

## THE TAKEAWAY

*Getting the big picture on this technology, as with any, is critical.*

last two years, it will get exponentially harder. It's going to move fast."

New technology brings a scramble for talent. But there are no veterans in this emerging field, and the pool of qualified consultants, designers, and engineers is very small. Ask Andy LaPointe—a metaverse advisor who has written a book on Bitcoin—whether most companies have the proper talent in place, and he will offer a three-word answer: "Not so much."

And companies have to ask themselves what, exactly, they're staffing. The outlines of the metaverse are still fuzzy; users have one foot in virtual space and the other in the real world. Right now, it's all reminiscent of the internet circa 1996. Remember how companies snapped up URLs by the bushel in the late 1990s and early aughts? A similar land grab is happening now, except in a three-dimensional, multilayered environment. Its foot traffic—mostly millennials and younger—may wear unsupportive shoes, but they will age and become tech-savvy middle-aged consumers, just like the early users of the internet did.

LaPointe says that **the first step is to define what the metaverse means for your company**. For example, a specialty retailer might use the metaverse in place of a physical retail location in every city, to reduce costs. A couple of flagship stores will suffice instead, plus a metaverse store where customers can make purchases with cryptocurrency. Other companies may simply want to create a presence, or host events, or build infrastructure for relationship building.

What does this mean for the customer? Metaverse experiences are likely to be incredibly rich and engaging, with high levels of texture and intimacy. "You can add value in ways you can't even imagine, and be with your customers 24-7," says Chris Cantarella, a senior client partner with Korn Ferry's Global Technology Market practice.

At many companies, one person is given responsibility for metaverse strategy, typically under the chief strategy or growth officer. However it is handled, most agree the metaverse is a long game, with a long tail and a long payback horizon. Cantarella cautions leaders not to get too caught up in the current technologies swirling around this new field. "Things that are hot today might not even exist tomorrow," he says. "You just need to stay in the game." ▀

## LEADERSHIP

BY MEGHAN WALSH

# The Trust Recession



**THERE IS ONE COMMODITY** that underpins all others, and—like many goods and products these days—it's in short supply: trust. At the start of the pandemic, even in the days when buying toilet paper was a cutthroat endeavor, trust was easier to come by. In the face of extraordinary circumstances, people were willing to afford one another a measure of grace. But as the pandemic drags into a third year, the evidence suggests that a lot of that goodwill is wearing thin.

Consumers no longer feel they can rely on customer service to resolve complaints. Air travelers don't have faith their flights will arrive on time, or

even take off at all. Meanwhile, bosses don't trust that their workers are actually working at home, and colleagues who have never met in person are suspicious: Was that comment hostile or good-natured? According to the Edelman Trust Barometer, a global survey conducted annually for the last 22 years, distrust is now society's default emotion. That go-it-alone mentality may not be wreaking havoc just yet, but experts say it will make businesses less resilient to future adversity.

At the start of the pandemic, Ward van Zoonen, an associate professor of organizational dynamics at Erasmus University in the Netherlands, began tracking trust among Finnish workers. In March 2020,

when the world first went into lockdown, the sentiment was fairly strong. But by the fall, it had deteriorated significantly. The most notable erosion was in the confidence workers had in their leaders. "Employees look to leaders for vision," says Korn Ferry senior client partner Craig Rowley, "but there's not an executive in the world who can think three to five years out right now. They're not sure where we'll be in three months."

A number of factors have contributed to the relational breakdown. Working remotely has eliminated opportunities for colleagues to prove their trustworthiness (no one sees you staying late at the office), while many of the hardships of the pandemic have

made meeting obligations more difficult. As organizations try to accommodate the needs of their workers, particularly caregivers, they're stoking a growing sense of inequity that fuels further distrust, says Mark Mortensen, an associate professor of organizational behavior at INSEAD. Then there is the matter of widespread fatigue. "People are fried," Mortensen says. "There is no question that willingness to trust changes depending on how much we have in the tank."

A year into his study, van Zoonen says, the trust free fall reached a plateau, where it's sat stubbornly ever since. Along with trust, the Dutch researcher is tracking well-being. Not surprisingly, the two run

parallel. As any business leader knows, employee skepticism brings down morale, productivity, and innovation—and increases attrition.

