THE CORPORATE LATTICE

ACHIEVING HIGH PERFORMANCE IN THE CHANGING WORLD OF WORK
The future has already arrived. It’s just not evenly distributed yet.

— William Gibson
From ladder to lattice.

Rooted in the industrial era, the corporate ladder takes an outdated, one-size-fits-all view of work. In the ladder world, work is a place you go between 9 and 5. Success is a fatter title. A bigger office. A bigger paycheck. And power and prestige are the most prized rewards.

But today’s world is different.

Globalization and technology are creating organizations with fewer rungs and more options for how, when, and where work gets done.

The workforce is profoundly different too. From gender to generations, it is more diverse in every sense of the word. Workers’ needs, expectations, and definitions of success don’t match those of the homogeneous workforce of days gone by.

The result: The ladder is splintering. The corporate lattice is emerging.

A lattice metaphor more aptly describes the changing world of work. Careers zig and zag. Work is what you do, not where you go. And information moves every which way.

The lattice model resolves the paradox of high-performance business and sustainable career-life fit.
Winds of change.

Organizations are flatter. Knowledge and service work dominate. Change accelerates.

The U.S. Department of Education estimates that 60 percent of all new jobs in the twenty-first century will require skills that only 20 percent of current employees possess.

The virtualization and globalization of work have given rise to 24-7 operations and teams working together from far-flung locations.

Forty percent of offices are now vacant most of the time.

Over 80 percent of workers do not have a traditional family structure — the very structure upon which the corporate ladder’s work practices were built.

Half of workers are women. One-third are minorities.

Men in dual-earner couples report more work-life conflict than women.

Flexibility is a top need for all generations.

Still, many treat these forces as disconnected events.
Peak performance.

The lattice unlocks economic value by creating less hierarchical, more virtual, and more connected workplaces.

And the key to capturing this value depends on the ability to motivate different people with differing views of success at different points in time.

But don’t take our word for it. The growing competition for best-places-to-work rankings reveals the increasing importance of employee engagement to leading companies. These rankings look well beyond historical ladder measures such as cost per hire. They rate lattice practices that drive engagement. Providing opportunities for growth and development. Offering flexible work options. Building trust. Giving recognition.

Engagement is squarely on the strategic agenda for top companies. The lattice provides a construct to help achieve it.

Companies with high engagement scores deliver better results than those with low scores

+ 160%

Earnings per share for organizations in the top quartile of employee engagement vs. those with below-average engagement.

Source: Gallup Management Journal, June 14, 2007
Return on assets for organizations in the top quartile of employee engagement vs. those in the lowest quartile.

Source: JRA, November 2008

Revenue growth for organizations in the top quartile of employee engagement vs. those in the lowest quartile.

Source: BusinessWire, August 14, 2009

Profitability for Asian companies with high employee engagement scores vs. those with low scores.


Productivity for Asian companies with high employee engagement scores vs. those with low scores.

Tailor made.

Think ring tones, iTunes®, sneakers custom-tailored to your feet — even M&M’s® bearing your personalized message. Mass product customization is part of our everyday consumer reality.

The ability to customize offerings has proven an effective way to increase customer engagement, loyalty, and profits. And it has made it easier for companies to respond quickly to the changing tides of their markets.

Workplace customization provides a similar opportunity, fueling the lattice model so that both organizations and individuals have options for how careers are built, how work gets done, and how participation is fostered.

The benefits of workplace customization echo those of mass product customization. Workplace customization makes organizations and their people more agile and more able to compete in a constantly changing world.
Careers: From straight up to zig zag.

Ladder organizations have only one direction for success: up. In lattice organizations success is defined and achieved through multiple pathways.

“There are more permutations of success than we used to have,” says Mike Davis, senior vice president of global human resources at General Mills, a $15 billion consumer products company. “Every function used to have narrow jobs with narrow progression structures. You do this job, then you do that job, then you do one of only two jobs. Everybody was down the center of the fairway. Now we’re seeing much more mixing and matching — cross-functional assignments, cross-country assignments, people taking time off for personal leaves and then coming back. It’s really quite varied.”

Lattice organizations create a variety of career paths for individuals. These paths move up, down, diagonally, and across. They provide options that align career aspirations and personal needs with corporate objectives and operational requirements. They deliver growth and development opportunities that increase employees’ skills and enhance their value in the marketplace — a big win for both.
Work: from where you go to what you do.

