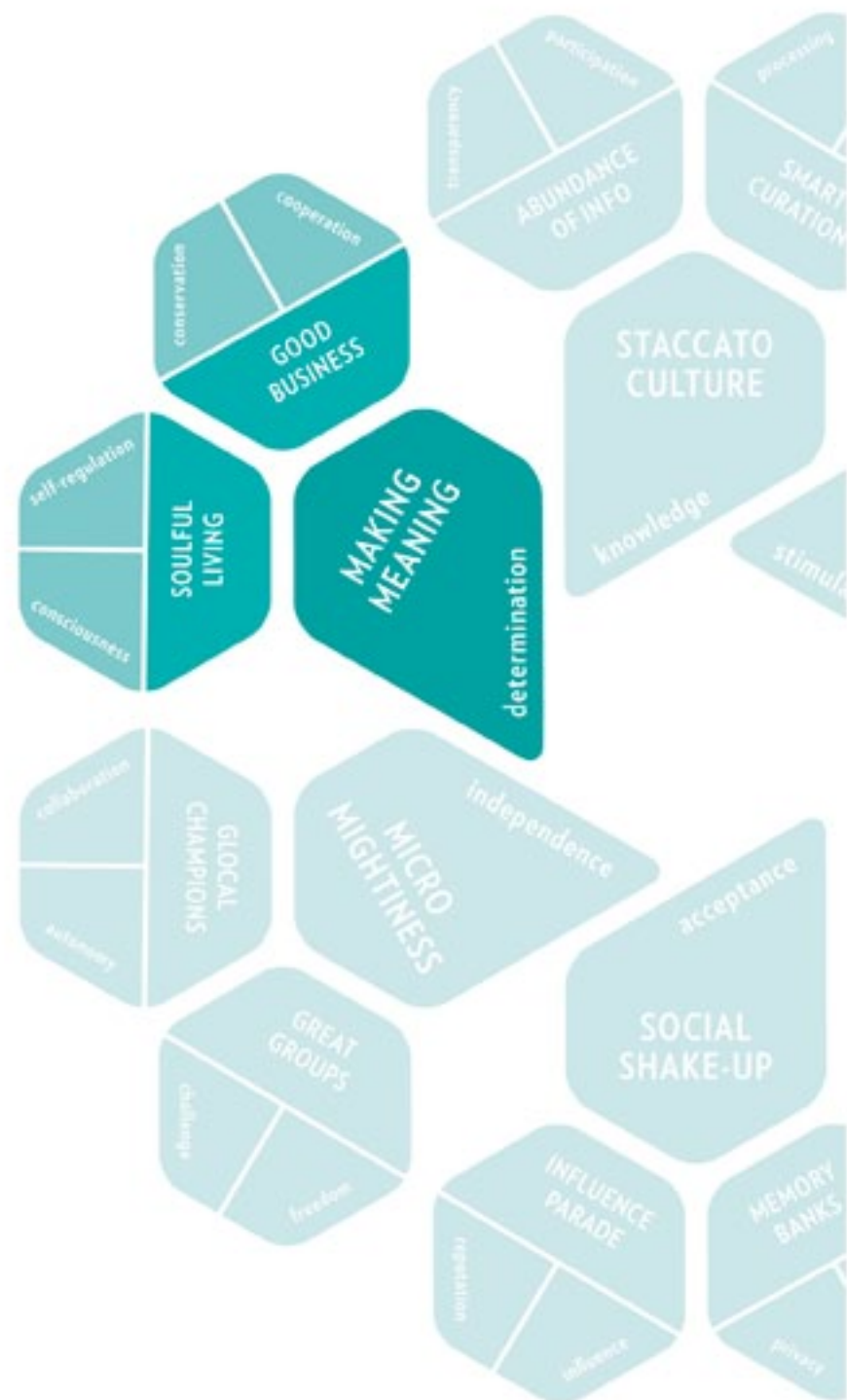




# Trend 6 – Making Meaning

“There is no chance,  
no destiny, no fate,  
that can circumvent  
or hinder or control  
the firm resolve of  
a soul.”

