

# work 2.0

BUILDING THE FUTURE,  
ONE EMPLOYEE AT A TIME

bill jensen author of SIMPLICITY

work 2.0



*rewriting the contract*

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# W *elcome, extreme leaders.*

A chilling event imposed itself on this book, as it did to all of us. My childhood hometown is within sight of where New York's Twin Towers used to stand. The tragedies that occurred in lower Manhattan and elsewhere ripped away all that was trivial, uniting a global population in passion, pain, and priorities.

After watching in disbelief and frantically calling friends and family, I felt embarrassment over having dedicated a mere business book to respecting life's precious assets. Suddenly, that idea felt like it should come from someplace more profound and meaningful. With much of the manuscript already in pre-press production, I debated whether to change some of its most basic ideas.

Yet the reason that this book exists is to call attention to the human dimension of getting things done. It is no longer

acceptable to say that there's *work* and there's *life* and it's up to employees to balance the two. The very act of using someone's time assigns some accountability to you, me, and everyone in every workplace.

On September 11, shared values — a soundbite in many of today's workplaces — really meant something as ordinary souls did extraordinary things for strangers. And New York's Bravest and Finest, and thousands of volunteers who dug through the rubble, lived this book's call for a new kind of leader. Never thinking it would be more than a metaphor, I describe extreme leadership as "getting one's fingernails dirty." Taken literally or not, the people we most admire and most want to follow understand the challenges at the front lines and act accordingly.

So the core ideas remain, and have become more urgent, more timely. Time to radically change how we work.

### **New Lens, New Questions**

This is a tough-love book for tough times. The human toll of September 11 was just the beginning. Virtually every sector is now being hit with breathtaking drops in earnings. No wonder you'll find in these pages recurring themes like productivity, assets, and ROIs.

But look deeper into those pages and a seemingly conflicting message emerges: "It's the People, Stupid!"

My goal for *Work 2.0* is to take the People vs. Profits debate to a completely new level. To change the lens you use and change the solutions you consider even as you fight for your very survival.

At first blush, it may appear that there is no debate. Corporate survival first. People-needs second. One good thing that comes with tough times is that you're back to dictating more of the terms of employment, right?

Not so fast. The economics of work are changing — not so much in who gets paid how much — but in who counts as investors in your firm, and what they deserve in return. A recent personal experience might help illustrate the shift

you need to think about.

A few weeks ago, I took a day off to walk through an empty house full of memories.

Like sneaking my first girlfriend, Lisa, through the basement window. And Dad teaching me the only way to shine shoes, as he taught me the only way to do so many things! Mom holding me when I bit my tongue almost in half. Having to run into the house buck-naked after state troopers caught me skinny-dipping where I shouldn't have been. Running away from home because I wasn't allowed to go to a rock concert. Acting up in 1950s and '60s home movies and then having to watch them again and again.

With both parents now gone, my sisters and I decided to sell the home we had shared. As executor of the estate, I was concerned about getting the best price for the house in a tight market. The economy never left my mind as I took over as CEO of 61 Phipps Avenue. I wanted to get the best returns I could for all the shareholders: me, my sisters, our spouses, and our children.

But, of course, the value of the house isn't in the price it will bring. What gave it value to us was the time, attention, and energy Mom and Dad carved out of their lives to invest in us. As I wandered room to room for the last time, I thought about how every moment in that house — including the many foolish things I did and the lessons that followed — shaped my values, who I am, and much of who I will be.

Think about applying the same equation at work. Have you ever considered an employee's time, attention, ideas, knowledge, passion, energy, and social networks to be an investment in you? In your firm? And have you considered the consequences: What's expected in return? This book asks you to wrestle with these questions, and to raise new ones.

### **New Questions, New Accountabilities**

This is a book for doers. Builders. Leaders who are willing to get their fingernails dirty in the details. The tools in each chapter will help you focus on those details: how to move from today's

standards for getting things done to tomorrow's.

It is a book for people who are willing to put their values and passions, as well as their accountabilities, on the line. You will discover that 2.0 leadership requires completely new ways of demonstrating respect, trust, and integrity. Some very cool people have taken the first steps in this direction, and I've tried to capture the pitfalls and paybacks they experienced along the way.

This is a book for — and about — people who grow by facing new challenges, and are realistic about what those new challenges may mean. (If any of your fellow leaders are not spooked, excited, inspired, enraged, or concerned by the new contract, check their pulse.)

One of the people you'll meet is Leila Sawyer, a mid-manager who learned people skills by listening to customers in her own nail salon. When that business faltered, her first office as an employee was in a supply closet (because of space shortages). Now she's doing amazing things in a call center, of all places, where it's easy to get into a crank-it-out routine. Instead she says, "There's something inside every person here that's yearning to believe. I'm taking the whole group under my wing, not just one or two. They all deserve something to believe in. They all deserve more from me."

