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Introduction

Brisbane, Australia, November 2014. During a spring heatwave unusual in its intensity, world leaders jetted into the G20 summit to wrestle with a mission of boosting global growth.

At the heart of this highly orchestrated talkfest was a dilemma – how to keep the world economy ticking over and create jobs at a time of record levels of youth unemployment, low growth and rising government debt. Weighted by talk of GDP targets and infrastructure investment, the G20 leaders agreed to set an historic target for each country to boost women’s participation in the workforce by 25 per cent by 2025.¹

This would bring more than 100 million women into the workforce and “significantly increase global growth, reduce poverty and inequality”.² Achieving participation of that scale would increase GDP by up to 1.6 per cent by 2025, adding more than \$1 trillion to the global economy.³ It was the start of a concerted global effort to extend women’s participation in decision-making and its vital contribution to strong, sustainable and balanced growth.⁴

A dose of what *The Economist* calls “womenomics” was just what the world needed. International Monetary Fund (IMF) chief

1 G20 Leaders’ Communique, Brisbane Summit (15–16 November 2014), p 2.

2 Ibid.

3 OECD et al, *Achieving Stronger Growth by Promoting a More Gender-Balanced Economy* report prepared for the G20 Labour and Employment Ministerial Meeting (15 August 2014), p 13.

4 For further information on this and subsequent G20 initiatives, see <<http://w20turkey.org/>>.

Christine Lagarde emphasised that empowering women through economic policies, laws, institutions, and societal and business culture was the key to solving the growth dilemma. Seven years on from the worst global financial crisis since the Great Depression, Lagarde was concerned that recovery was still too tepid and turbulent. The world was also facing grave challenges as a slower “new normal” set in, as populations aged, economic disparities increased and climate change increased its grip.

US President Barack Obama, after publicly expressing concern about whether the Great Barrier Reef would still be there for his future grandchildren to enjoy, announced that the United States would contribute US\$3 billion to a fund to help developing nations deal with the impacts of global warming.

The traditional G20 “family photo” spoke volumes of the world as it has been.⁵ There were the men of global power – among them, Russia’s President Vladimir Putin, China’s President Xi Jinping, Australia’s then Prime Minister Tony Abbott, and Turkey’s Prime Minister Ahmet Davutoglu – standing shoulder to shoulder. Among the 30 leaders, there were just four women: Germany’s Chancellor Angela Merkel, Brazil’s recently re-elected President Dilma Rousseff, South Korea’s President Park Geun-hye and a smiling IMF boss, Christine Lagarde.

But what about the world we are to become?

It was Obama who found the words to describe the emerging future. “We are all linked,” he said, drawing together the themes of global trade integration and security, human rights and climate change. “No nation is immune, and every nation has a responsibility to do its part.”⁶ He urged citizens to raise their voices and use their power to imagine and create a new future.

“I believe that the best measure of whether a nation is going to be successful is whether they are tapping the talents of their women

5 Saeed Khan, “G20 – photo of all leaders at Brisbane meeting” *ABC News* (15 November 2014).

6 Barack Obama, speech to The University of Queensland, transcript, The White House website (15 November 2014).

and treating them as full participants in politics and society,” he said to massive applause from an auditorium crammed with students at the University of Queensland.⁷

NEW V OLD

We’re at the beginning of a complex transformation from Old to New Power, says Jeremy Heimans, the New York-based Aussie co-founder of the global citizenship movement builder, Purpose. This will be a defining feature of business and society in coming years.

It is a very different way of operating. Heimans says we’re seeing growing tension between these two distinct forces. It is a wrestle between Old Power and New Power.⁸ “Old Power is held like a currency. New Power works like a current,” he says. Old Power is held by few; once gained, it is jealously guarded. “It is closed, inaccessible, and leader-driven. It downloads, and it captures.

“New Power operates differently ... It is open, participatory, and peer-driven. It uploads, and it distributes. Like water or electricity, it’s most forceful when it surges. The goal with New Power is not to hoard it but to channel it.”⁹

The visible symbol of that transformation is the growing number of women in leadership roles, and those finding their voice, who are providing a very different model of leadership. And standing side by side with them are the men who recognise that we’re all in this together and need to work as equals. We’ve called these people New Women and New Men working towards a New Economy.

The battle ahead, Heimans says, is about who can control and shape society’s essential systems and structures. And by no means is victory assured for New Power, he says. Old Power tries to colonise New Power but still retain control. And New Power needs to access and influence traditional levers of power in order to be effective.