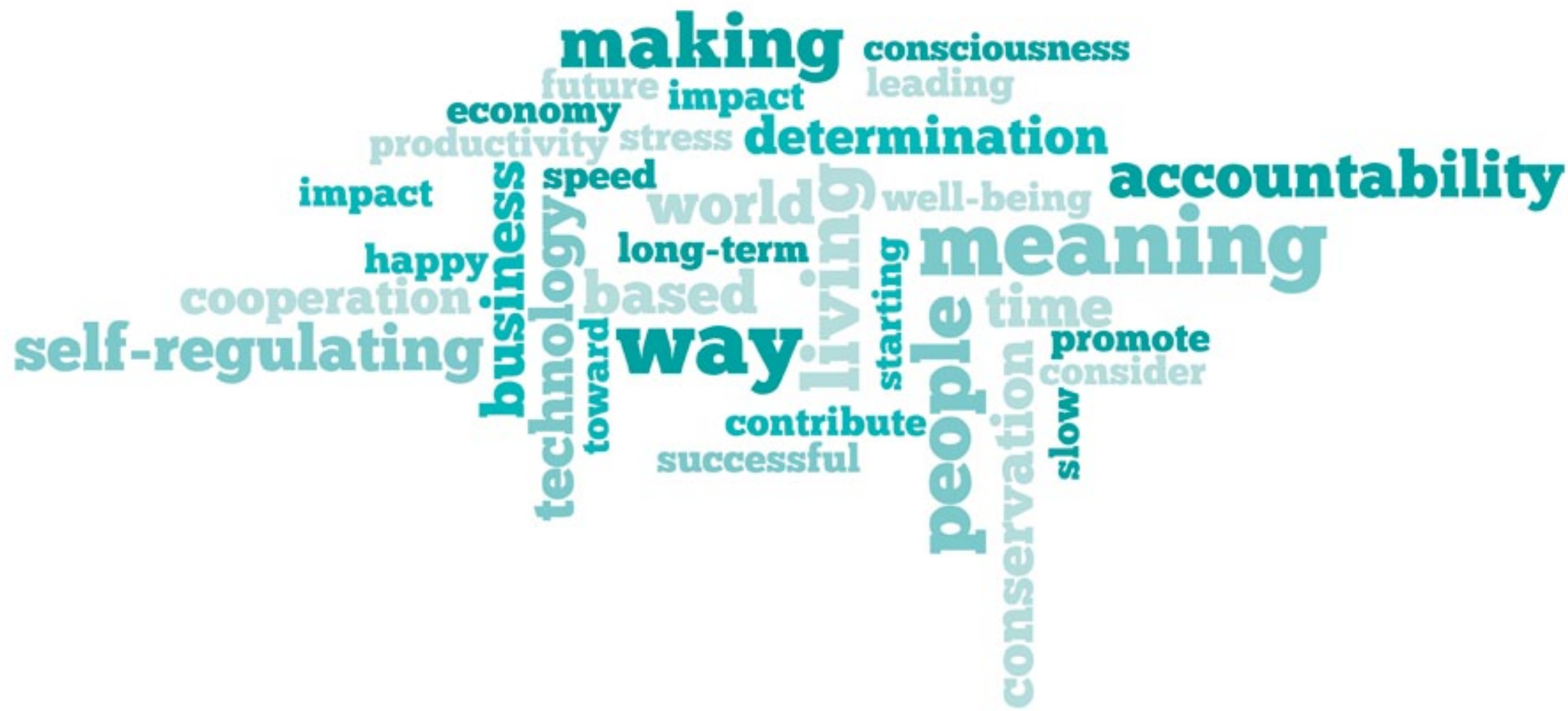
Ella Wheeler Wilcox



Our need for solidarity and imagination will evolve into a need for determined changes in our lifestyles. Instead of chasing materialistic and individualistic pursuits, as people strive to make meaning for themselves they reconsider their actions, focusing on their long-term impact to the broader community. Soulful living means they expect the companies they interact with to conduct 'good' business with an equal commitment to the well-being of people and the planet.



Go to:  
Making Meaning  
website section







**Making Meaning:  
using determination  
to find meaning**

Never before has the concept of “speed” been discussed at such length. **Douglas Rushkoff** explains: “For the first time, regular people are starting to show signs of stress and mental fatigue, symptoms that only used to be known to air traffic controllers and 911 operators. Cellphone users now complain of ‘phantom vibration syndrome’, the sensation of a cell phone vibrating on your thigh, even though there’s no phone in your pocket”.<sup>1</sup> We are living in a state of constant connectedness. Our minds rarely get the chance to wind down after a long day at work.

Studies on productivity and well-being have demonstrated that leading a fast-paced lifestyle doesn’t necessarily bring more money or happiness. Studies have shown that correlation between income and **Subjective Well-Being (SWB)** is low in most countries.<sup>2</sup> It has also been proven that a country’s productivity is not related to the amount of hours worked per week.<sup>3</sup>

Long hours contribute to stress, discomfort, and leave little enjoyment for our everyday lives.

Long hours contribute to stress, discomfort, and leave little enjoyment for our everyday lives. So, the time has come for people to re-evaluate what they consider to be important in life and what makes them truly happy. They use determination to focus on what really matters.

As explained by bestselling author **Daniel H. Pink**: “Without sovereignty

over our time, it’s nearly impossible to have autonomy over our lives”.<sup>4</sup> Whilst multi-tasking has become an ubiquitous new behavior for most of us, people are reconsidering the pace of their lives and the role that technology can fulfill to bring more meaning and value. So called “Slow Technology” was introduced by Swedish design researchers **Lars Hallnäs** and **Johan Redström** in 2001 in a paper that championed designing technology to promote reflection. **The Slow Technology Movement** is driving a new kind of innovation that is geared towards creating a soulful living. **Jack Mama**, creative director of the **Philips Design Probes** (‘far future’ research initiatives) program believes that there is a shift toward people leading more fulfilling lifestyles. “Broadly speaking, speed and the way tech is evolving is based on the masculine trait of being faster and

quicker,” says Mama. “There’s a counter movement that’s starting to question this.” Based on his assumption that we are becoming more and more distanced from ourselves and nature as we are increasingly experiencing the outside world via a little backlit screen, his team has devised a whole range of products that will help us get back in touch with the natural world and its unpredictability.

Slowing down forces us to consider the world around us. By doing so it makes it harder for us to overlook decisions that could have negative long-term impact.

People will demand greater transparency from businesses. Already 70% of Millennials believe that the most successful companies of the future will be those that practice sustainability.<sup>5</sup> Businesses should be inspired by the Slow Movement, which aims to improve nutrition and health, promote cultural, ecological and economic diversity; and accelerate the transition from an economy based on extraction and consumption, to an economy based on preservation and restoration.

This is a global movement with the goal to create, as Pink says, “a healthy society - and healthy business organizations” that “begins with purpose and considers profit a way to move toward that end or a happy by-product of its attainment. We’re not designed to be passive and compliant. We’re designed to be active and engaged. Doing something that matters, doing it well and doing it in the service of a cause larger than ourselves”.<sup>6</sup> To be successful and contribute to making meaning for people, businesses will have to rethink the way they conduct business, shifting aspirations from “making a killing” to “making a living”.

Businesses should be inspired by the Slow Movement, which aims to improve nutrition and health, promote cultural, ecological and economic diversity; and accelerate the transition from an economy based on extraction and consumption, to an economy based on preservation and restoration.

<sup>1</sup> Rushkoff, Douglas *Program or Be Programmed*, 2011

<sup>2</sup> Diener, Ed, et al. *Physical Attractiveness and Subjective Well-Being*, 1995

<sup>3</sup> Source: OECD Report, 2010

<sup>4</sup> Pink, Daniel H., *Drive*, 2011

<sup>5</sup> www.adage.com/naomi-troni/4470

<sup>6</sup> Pink, Daniel H., *Drive*, 2011



“Without sovereignty  
over our time, it’s  
nearly impossible to  
have autonomy over  
our lives.”