As you'll discover, *that's* extreme leadership.

That's Work 2.0.

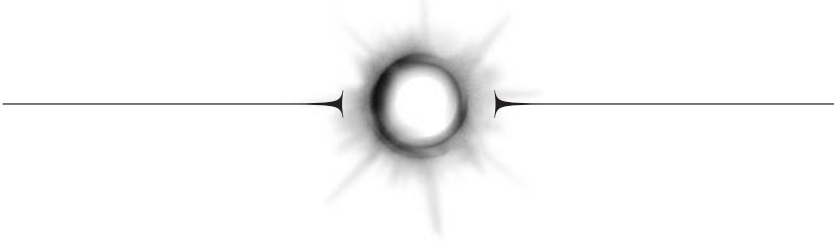
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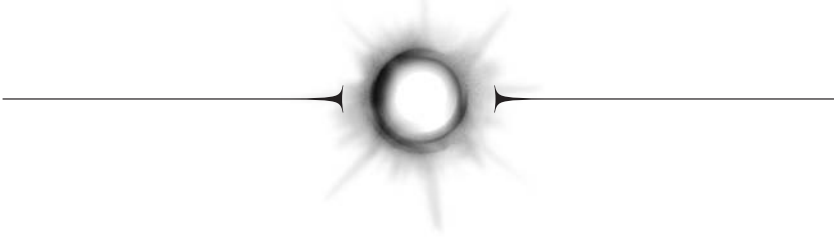
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The (Asset) Revolution Begins

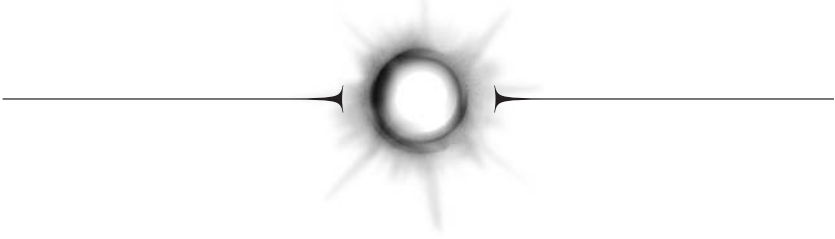


*The new  
war for talent  
is a bare-knuckle  
fight  
over people's  
assets*



**THE NEW CONTRACT IS ABOUT HOW YOU USE  
LIFE'S PRECIOUS ASSETS**

*Do you waste  
any of your talent's  
time, attention,  
ideas, knowledge, passion,  
energy, or  
social networks?*



*What is the  
daily/weekly/monthly  
return  
your talent gets  
for investing their assets  
in your firm?*

**( ...FINAL ANSWER?)**

# Work 2.0

## *The new contract*

I ain't sayin' you treated me unkind...  
You just kinda wasted my precious time.

**Bob Dylan**

Sweet dreams are made of this.  
Who am I to disagree?

**Annie Lennox**, Eurythmics



**THE NEW WORK CONTRACT**  
**OUR VIEW, FROM THE WORKFORCE TO LEADERS**

**A** **DEAR LEADER:**  
*funny thing happened  
on the way to the revolution.*

Your emphasis on productivity and cost-cutting forced us to change how we think about the war for our talent. For that, we thank you! Your ability to stay focused on the bottom line has inspired us.

We had gotten lazy about controlling our own destiny. We figured if we focused on customers and profits, continuously changed and grew, drank the corporate Kool-aid, and did great work — we'd be the masters of our own fate. Boy, are we glad you woke us from that fairy tale.

So we watched what you do. We studied how you constantly push for greater returns on investment to ensure your own future. Based on what we learned, we have rewritten our work contract. You are not effectively managing the assets we provide, and we're calling you on it.

Decent pay, appropriate benefits, great culture and leadership — all are givens in this contract. Important...but baseline issues. After that, it gets interesting, and personal.

This new covenant between us cuts to the heart of who owns, controls, and sets the rules for productivity. Specifically, how much value you create for us when you organize our work.

It's pretty simple, really. More and more, a big piece of the working capital you leverage to get stuff done is ours. You want us to spend our assets — our time, our attention, our ideas, knowledge, passion, energy, and social networks — on work that you think is important. That means, more and more, we've got to think like investors.

We are students of the marketplace, have learned quickly, and need to audit your efforts: Are you making productive use of our assets? Would an hour invested in a competitor's firm provide a better return? Are you creating better communities than we can find outside in the networked world?

Throw out much of what you thought you knew about creating a "great place to work." A new work contract is hitting your shores. We call this new covenant Work 2.0. Our relationship with you must return more value on our working capital.

Here are the Articles of our new work contract. If you want to attract or keep us, the next step is yours.

