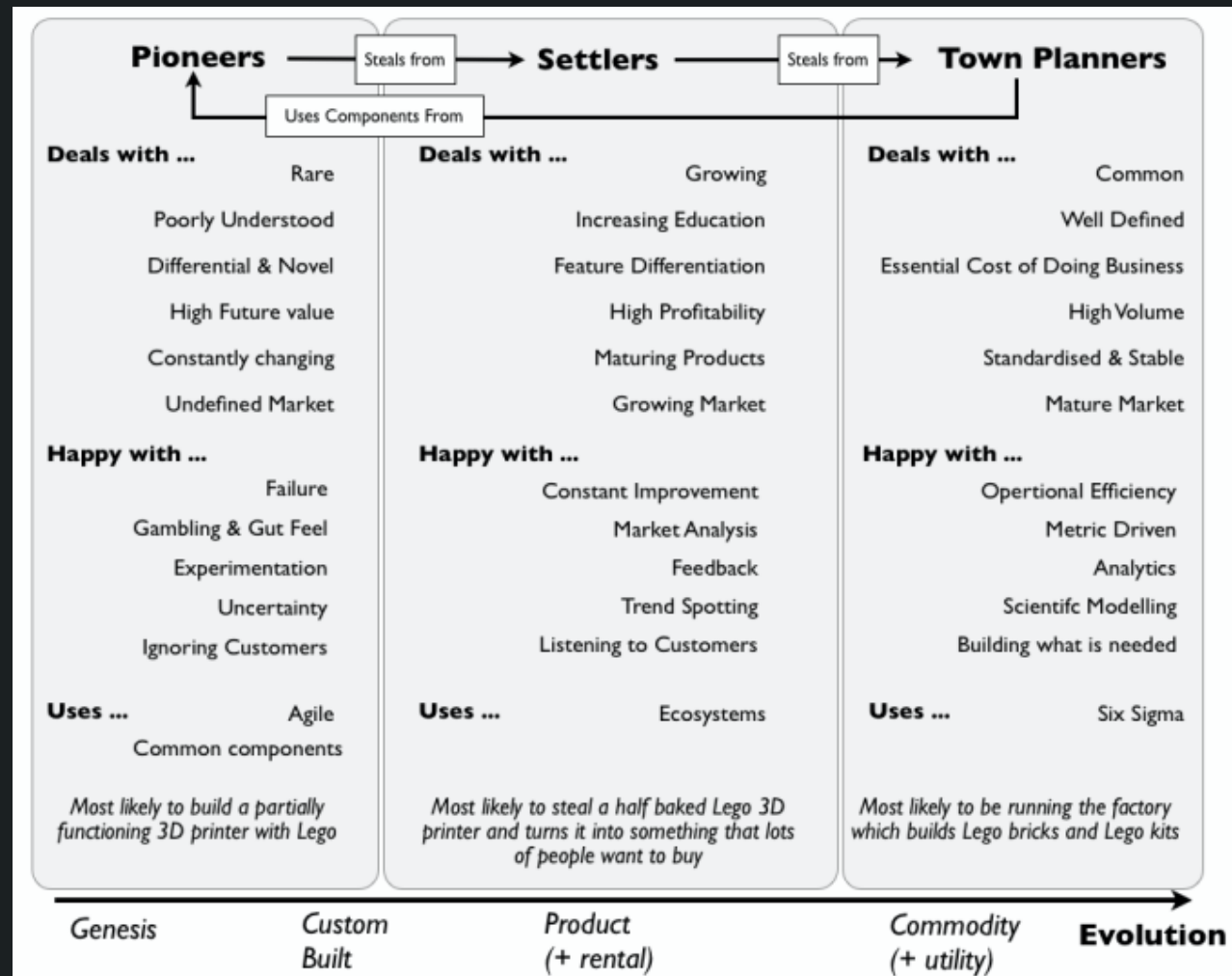
EVERY ORGANIZATION NEEDS PIONEERS

Pioneers, Settlers, and Town Planners

An organizational design concept that identifies three types of innovators needed throughout the lifecycle of a new product/technology/business.

All innovate in their own ways but work best at different parts of the change curve.

Every organization needs AI Pioneers to find and blaze trailheads for our Settlers and Town Planners to follow.



LIVING INTO THE FUTURE: CULTIVATING ORGANIZATIONAL RESILIENCE



RESILIENCE DEFINED

- “[A]n ability to recover from or adjust easily to misfortune or change” – Merriam-Webster
- The ability to withstand, adapt to, and recover from stress and adversity.
 - Encompasses not just bouncing back from challenges but also personal growth.
 - Key components include emotional regulation, optimism, cognitive flexibility, and social support ([Southwick, Bonanno, Masten, Panter-Brick, & Yehuda, 2014](#)).
- A caveat:
 - Positive psychology has been critiqued for overlooking structural and systemic factors that influence resilience and having a tendency to oversimplify complex human experiences (Miller, 2008).

CHANGE: WHEN RESILIENCE IS MOST NEEDED

- Technological disruptions (e.g., AI)
- Economic uncertainty
 - Organizational and personal
- Personal loss and trauma

POST-TRAUMATIC GROWTH

- Resilience is not just about returning to baseline functioning.
- **Post-traumatic growth** refers to positive psychological change experienced as a result of struggling with highly challenging life circumstances, leading to a greater appreciation of life, improved relationships, and a reevaluation of one's priorities ([Tedeschi & Calhoun, 2004](#)).
- Does not imply that experiencing trauma is good or desirable, but rather that significant personal growth can occur in the aftermath of trauma.

FACTORS CONTRIBUTING TO RESILIENCE

- **Positive Emotions and Optimism**
- **Cognitive Flexibility**
- **Having a Sense of Meaning and Purpose (most impactful)**

FACTORS CONTRIBUTING TO RESILIENCE: A SENSE OF MEANING AND PURPOSE

- Having a sense of meaning and purpose in life is associated with greater resilience.
- Provides a framework for understanding and dealing with adversity (Frankl, 1963).
- Purpose matters. People who work with a sense of purpose are:
 - 125% more productive at work
 - 64% more likely to find fulfillment at work
 - 50% more likely to become leaders.
 - 51% more likely to have stronger relationships with co-workers, customers and clients.
- A sense of purpose can be generated:
 - Taproot Foundation research: **Creating a sense of purpose at work involves aligning individual talents and passions with meaningful, impactful work.**
 - Three factors: (1) **relationships**;* (2) **impact** (your work matters to someone other than yourself); and (3) **growth** (learning, stretching, taking risks)
- By understanding what generates a sense of purpose for your people, you can teach them to hack their jobs



CULTIVATING ORGANIZATIONAL RESILIENCE*

- Begins with a shared sense of purpose (relationships, impact, and growth)
 - Growth-orientation (e.g., [strengths-based](#) performance management)
 - Relationships (culture)
 - Impact (e.g., “Innovate with purpose and adaptability” - Silverchair’s fifth core value)

*Organizational resilience refers to talent practices. For a discussion of other types of resilience (financial, operational, technological, reputational, business-model), see [The resilience imperative: Succeeding in uncertain times | McKinsey](#)

TAKE-AWAYS + COMMITMENTS



KEY INSIGHTS

- The forces shaping the future are:
 - People (generational differences)
 - Financial markets
 - Technology (AI)
- Organizations that survive and thrive will be characterized by resilience
 - Proactively engage people and meet them where they are
 - Prioritize people in good times and bad
 - Promote organizational and individual resilience through culture, values, benefits