Daniel H. Pink, bestselling  
author of *Drive*



**BORDER ROADS ORGANISATION**

**DARLING I LIKE YOU**

**BUT NOT SO FAST**

**753**

**51**





Trend Manifestation #1:  
Soulful Living

**"Emotional Reboot" as  
the key to soulful living**

To derive meaning, people are determined to have a positive impact on their lives and the world around them. They are becoming a lot more conscious of the consequences of their individual actions, and as a result they are self-regulating their consumption to be more considerate to the world around them. Increasingly, we are seeing businesses offering opportunities for people to connect their consumption with that of others, to cre-

To derive meaning, people are determined to have a positive impact on their lives and the world around them. They are becoming a lot more conscious of the consequences of their individual actions.

ate a kind of soulful consumption. **Toms'** shoes set a pioneering example with the **One for One Scheme** (for every pair of shoes purchased, Toms will give another pair to a child in need) and since then has been joined by many other businesses who share similar ethics.

For example, Brazilian NGO **Casa do Zezinho**<sup>1</sup> introduced a "Half for Happiness" campaign run in partnership with two supermarket chains. Customers were given the opportunity to buy half-size fresh food products at full price, with 50% going to the NGO focusing on low-income areas in the country. The supermarkets took care of quality standards, transport and storage throughout the process. Donations to the charity rose by 28%.

People on the quest for an emotional reboot are enthused by a sense of mission.

For instance, so-called 'downshifter' are people who accept less money in compensation for shorter working hours so they can allow more time for things they consider to be important in life.

Some companies are taking notice of this shift in aspirations and are implementing the **Results-Only Work Environment Program (ROWE)** created by **Cali Ressler** and **Jody Thompson**, two former human resources executives at the American retailer **Best Buy**. In a ROWE workplace, employees don't work to schedules. They don't have to be in the office at a certain time, or any time, for that matter, as long as they get their work

done. How they do it, when they do it, and where they do it, is up to them. Recent research found that more than 40% of current job types are compatible with teleworking and 79% of workers have a desire to do so. It is estimated that companies, communities and employees can save more than \$650 billion a year on lower office costs, lower absenteeism and staff turnover, reduced travel, less road repairs, less gasoline consumption and other savings.<sup>2</sup> Reporting on Best Buy's ROWE results in Harvard Business Review, **Tamara Erickson** writes: "Salaried people put in as much time as it takes to do their work. Hourly employees in the program work a set number of hours to comply with federal labour regulations, but they get to choose when. Those employees report better relationships with family and friends, more company loyalty, and more focus and energy. Productivity

has increased by 35%, and voluntary turnover is 320 basis points lower than in teams that have not made the change. Employees say they don't know whether they work fewer hours - they've stopped counting."<sup>3</sup> **Gap Outlet** and **Netflix** have followed suit. Easing the pressure of speed enables us to get more meaning into our lives. According to British psychologist professor **Guy Claxton**, there are two modes of thought. "Fast Thinking" is rational, analytical, linear, logical. It is the behavior we display most of the time, living our hurried lifestyles. On the contrary, "Slow Thinking" is intuitive, woolly, and creative.<sup>4</sup> Program such as ROWE encourage Slow Thinking to help people achieve emotional reboots and create soulful lifestyles that are good for them and for the businesses they work for.

Programs such as ROWE encourage Slow Thinking to help people achieve an emotional reboot and create a soulful lifestyle that is good for them and for the businesses they work for.

1  
[www.toms.com](http://www.toms.com)  
2  
[www.casadozezinho.org.br](http://www.casadozezinho.org.br)  
3  
[TeleworkResearchNetwork.com](http://TeleworkResearchNetwork.com)  
4  
Erickson, Tamara J., *Task, not Time: Profile of a Gen Y Job*, Harvard Business Review, February 2008  
5  
Honoré, Carl, *In Praise of Slow: How a Worldwide Movement Is Challenging the Cult of Speed*, 2005



“Downshifters are people who accept less money in compensation for shorter working hours so they can allow more time for things they consider as important in life.”







Trend Manifestation #2:  
Good Business

**Good businesses manage the scarcity of resources and think long-term**

In the last three decades, the global population has consumed a third of the planet's natural resources. People are becoming more aware of scarcity and will embrace businesses that help them derive meaning and combat 'planned obsolescence'.

The global population has consumed a third of the planet's natural resources. People are becoming more aware of scarcity.

**The Degrowth Movement**, promoting the downscaling of production and consumption as a means of preserving resources while re-engineering a more equitable society, is gaining momentum. "Constant and instant growth is a failed paradigm", suggests **Nicolas Kosoy**, an ecological economist at McGill University.<sup>1</sup>

As a result, new types of good businesses are being created. According to **Lisa Gansky**, mesh companies are businesses that eliminate the burden and expense of ownership by offering goods and services to consumers when and how they need it. For example, faced with rising gas prices and finite fuel resources, the costs associated with daily car use and maintenance are shifting consumer preferences towards the idea of sharing rather than ownership.<sup>2</sup> Such businesses are good for society and for people. They create meaningful profits by promoting access, experience, and sharing over ownership and materialistic pursuits.

**Esther Dyson**, a former journalist and Wall Street technology analyst, says one of the problems in business right now is its short-term thinking, which is spurred by the speed of the stock market. "When you can measure economic activity minute by minute, it makes it difficult, unfortunately, to not sacrifice long-term investment for short-term results." If it were up to Dyson, slowness would be invited into business and **Gross Domestic Product (GDP)** would be defined differently, especially in relation to education and health care. "Our health care system right now is all about repair. If you thought long-term, you'd be good to your body, which is good for the economy."<sup>3</sup>

Turning this idea into action, the **B Corporation**, created by three US entrepreneurs, refers to companies that amend their

bylaws so that their incentives favor sustainability and social impact instead of short-term economic gain. In the United States and Denmark, **The Fourth Sector Network** is promoting 'the for-benefit organization', a hybrid that represents a new category of organization that is both economically self-sustaining and animated by public purpose. **Mozilla**, creator of **Firefox**, is one such organization.

Around the world we are witnessing an appetite for "good businesses". **The Co-op movement** is growing fast because it offers a valid solution that changes lifestyles that lead to the destruction of the environment. In the last three decades, worldwide membership in co-ops has doubled to 800 million. In Colombia, **SaludCoop** provides health care services to a quarter of the population. In Spain, the **Mon-dragón Corporación Cooperativa** is the nation's seventh largest industrial concern.<sup>4</sup> The reason the co-op movement is likely to grow is because people are dedicating time to it and shifting their aspirations to a long-term, more sustainable gain that benefits society as a whole.