Many corporate heads have their sights set on ending the Trust Recession in 2022. Humor, vulnerability, and sincere intentions will go a surprisingly long way in that effort. Most important, though, is reciprocity. Experts say leaders—from managers to the C-suite—should start by reinforcing their own trustworthiness and giving others the benefit of the doubt. "What will make me trust you more is knowing you trust me," Mortensen says. "If leaders show they trust their employees, they will get that trust paid back." ▀

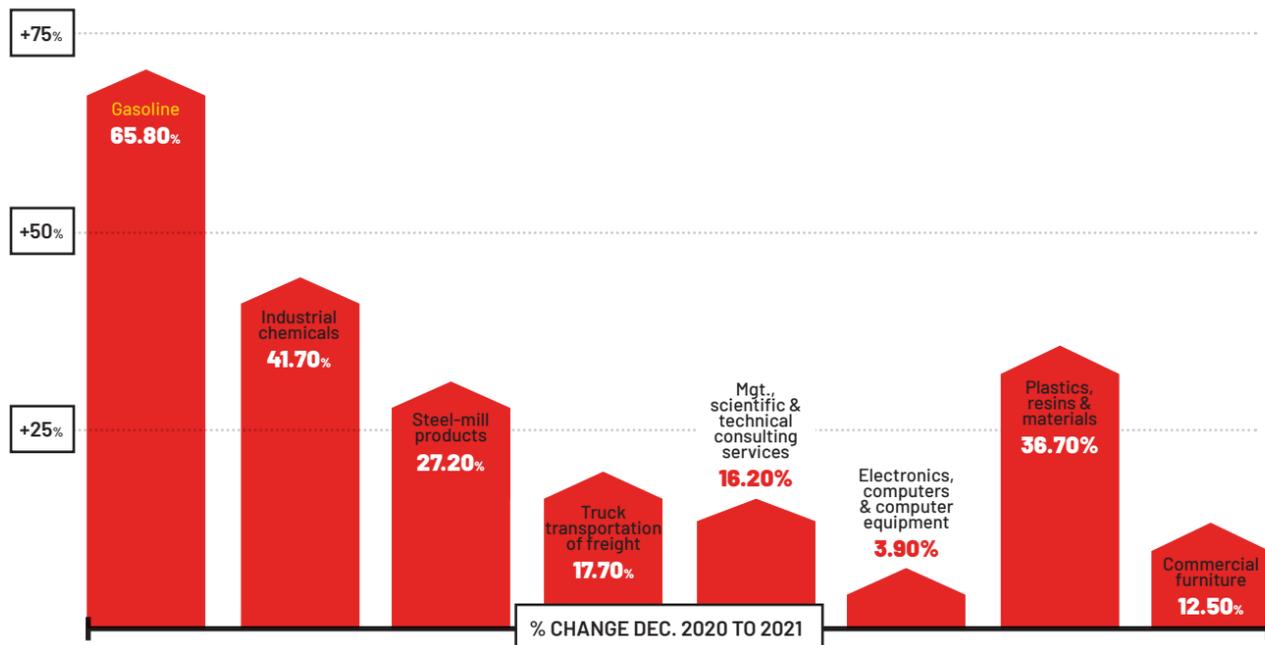
THE TAKEAWAY

Workers' distrust in a firm and their own exhaustion can go hand in hand.

DATA

## Inflation Realities

Higher prices for consumer basics may get all the attention, but they're skyrocketing for core business products too.



STRATEGY BY LISA RABASCA ROEPE

## A Pat on the Corporate Back

PLANNING A MILESTONE ANNIVERSARY celebration after 50 or even 100 years in business seems like a simple task. What could possibly go wrong when a successful company congratulates itself on a job well done? Plenty!

Corporations have been celebrating milestone anniversaries for decades, but as any brand or PR specialist will point out, these events have become much trickier propositions in recent years. Everything from the ongoing pandemic to a deeply divided political world to the Great Resignation has forced firms to change tactics in order to avoid a public black eye.

"It used to be very simple," says Bruce Weindruch, founder and CEO of the History Factory, a Washington, DC-based marketing agency that has been helping companies plan anniversary



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