Lattice leaders are transforming their organizations from 9-to-5 offices to dynamic workplaces, rewriting the ladder notions of when, where, and how work gets done.

Far from punching the clock, lattice workers are measured by how well they punch their weight.

Cross-silo projects. Jobs built around know-how rather than task lists. Matrix structures. Modular work. 24-7 global operations. The ability to work anywhere, and everywhere. These are just some lattice ways to work.

Tanya Clemons, senior vice president and chief talent officer at Pfizer, sums it up like this: “In the era of the knowledge worker, it’s just a totally new game now in terms of how work gets done and even what constitutes work these days.”

Staying on top of these new ways of working requires investment in a new kind of Work OS. The lattice is just such an operating system.

Technology is a critical enabler. But mindset, management practices, and culture are just as important. The lattice structure supports rewarding professional experiences and better career-life fit for employees, and greater agility and higher performance for their organizations.
Participation: from top down to all in.

Lattice organizations give birth to organizational relationships, collaboration, interactions, and communications unconstrained by the traditional rules of top-down hierarchy. Participation helps deliver on the promise of an inclusive culture, evolving from the norms of a workforce that was more similar than different.

With strong horizontal as well as diagonal and vertical supports, lattice leaders invite, welcome, and expect ideas from everyone, regardless of position on the organizational chart — and they reap greater innovation as a result. They also cultivate a culture of transparency, essential for creating trust among diverse and distributed groups.

“Talented workers join companies and stay there because they believe they’ll learn faster and better than they would at other employers,” say luminaries John Hagel and John Seely Brown. “They get better and faster by trying new things, by experimenting with what they do in their jobs and how they do it, and by tackling real problems with other talented people with different backgrounds and skills.”

From this openness and collaboration come camaraderie among colleagues, an inclusive work environment, motivated teams, and innovations.
Guess who’s CEO of your career?

Our goal in writing *The Corporate Lattice* is to help you see the transformation from the ladder’s focus on scalable efficiencies to the lattice’s focus on scalable agility, and to help you both manage the transition and harness the opportunities it presents.

Lattice organizations offer more options. And with more personal choice comes more personal responsibility. It’s true for those in the executive suite. It’s true for those on the ground floor.

The imperative to succeed in the corporate lattice world: relevance and marketability within the fast-moving environment. Each of us needs to:

1. *Think option value:* What actions can I take to create more alternative futures for myself and greater value for my organization?

2. *Mark-to-market your personal brand:* How well am I doing with acquiring sought-after skills and experiences? And how are these contributing to my reputation?

3. *Optimize your career-life fit:* What do I need — and what trade-offs am I willing to accept — to be productive and fulfilled in both my professional and personal pursuits?
The bottom line.

At the end of the day, all our research, observations, and findings can be distilled into a single point:

*The intersection between high performance and sustainable career-life fit is the battleground where organizations will compete to attract and engage the best and most productive talent.*

David Turner, executive vice president and chief financial officer of Thomson Reuters Markets, puts it like this: “High-performing companies really understand and act on the connection between high-performing people and how career and life fit together. They don’t just set up policies. They actually act that way.”

Lattice leaders see the critical relationship between employee engagement and high performance. They understand that career-life fit supports both. Yes, they focus on delivering business results like their ladder predecessors, but they also recognize the importance of providing personalized workplace experiences and options to engage the talent required to drive those results.

The old ladder dogma that high performance and sustainable career-life fit are opposing forces is giving way to the new lattice reality: The two are mutually reinforcing — and inextricably linked.
About the authors.


Molly Anderson, director of talent for Deloitte Services LP, specializes in innovative strategies to engage today’s increasingly diverse, knowledge-based workforce. She designed and led the implementation of Mass Career Customization across Deloitte’s 45,000-person organization, significantly increasing career-life satisfaction, retention, and engagement. Molly is an expert in organizational transformation and development.

Find out more.


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“{The authors} have produced a landmark book that should be read and reread by anyone who cares about improving corporate performance. It argues persuasively that the old corporate ladder metaphor is dead. What has emerged in its place is the corporate lattice, which is flatter and more collaborative and in tune with the changing workplace and workforce. You will find yourself nodding in agreement with the analysis of this new world and taking notes on what to do about it. This is a book that will have a profound and positive impact. I recommend it highly.”

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