2012 has been recognised as the **International Year of Co-operatives** by the **United Nations**: "This is an acknowledgement by the international community that co-operatives drive the economy, respond to social change, are resilient to the global economic crisis and are serious, successful businesses creating jobs in all sectors".<sup>4</sup> This is a clear indication that good business is a global phenomenon that's here to stay.

People are dedicating time to it and shifting their aspirations to a long-term, more sustainable gain that benefits society as a whole.

<sup>1</sup> [www.miller-mccune.com/business-economics/the-growth-of-degrowth-economics-18390/](http://www.miller-mccune.com/business-economics/the-growth-of-degrowth-economics-18390/)

<sup>2</sup> [www.lisagansky.com](http://www.lisagansky.com)

<sup>3</sup> Kelly, Marjorie, *Not Just For Profit*, s+b, Spring 2009

<sup>4</sup> [www.2012.coop](http://www.2012.coop)



"The Degrowth Movement, the downscaling of production and consumption as a means of preserving resources while re-engineering a more equitable society, is gaining momentum."

FUTURE  
CO-OP  
SPACE

WHAT

CO

GO

MORE  
FOOD!

Good food. Great prices.

## Trend 6 Making Meaning

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# MEMBERS OF A CO-OP

## AROUND THE WORLD

### SPAIN



**MILLION PEOPLE**  
ARE MEMBERS OF A CO-OP  
(15% OF THE POPULATION).<sup>1</sup>

### GERMANY



**MILLION PEOPLE**  
(1 OUT OF 4) ARE MEMBERS  
OF A CO-OP.<sup>2</sup>

### ARGENTINA



**MILLION PEOPLE**  
ARE MEMBERS OF A CO-OP  
(APPROX. 23.5% OF THE  
POPULATION).<sup>3</sup>

### BRAZIL

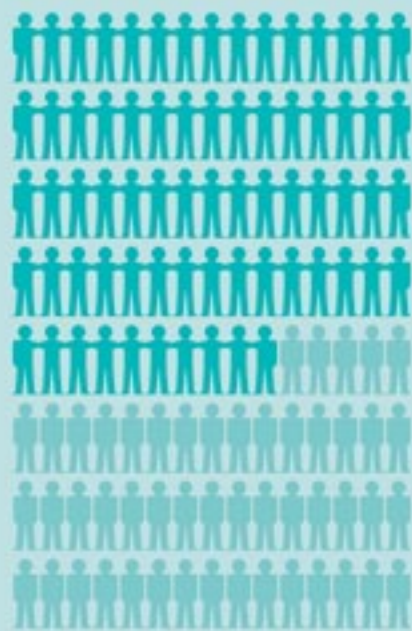


**MILLION PEOPLE**  
ARE MEMBERS OF 7,600  
CO-OPERATIVES.<sup>4</sup>



# CO-OP SOCIETIES

AROUND THE WORLD.<sup>3,4,6</sup>



FACTS

 JOBS CREATED BY CO-OPERATIVES

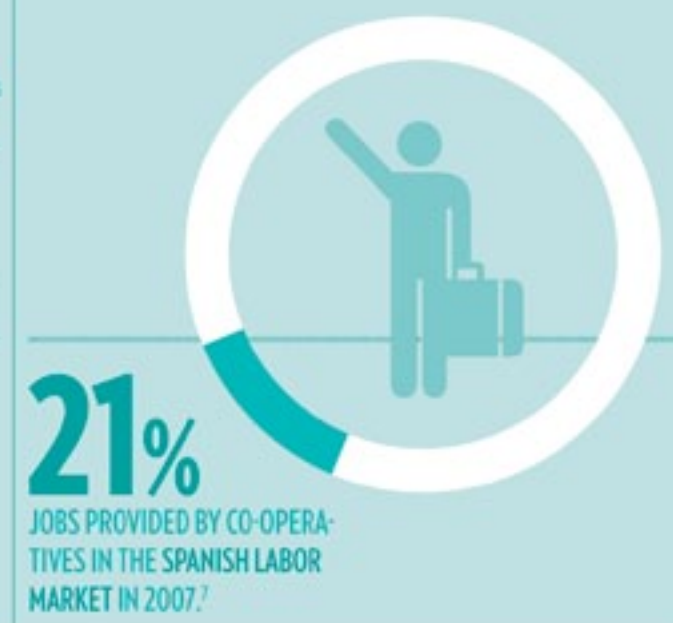
 JOBS CREATED BY MULTINATIONAL COMPANIES

CO-OPERATIVES PROVIDE  
**OVER 100 MILLION JOBS**

AROUND THE WORLD,  
20% MORE THAN  
MULTINATIONAL  
ENTERPRISES.

**233,000 PEOPLE**  
EMPLOYED DIRECTLY BY  
CO-OPERATIVES IN ARGENTINA.<sup>5</sup>

**440,000 PEOPLE**  
EMPLOYED DIRECTLY  
CO-OPERATIVES IN GERMANY.<sup>6</sup>



THE LARGEST INDEPENDENT  
UK TRAVEL AGENCY IS A  
**CO-OPERATIVE.**<sup>8</sup>

TREND 6 - MAKING MEANING

FACTS





**37.2%**  
OF THE BRAZILIAN AGRICULTURAL GDP IN 2009 WAS PRODUCED BY CO-OPERATIVES (TOTAL GDP OF 5.39%).

BRAZILIAN AGRICULTURAL CO-OPS EXPORTED THEIR PRODUCTS FOR A TOTAL OF:

**USD 3.6 BILLION.**

FACTS



HEALTH CO-OPS PROVIDED MEDICAL AND DENTAL SERVICES TO

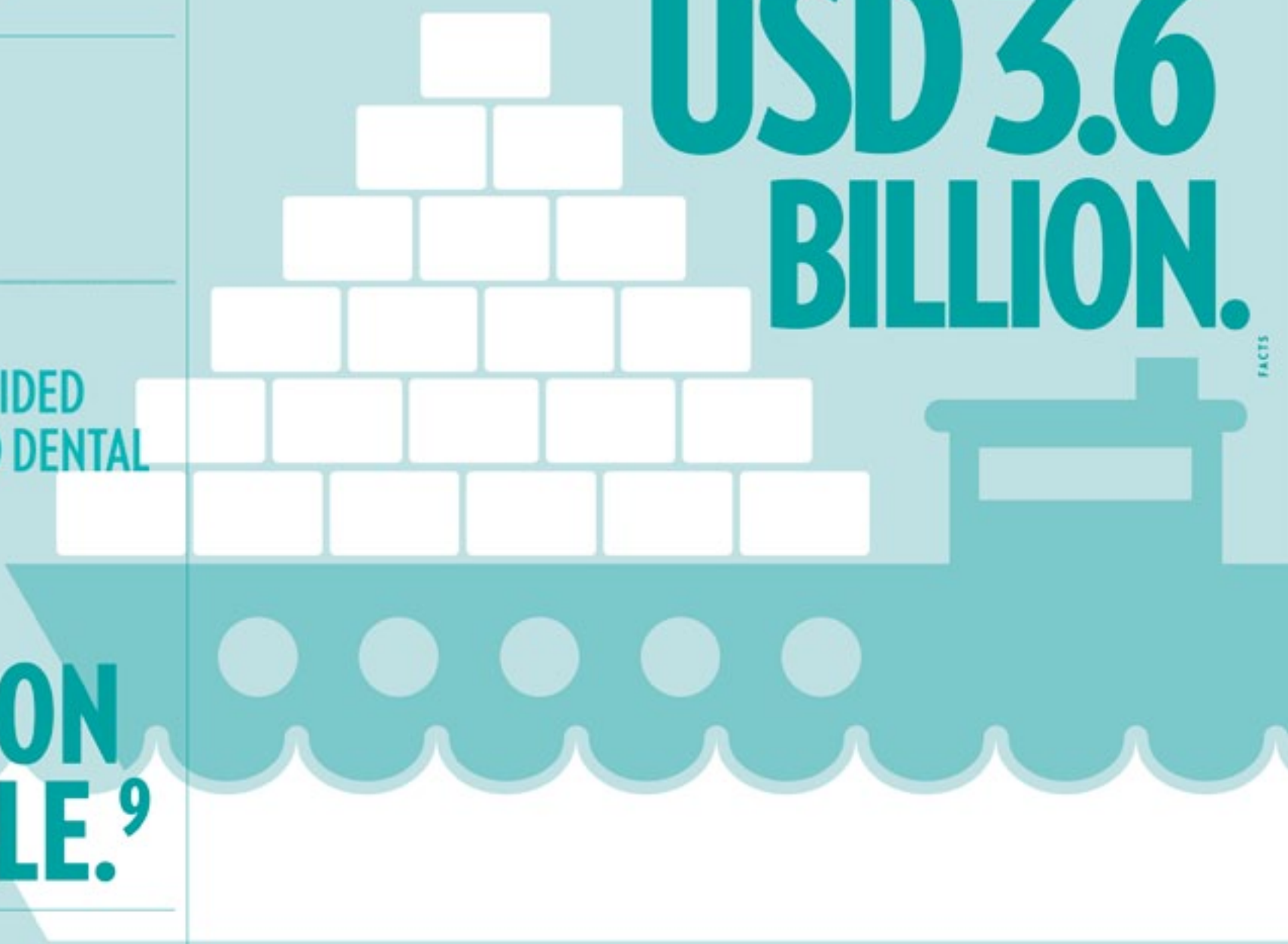


**17.7 MILLION PEOPLE.<sup>9</sup>**



TREND 6 - MAKING MEANING

FACTS





# 40%

OF CURRENT JOB TYPES ARE COMPATIBLE WITH TELECOMMUTING.<sup>10</sup>

Telework could save companies, communities and employees more than **\$650 billion a year** (from lower office/rental costs, to reduced travel and lower gasoline consumption).<sup>12</sup>

# TELECOMMUTING IS DESIRED BY

# 70%

OF WORKERS.<sup>11</sup>

**1** CIRIEC, *Las grandes cifras de la economía social*

**2** [www.ica.coop/coop/statistics.html](http://www.ica.coop/coop/statistics.html)

**3** *Las Cooperativas y los Mutuales en la República Argentina*, Instituto Nacional de Asociativismo y Economía Social (INAES), 30 June 2008

**4** Organisation of Co-operatives of Brazil, 2008

**5** Instituto Nacional de Asociativismo y Economía Social (INAES), September 2007

**6** International Co-operative Alliance

**7** Ministerio de Trabajo e Inmigración, Secretaría General de Empleo, Dirección General de Fomento de la Economía Social, del Trabajo Autónomo y de la Responsabilidad Social de las Empresas

**8** [www.co-operativetravel.co.uk](http://www.co-operativetravel.co.uk)

**9** Organisation of Brazilian Co-operatives, *Report 2010*

**10-12** [www.TeleworkResearchNetwork.com](http://www.TeleworkResearchNetwork.com)

## The Degrowth Movement

The **Degrowth Movement** argues for the downscaling of production and consumption as a means of preserving resources, while re-engineering a more equitable society. "Constant and instant growth is a failed paradigm", suggests **Nicolas Kosoy**, an ecological economist at McGill University and co-organizer of the International Conference on Degrowth in the Americas.<sup>1</sup>

"Growth may serve the interests of the corporate world", says **James Gustave Speth**, professor at Vermont Law School "but it does not address the deeper problems that really matter."<sup>2</sup>

In 2008, France's **President Sarkozy** commissioned a widely cited report to suggest alternatives to GDP as the country's principal policy-shaping economic measurement. A year later, the UK government's **Sustainable Development Commission** (which shut down in March 2009), released its report "Prosperity Without Growth? Transition to a Sustainable Economy", which argues for adopting a more widely encompassing definition of "prosperity", and outlines 12 steps for achieving it while kicking the addiction to GDP growth.<sup>3</sup>

## The MBA Oath

In the aftermath of the financial crisis, the MBA students of Harvard Business School took it upon themselves to introduce **The MBA Oath** - a Hippocratic oath for business grads in which they pledge their fealty to causes above and beyond the bottom line. It's a Code of Conduct.<sup>4</sup>

## Facing the burnout

Physicians in high-profile settings like the Mayo Clinic face pressures and demands that can often lead to burnout. Field research at the prestigious medical facility revealed that letting doctors spend one day a week on the aspects of their jobs that were most meaningful to them - whether patient care, research, or community service - could reduce the physical and emotional exhaustion that accompanies their work. Doctors who participated in this trial policy registered half the burnout rate of those who did not.<sup>5</sup>



## Ecomagination

**GE** reports that ecomagination (a broad range of products based on their commitment to imagine and build innovative solutions to today's environmental challenges while driving economic growth) helped generate a 22% reduction in greenhouse gas emissions, a 30% reduction in water use, and create \$130 million in energy efficiency savings.