## The New Coin of the Realm

### **Article 1.**

#### **Our working capital gets stuff done.**

You use our assets — time, attention, ideas, knowledge, passion, energy, and social networks — to make your company go. The new contract is all about how to leverage our working capital, and how not to.

### **Article 2.**

#### **Our work is an investment.**

Our time and attention are finite, becoming more valuable and sought-after with each tick of the clock. We choose whether to invest our experience, knowledge, passion, and energy and how much to invest. And the social networks we use to get stuff done are the friends and teammates whose trust we have earned. Tell us again: Why should we invest all these assets in you?

**Article 3.****We want better returns on our investment.**

If an hour invested in your firm could be invested in a competitor for greater return, your best people will leave to make that investment. If you want us to stay with you, here is how we think about ROI:

- How easy it is to make a big impact
- How much of our time is spent doing great and important work
- How much and how fast we learn
- How challenging, rewarding, and exciting our work remains
- How much personal success and balance we achieve — however we choose to define these things
- How well, or poorly, you use the assets we provide

**Article 4.****Hello, value — or goodbye.**

The idea of getting greater returns on our working capital forces new criteria into the employment contract. You and the company are a middleman between us and our teammates, customers, and the marketplace. Our exit criteria are no longer just warm-and-fuzzy issues like feeling appreciated. Middlemen must add lots of value, or we dump them. Fast.

**Article 5.****Productivity is personal.**

We know the formula for productivity: Make more at less cost. Here's how it gets applied in our new contract: More personal success — that comes faster and deeper and is more meaningful — with a lot less wasted time and energy. We have very high expectations for how long it takes to see the impact of our work. For every day spent with your company, it must get easier to do great work, make ourselves better, and make the world a better place. Now, that's productivity and efficiency in a knowledge-based economy.

**Article 6.**

**What must radically change is how we use the company to get stuff done.**

Your firm is a tool we use to connect with customers and the marketplace. Start acting like an elegant tool. We believe that infrastructure — not just conversation — is part of our dynamic relationship with you. Technology, processes, information flows, and everything that connects us and organizes our work need to change. Change them to meet our needs, just as you currently adapt to meet customer and company needs.

**Article 7.**

**We win, you win, they win.**

The New Economy changed the nature of a lot of the work we do — from making things to making choices. More and more, corporate and customer success are tied to the decisions that each of us makes, and how we make them. So if you focus on creating value for us and on how we make decisions, everybody wins! This three-way win is the anchor of the new contract. We're no fools. We've designed this covenant to ensure that our workplace enhances our ability to satisfy corporate and customer needs. Pay attention to what we can teach you about that workplace, and we'll help you keep your job longer too!

**Article 8.**

**Results follow passion.**

If you want faster innovation and productivity from us, listen to what we're passionate about. Listen to what rocks our heart, what inspires and excites us. Ask and listen first, and then set your targets, goals, and plans. We'll exceed them every time.

**Article 9.**

**The important fundamentals haven't changed.**

None of this changes the basics: decent pay, appropriate benefits, being on a winning team with great people, great leaders, and great communication. These are the foundation you need to build upon.

## Creating Value for Us

### **Article 10.**

#### **Work 2.0 value is My Work My Way.**

More and more, the best places to work will be those that tailor work to who we are as unique individuals. We are business units of one. We all may win together, but the speed, effectiveness, efficiency, and productivity of the team are built upon what each individual brings to the effort. The great places to work will set new standards in real-time responsiveness, interactivity, customization, and personalization.

### **Article 11.**

#### **Work 2.0 value is peer-to-peer connections that deliver personal freedom, growth, and success.**

Every day, the networked marketplace makes it easier and cheaper for us to connect with great teammates and amazing people who care about the same things we do — who are handling the same challenges, at the same time. We're beyond comparing the culture of Company A and Company B. We scrutinize how you build teams and communities according to our personal standards. If your social networks and peer-to-peer connections are better than any we could experience without you, that's value.

### **Article 12.**

#### **Work 2.0 value is more useful, usable, and practical tools than we could build ourselves.**

The marketplace is creating awesome informational and productivity tools. As consumers, we can get the information we need to make decisions, tailored to our needs, easily and cheaply. With our friends and families, we are building new ways to exchange ideas, information, and decisions that would blow your mind — and those experiences outside the workplace are changing what we expect from you. Value, to us, comes from tools that are better than what we could build or buy ourselves.

**Article 13.**

**Work 2.0 value is now, wow, and addictive learning.**

We'll go wherever we get just-in-time, on-demand learning that's exciting and continually draws us back for more. And where leaders create the space and time to think — sometimes slowing things down enough for what we're learning to sink in. The “wow” part comes from connecting with, and learning from, great people — not from technology. No boundaries exist between play and work, informal and formal learning, tasks and what we need to know. We can find this in the outside, networked world. What are we finding inside your company?