7 Ibid.

8 Jeremy Heimans and Henry Timms, “Understanding new power” *Harvard Business Review* (2014).

9 Jeremy Heimans, “What new power looks like” TED Talk (2014).

“The greatest test for the conductors of new power will be their willingness to engage with the challenges of the least powerful,” he writes.¹⁰

Three months on from the G20 summit, there was a visible meeting of Old and New Power at the Davos World Economic Forum. Bosses of big industrial conglomerates, tech giants, NGOs, philosophers, celebrities and political leaders gathered in midwinter in the Swiss Alps with a mix of optimism and trepidation. After surveying the latest economic, technological, social and environmental trends, they were left with a clear sense of growing urgency. The Forum’s 2015 Global Leadership Index revealed a failure of leadership to tackle pressing global issues as one of the top 10 trends impacting the world in the next 11 to 18 months. These issues included rising income inequality, rapid impact of technology, jobless growth, the environmental consequences of climate change, weakening of democratic processes and intensifying nationalism.¹¹ Feeding this increasing anxiety were geopolitical tensions, the rise of the Islamic State and the refugee crisis, heightening religious intolerance and xenophobia.

One response to these confronting challenges was to bring on the “B Team” (because the “A Team” hasn’t worked so well). The B Team consists of a high-profile group of entrepreneurs, corporate and NGO leaders, including Virgin founder Richard Branson, Unilever CEO Paul Polman, former CEO of Puma Jochen Zeitz, and co-founder and editor-in-chief of *The Huffington Post* Arianna Huffington.

The B Team laid out a framework for a more adaptive and responsible form of business that would also help tackle some of the most pressing social and environmental issues confronting the world today. Their message was clear: these global problems were bad for business.

As the mood for change grew, Catherine Livingstone, the reformist president of the Business Council of Australia, was struck

10 Heimans and Timms, above n 8.

11 World Economic Forum, *Top 10 Trends: Outlook on the global agenda 2015* report (2015).

by leaders' concerns about whether economies could adapt quickly enough to rapid changes in technology.¹² "I think that was the question that was being asked at Davos, almost as a subtext: 'The rate of change is so great – can we adapt fast enough?'"¹³

CAN WE? HOW DO WE?

Our capacity to adapt will be determined by our ability to access the best ideas, entrepreneurialism and ingenuity in our organisations and communities.

Applying Barack Obama's principle of 100 per cent participation, the first-order questions we should be asking as leaders are: "Where are the women?" and "Are we tapping all of our available talent?" How well your organisation is applying the talents of all your people will be a litmus test of its adaptability and likely success and survival in this critical new context.

In this book, we find that organisations where women – and most men – do well have many things in common. They foster the dimensions of Creativity, Openness, Diversity and Equity. A simple shorthand is to think of this as a New Economy CODE. The CODE provides a framework to help your organisation build greater resilience, innovation, agility and better financial performance.

Organisations that are fit for the 21st century are creating inclusive and participative workplaces and communities. They're building the quality of trust that is the crucial denominator for success. They're making the most of precious and limited resources – that is, the talent we find in ourselves and the finite resources of our physical environment.

They are also mindful of their responsibilities to our children and the generations to come after them.

12 Catherine Livingstone, National Press Club speech, transcript, Business Council of Australia (29 April 2015).

13 Catherine Livingstone, ABC Radio National interview, Saturday Extra program, (25 June 2015).

NEW WOMEN AND NEW MEN ... NEW THINKING

So who are the New Women and New Men building our New Economy? The leaders and organisations that have inspired us in this book have many things in common. They aren't any particular age – New Thinking isn't about how old you are, it is a mindset. What you'll notice is that New Women and New Men come from different walks of life and have diverse interests. They've become comfortable mixing it up with people from different backgrounds, roles and status. They recognise that gender equality is good for everyone. They're great at sharing information and ideas – collaboration is their middle name. And in their home lives, they share the care.

They like to win – but they prefer win-win. They have a strong sense of humanity and community. They have self-awareness and what Stanford University psychologist Carol Dweck calls a “growth mindset”.¹⁴

The people who lead and thrive in these places are collaborative, courageous and have a sense of fair play. They do the work to build high-trust cultures that become agile and innovative and endure over time. Some of these organisations will be seen consistently on the “Best Places to Work” lists. Their operating modes create value and deliver superior financial returns. They also return a community dividend. One that builds inclusive and cohesive communities.

How many of us can think of an organisation like that?

Compared to this, Old Economy, Old Power behaviours loom like a dark edifice over our increasingly crammed workaday lives and institutions.

The opposite of New Thinking goes something like this: it's “me first”, “win-lose” and “do as I say”. It's hierarchy reinforced by power and status. It's about conforming and keeping your head down. Information is not readily shared, it's on a NTK (need to know) or

14 Maria Popova, “Fixed vs Growth: The two basic mindsets that shape our lives” *Brainpickings* (29 January 2014).

CSTM (can't say too much) basis. It's "the boss knows best" and not bothering to consider there may be other perspectives. It lacks curiosity, doesn't ask questions and it's low trust. It encourages people to hide behind rules when they encounter new things they're not sure how to deal with. It's what Carol Dweck would call a fixed mindset.