"There's this theory that you have to pick one: economics or environmental performance. That's nonsense. Innovation is the way you can have both," says **Mark Vachon**, vice president of GE's ecomagination program.

Reducing environmental impact didn't stifle GE's business growth, as ecomagination generated \$18 billion in revenue in 2010. Over the next five years, GE predicts that ecomagination product revenue will grow at twice the rate of total company revenue.<sup>4</sup>

## Personal Allowance Carbon Trading

**PACT (Personal Allowance Carbon Trading)** scheme, set up in 2007 by engineering consultancy **WSP Environment & Energy**, has signed up 2,200 members in the last few years, and is now available to employees in 15 companies, nonprofits, and government agencies.

Staff get awarded an annual bonus if they keep within the carbon limit they have agreed to on a voluntary basis (e.g. energy use at home, travel to work). The idea is to get people thinking about sustainability issues in a relatively fun and interactive way. WSP reports about 70% of members hitting their targets every year, earning approximately £100 as a reward in the UK (\$100 in the US, where the system is also used).<sup>7</sup>

<sup>1, 2</sup> [www.miller-mccune.com/business-economics/the-growth-of-degrowth-economics-38390/](http://www.miller-mccune.com/business-economics/the-growth-of-degrowth-economics-38390/)

<sup>3</sup> [www.miller-mccune.com/business-economics/the-growth-of-degrowth-economics-38390/](http://www.miller-mccune.com/business-economics/the-growth-of-degrowth-economics-38390/)

<sup>4</sup> [mbaoath.org](http://mbaoath.org)

<sup>5</sup> Shanafelt, Tait, et al. *Career Fit and Burnout Among Academic Faculty*, *Archives of Internal Medicine* 169, no. 10 May 2009: 990-995

<sup>6</sup> [www.ecomagination.com](http://www.ecomagination.com)

<sup>7</sup> [www.wspenvironmental.com](http://www.wspenvironmental.com)

# 1

## Half For Happiness

Brazilian NGO **Casa do Zezinho's Half for Happiness Scheme** gave supermarket shoppers the opportunity to buy half portions of their fresh food products at full price, with 50% going to help those in need. The participating supermarkets took care of quality standards, transport and storage throughout the process. Donations to the charity rose by 28%.

[casadozezinho.org.br](http://casadozezinho.org.br)



\$115,000  
INVESTMENT

PITCH TO  
200+ INVESTORS  
ON DEMO DAY

GREENSTART.COM / **APPLY**

2

## Greenstart

**Greenstart** accelerates start-ups at the intersection of cleantech + IT, by providing \$15,000 in seed funding.

[greenstart.com](http://greenstart.com)