**Article 14.**

**Work 2.0 changes what you value, and therefore what you measure.**

Work 1.0 valued speed, teamwork, diversity, creativity, innovation, etc. as the foundations of productivity and performance. Great! Don't lose those! We'll build upon them. But Work 2.0 goes further:

- Do you consider the respectful use of your employees' time to be an organizational value?
- Do you measure the usability of the tools you build for us?
- Do you even understand how we need to learn, the information we need, and how we need it?

If you want your company to be productive, you must start changing what you measure and where you place the highest value.

**Article 15.**

**Work 2.0 forever changes how our work is evaluated.**

Truly talented people are not driven to please authority figures. The people you most want to keep seek satisfaction through the work itself. Since the ultimate arbiter of whether our work produces something of value is the customer and the marketplace,

the evaluations, reviews, and recognition we most value come from peers, customers, and competitors who are closest to our work. We'll hang with them our whole lives. Odds are, we'll work with you for only a limited time.

**Article 16.**

**Work 2.0 flows from simplicity and common sense.**

We will always invest our time, attention, knowledge, passion, and energy in whatever and whoever makes the investment easiest. Common sense governs our choices, not corporate logic. We tolerate management's logic, but act on our own conclusions. We want to work with and for companies that set new standards in simplicity and commonsenseness.

**Article 17.**

**Work 2.0 ignores timebandits.**

Time and attention are the scarcest resources we have. We get ticked off when they are wasted. Anything, or anyone, inside your organization that wastes our time is likely to be ignored.

**Article 18.**

**Work 2.0 has a great sense of humor.**

As individuals, we laugh easily and deeply. Lots of times, at ourselves. Does your firm? Do you? If you can't laugh, you can't learn.

**Article 19.**

**Work 2.0 creates new levels of trust, clarity, and deep conversation.**

What will happen when you use our working capital more wisely? We will have more time to connect with the real, wonderful people in your organization. And to talk about stuff that really matters. Deep diversity (of people and ideas) matters. Creativity matters. Changing the world matters. Truth, integrity, and trust matter.

**Article 20.**

**Work 2.0 value starts with me.**

We accept personal accountability. Regardless of what our firms do or don't do, we can do more to value other people's working capital. We're accountable for:

- Listening, probing, and understanding what would help those around us to work smarter
- Using other people's time and attention wisely
- Sharing ideas in a more human voice, with more empathy
- Competing on clarity: creating more meaning-making and sense-making around us, and continuously looking at things from the customer's perspective
- Being more impatient as we see companies waste people's potential
- Taking a stand. And having fun. Every day

And, if you do step up to this new contract, we are accountable for:

- Retooling ourselves even faster and more often than we do today
- Helping to create the structure and connections that ensure that our customers and our company succeed
- Helping to ensure that every person around us can fulfill more of his/her own potential
- Asking ourselves: Have I got what it takes today?
- Kicking butt in all competitive situations!
- Revising the "us" and "you" tone of this contract. Fulfilled, this contract transforms all of us into leaders



## Contract Decoder: Leader's Guide

This contract is not just some manifesto screaming at leaders, including you, to get a clue. (Although that is among the criteria!)

**Consider the themes** that run through this new contract: Productivity. Innovation. Speed. Ease of execution. Making a difference. Satisfying customers. Learning. And lots more. Parts of this new covenant between employee and employer read like a leader's fantasy come true. It's all about completely new competitive opportunities, reduced costs, more profits, and more success for your organization.

For the first time since we entered a knowledge and service economy, employees are proposing a work contract that any leader could love. With one big, hairy exception...

### **Holding You Accountable to Your Own Rules**

The people you most want to attract and retain are bringing with them never-seen-before levels of sophistication and insights about the design of knowledge work. They know more than most leaders about how to collaborate, how to organize information, how to communicate, and how decision making really works.

This is because you are hiring them from a networked world. Technology, marketplace, and societal changes are training them to think differently and demand more. They have the devices and the savvy to connect with anybody, anywhere — constantly discovering ways to outwit any Big Brother. As consumers, they have figured out that customized interactions can be a very good thing, providing exactly what they need to make decisions. And they are discovering that one person can quickly and easily mobilize entire communities and social networks.

Sure, a tough economy is — once again — changing the rules, relationships, and covenants between people and organizations. Job seekers and switchers are feeling a hefty dose

of tough love. But don't for a minute believe that's the only force driving employee behaviors and career moves. What hasn't changed is that, based on what they've learned outside in the networked world, employees are developing new views on personal productivity, efficiency, and the performance of knowledge work.

They are not caving. They are pushing standards for performance back atcha. Essentially, holding you accountable to your own rules about getting better returns on investments. Only this time, the assets are theirs.

**New rules for tough times.** Turnabout is fair play. From this point forward, the new war for talent is about personal returns on investments, and the value you place on the assets that people bring with them to work.

Let the battles for talent begin....