In reality, most of us occupy a space somewhere in between these constructs. And the battle plays out daily in the small actions, choices and responses each of us makes. Many of us have good intentions but, under pressure and with multiple competing demands, often end up defaulting to Old Economy modes. So let's check out some ways people are disrupting the default and creating new avenues for business and revenue.

UNDER RE-CONSTRUCTION: MEN AND WOMEN @ WORK

In the following chapters we meet a new generation of women and men from around the world. We show you who they are, where you can find them, and what they're doing to create wealth and prosperity now.

We meet New Women such as solo round-the-world yachts-woman Ellen MacArthur, whose foundation is marshalling 100 of the world's leading companies, including Unilever, Renault, Desso, Cisco and Vestas, to redesign products and services by implementing no-waste Circular Economy principles.¹⁵ McKinsey & Co forecast this will create a massive \$1 trillion of new economic value, drive innovation and help regenerate the environment.

We distil lessons from path-breaking gender and innovation strategies in Scandinavia. We learn from a group of New Men – 100 male chief executives who are listening, learning and leading to "disrupt the default" on gender equality across business, sport and the Australian Army. As they put it: "We need more decent, powerful men to step up beside women in building a gender equal world."¹⁶

15 Ellen MacArthur Foundation: <www.ellenmacarthurfoundation.org>.

16 Male Champions of Change: <malechampionsofchange.com>.

We check out the “open company, no bullshit” ethos of Aussie tech company Atlassian, part of Advance, a network of Australians with a global mindset who are promoting innovation, entrepreneurship and collaboration in a connected world. (To find out more about Advance, go to <advance.org>.)

We see how a bunch of lawyers are busting the business-as-usual model and driving creativity in Finland. We get to know people behind a revival in cooperatives and mutuals, using equity principles to help farmers and communities prosper around the world. And we also discover the power of pioneering a 50-50 leadership model that is helping women alleviate poverty in rural India and Africa. We introduce you to some great organisations using human-centred design principles that are contributing to success in the New Economy. These principles are also transforming products and services, organisational structures and processes, and helping to make our cities work better and more democratically.

In **Part 1**, we set the scene for understanding the five powerful and converging forces that are rapidly transforming our economy and operating environment. We show why business-as-usual is not an option and why the way we’ve done things in the past may be holding us back.

In **Part 2**, we break open the New Economy CODE and learn more about our New Women and New Men at work. We show how and why Creativity, Openness, Diversity and Equity are vital in helping us become more agile and adaptive. We also outline the key research and experience underpinning our thinking about the value of these dimensions. We explore organisational case studies that show the CODE at work.

In **Part 3**, we dive into the three aspects of organisational life in which the CODE is applied. We discuss the alignment of an organisation’s Intelligence, Systems and Behaviours. As a quick example, think about how organisations have tried to “do” gender diversity. They might have done some work collecting data (Intelligence) and have a diversity policy with flexible work options and parental leave (Systems), but if people who choose part-time options are seen

as “soft” and treated as if they are not serious about their career (Behaviours), then all the organisation’s good work will be undone. Part 3 also provides an accessible framework to put the CODE to work with your team or organisation. We start with some questions you need to ask about what’s happening now and where you want to be in the future. The CODE diagnostic tools that follow will help your organisation and leadership team get a sense of how Creativity, Openness, Diversity and Equity are operating in your organisation.

To make it easy on busy people, we have structured the book with learning in mind. We provide quick summaries of what we’ve covered in each chapter and break out some key examples and case studies along the way. And because we don’t believe in reinventing the wheel, we’ve provided some handy resources and tips to get you started.

Of course, you could also dive straight into Part 3 with your team to start applying the CODE and use Part 2 for additional resources and insights.

In the spirit of open source, we invite you to take this framework, adapt it and share it. We’d love to see more Creative, Open, Diverse and Equitable organisations and communities around us. It offers an exciting way of thinking about the new opportunities that are presenting themselves as the New Economy emerges out of the Old.

Even as we’re dealing with our everyday home and work lives and aspirations, we are increasingly aware that there are powerful forces at work that will affect our future choices and prosperity. Renowned cultural anthropologist and Intel vice president Dr Genevieve Bell says that in this challenging context her approach is to “be respectful about the past, realistic about the present and optimistic about the future”.¹⁷

This approach neatly sums up the ethos of the New Women and New Men who are at work reshaping our economy at this historic time. In the tussle between Old and New power, it is going to take a concerted effort by each of us to make the change.

And, we have much to do.

17 Dr Genevieve Bell, author interview (July 2015).