3

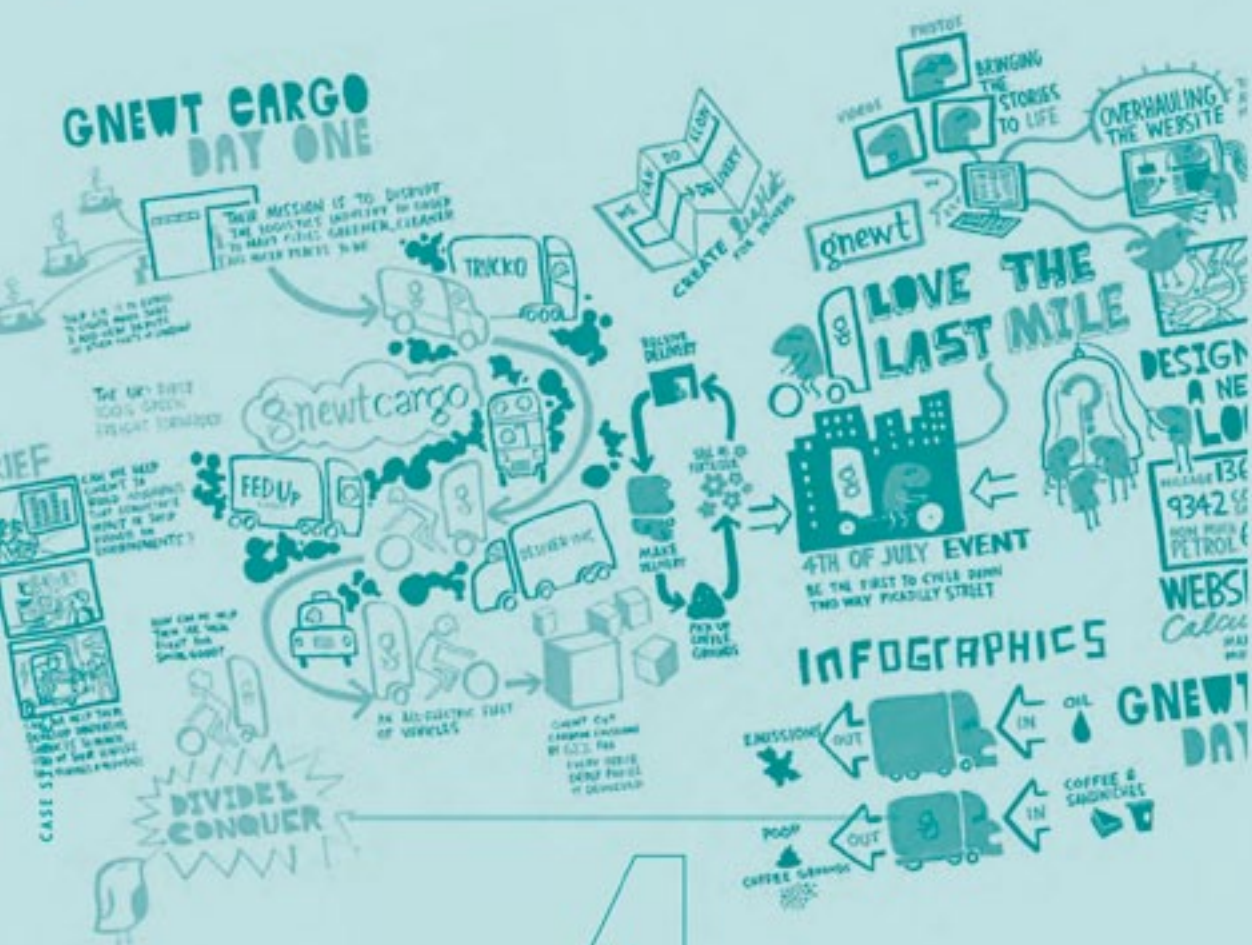
## New Urbanism

**New Urbanism** is a planning movement that raises our quality of life and standard of living by creating better places to live. New Urbanism also promotes the increased use of trains and light rail, instead of more highways and roads.

[newurbanism.org](http://newurbanism.org)







# 4

## Gnewt Cargo

**Gnewt Cargo** is an organization that strategizes emissions-free delivery of goods with its fleet of electric cars.

[gnewtcargo.co.uk](http://gnewtcargo.co.uk)

# 5

## TAOA

**TAOA (There Are Other Alternatives)** is a (French) international initiative that brings together group barter mini-projects based on "social money". This money acts as a kind of tool which helps communities to organize the principle of sharing in different ways, and helps members to collectively broaden their horizons by designing new projects together.

[taoaproject.org](http://taoaproject.org)





Updated information at:  
[globaltrends.telefonica.com/trends/trend6.aspx](http://globaltrends.telefonica.com/trends/trend6.aspx)







## Implications

Making Meaning reveals the importance for people and businesses to create profitable purpose, to consider long-term impact and to contribute to the community at large. We have the opportunity to develop products and services that create meaning and add value to people's lives. To achieve this, we should consider the following concepts:

### 1. Embracing human-centric innovation

Embracing human-centric innovation involves uncovering what 'meaning' signifies for different people, and identifying how to identify how to leverage our innovation expertise to deliver meaningful products and services. According to **Guy Kawasaki**, Apple's former chief evangelist: "...those companies that are fundamentally founded to change the world, to make the world a better place, to make meaning are the companies that make a difference. They are the companies to succeed. My naive and romantic belief is that **if you make meaning you will probably make money**. But if you set out to make money you probably won't make meaning and you won't make money." Kawasaki highlights three ways in which a company can create meaning: 1) Increase quality of life, 2) Right a wrong, and 3) Prevent the end of something good. We can investigate how technology can help provide more meaning for people. Prominent examples include: Slow Technology that encourages time for reflection, or green technologies that offer methods, materials and means for generating technology that is less harmful to the environment.

### 2. Designing products and services that empower people

Designing products and services that empower people to make better choices so that they can experience soulful living. We can help consumers monitor the impact of their purchasing choices, so that they can make conscious and informed decisions and self-regulate when appropriate. This can be applied to our core business but also to our new products and services such as health, financial services, future communications, etc. Additionally, we can contribute to improving the lives of the poorest citizens and help bridge the digital divide, so that everyone contributes to the Project Economy. We have a valuable opportunity, especially in emerging markets - such as LATAM countries - to make a real difference to peoples' lives. Initiatives such as **Empowering Women** and the **HTML 5 phone** are great examples of profitable purpose.





### 5. Targeting investments to companies, people and partners who positively impact the world around them

Successful investors, such as **Bill Gates** (one of America's largest angel investors,) apply one main criteria when assigning investments: Companies that have the potential to make significant improvements to society and to the world. This is something we can learn from in the context of **Wayra**. Good investors know that if a company can truly make meaning, positively affect the people it touches/reaches and has a good management team, a long future of financial success will likely stem from that investment. Indeed, over a 10-year period (1998-2008) "best companies to work for" demonstrated a 6.8% stock appreciation versus 1.0% for the average firm. (*The European Business Review, Creating Abundant Organizations: Purpose, Passion, and Profits*, by Dave and Wendy Ulrich).

GOOD  
IMPACT  
BRINGS  
SUCCESS

TEAM  
BUILD-  
ING

### 4. 'Making Meaning' as the core of our organizational culture

We need to make ourselves accountable in order to demonstrate that we conduct good business, through conservation of resources and cooperation. Our sustainability agenda should be widespread across all the teams and initiatives to ensure that everyone contributes at their own level.

Considering how greatly meaning can contribute to building a sustainable and competitive organization, it's important for company leaders to understand what makes an employee experience meaningful, and what role they can play in this process. Even in unfavorable circumstances, people can experience an activity as meaningful when it resonates with chosen values, connects them with people they like, raises their sense of self-worth or gives them an "ah-ha" moment of insight. From what we know about how the human brain works, the ability to create meaning is also enhanced by challenge (solving a problem that is neither too hard nor too easy), emotional safety (fostered by friendship, fairness, and self-esteem), autonomy (structure vs. management), and, perhaps most importantly, learning from experienced meaning-makers. Making Meaning provides a governing principle that acts as a constant motivator during tough times and drives home a sense of purpose and direction.





could also follow the example of the Mesh companies that offer products and services only when they are needed. We could consider leasing devices and offer flexible tariffs that can be adapted according to consumers' income and specific needs. From an internal perspective, we must endeavor to create a culture where employees feel that their role provides them with a sense of meaning and purpose. Currently, PDI has the 10Fridays program, which offers employees the chance to work on their ideas for 20% of their time (1day/week for 10 weeks). Each trimester, up to 20 staff members can explore new ideas and out-of-the-box concepts, enhance existing infrastructure or policies in a novel way or fix broken objects.

This is a great way to ensure that employees feel their work is meaningful. Some great projects were born from this initiative, including the 'Dr House Whiteboard' to improve the network diagnosis in our call centers, the 'Web Conference Manager' powered by **Jajah technology**, and the patent for 'Item Response Theory on My Personality', which enables us to build richer consumer profiles. We need to make ourselves accountable while continuing to do business.

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## In the UK

Currently, UK consumers on the whole are suffering a sharp drop in disposable income as the cost of living rises faster than average wage growth. In 2011, the average UK family's disposable income dropped by £552, according to a survey of 2,000 households by **The Bank of England**. The bank's findings are

supported by **The Office for Budget Responsibility**, which forecasts a 2.3% slide in disposable incomes by the end of 2012. The cost of living is rising by 4.8% a year, outpacing the average wage growth of just 1.8% in the UK. As a result, 53% of UK consumers feel pessimistic about their disposable income, according to a consumer tracking survey<sup>2</sup> by financial research firm, **Deloitte**. In this context, consumers are downscaling. Adopting a Making Meaning innovation strategy to develop products and services that are allocentric will become key.

Initiatives such as **Eco Rating**, **O2 learn**, and **My O2** app (which enables consumers to monitor their consumption), are great examples of positioning **O2** as a meaningful brand. We need to evaluate

Adopting a Making Meaning innovation strategy to develop products and services that are allocentric will become key.

how our new propositions in health, financial services, future comms, etc can help demonstrate our commitment to creating profitable purpose. For example, when we innovate, we should consider whether consumer ownership is necessary, taking into consideration the Mesh companies that offer products and services only when they are needed. We could consider leasing devices and offering tariffs that can be adapted according to a consumer's specific needs. This requires our organization to provide greater transparency about the way we operate so that consumers can make informed decisions.

Through its **Think BIG** program, **Telefónica UK** has credibly demonstrated its commitment to improving the community, with a compelling advertising campaign that drew attention to the program and showcased the success of the sponsored community initiatives. Such programs are crucial to build Telefónica's overall credibility and they should be continued and implemented across all our markets, to demonstrate our global commitment to positively changing the world.

Telefónica's plan to include a sustainability objective, as part of overall employee performance goals is a great way to ensure that people feel part of our sustainability agenda and derive a sense of meaning and purpose from their own actions.

From an internal perspective, the Making Meaning trend can help drive higher productivity by ensuring that employees have a clear purpose that motivates them to contribute and undertake tasks with a sense of autonomy. Telefónica UK has embraced a flexible and mobile working ethos for several years, enabling employees to work on their own terms as long as they fulfill their objectives. Such forward-thinking working culture should be considered for our other markets, as it has proven to generate higher productivity and enhance employee satisfaction. Making Meaning as an organization will help us to create a strong company culture and will facilitate deeper emotional connections with our consumers.

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## In Germany

Today, Germany is the only country in Europe where long-term unemployment is decreasing. Improved flexibility in working time arrangements and non-standard work contracts has helped Germany to weather the economic crisis. Unlike in other European countries, Germany has a school-to-work-transition program (an apprenticeship system) that has helped to keep

youth unemployment down, even during the economic crisis. This is interesting, as it reveals a synergy between governmental initiatives and our own **Think BIG** program for young people. What's more, in 2010, **Telefónica Germany** launched the 'Think Big Media College' program, offering job prospects for educationally and socially disadvantaged youngsters.



## 5. Being accountable for 'Making Meaning' externally

Creating meaning will enable us to better inspire those with whom we interact: clients, potential partners, employees and shareholders... because they will all be affected by a strong sense of purpose and meaning.

We should continue to promote our commitment to sustainability, externally. Our **Think BIG** and **Proniño** programs are living proof of this. We also have physical properties, such as our retail estate and offices that can be used to showcase our commitment to sustainable living by presenting products and services that empower consumers to make sustainable choices, in terms of reducing or self-regulating consumption (such as **Eco Rating** and **Recycling initiatives**), or investing in the local community. For instance, all UK call centers are located in the UK. This shows our commitment to promoting the local economy.

COUNT  
ON  
ME

## In Spain

Spain finds itself a difficult economic context. By the end of 2011, national unemployment had hit 22.85%, the highest national rate in nearly 17 years and the highest in the developed world, according to a report by **INE**, the national statistics institute. Joblessness is especially severe among 16-24 year olds, at 51.4 % in December 2011 more than double the European Union average. Spain's youngsters

Within this challenging economic context, young people believe that businesses should step in and help improve the situation. It is crucial to demonstrate our commitment to help create more opportunities.

also known as 'generación cero' or 'the ninis' because they are neither in work nor in full time education and have few positive future prospects. Within this challenging economic context, young people believe that businesses should step in and help improve the situation. As such, it is crucial to demonstrate our commitment to helping create more opportunities for jobseekers and for the community as a whole. **Telefónica** Cataluña's **Ciudadanía 4.0** supports and promotes citizen initiatives that make vital use of ICT (Information

and Communications Technologies). The platform promotes various digital initiatives that citizens wish to develop and matches them with mentors and experts in different fields, in order to foster collaboration. Additionally, **Wayra**, Telefónica's smart start-up accelerator, with offices in Madrid and Barcelona, demonstrates our commitment to supporting and nurturing entrepreneurship. These initiatives are essential ways to prove that we want to help change people's lives for the better, while also helping us to become an allocentric company.

Doing 'good business' is about building deeper emotional connections with our customers and the general community. Spanish consumers are particularly drawn to 'good' companies: 15% of Spaniards are already members of a co-operative.

We need to embrace a 'good' innovation approach when we develop new products and services. This could include, for instance, finding ways to help people survive or even prosper within this difficult context. We could leverage our retail estate and evaluate feasibility of opening it to jobseekers so that they can look for positions online or work on their CVs from our shops. We

We could consider leasing devices and offer flexible tariffs that can be adapted according to consumers' income and specific needs.





It is a joint program run in collaboration with the **German Children and Youth Foundation (DKJS)**, which aims to open up future life and job prospects to young people through creative use of new media. The participants with the most creative ideas will be promoted in special autumn camps. After finishing Media College, they will be provided with internships in professions directly connected to digital media. Programs such as these are vital to show that as a corporation, we make a tangible commitment to helping people derive meaning for themselves.

German enterprises are at the technological forefront of green technologies, showing in practice that green and growth are synonymous. This enables us to participate in green innovation.

Additionally, Germany has been focusing on innovations in high-tech manufacturing during a time of a slowdown for services, banks and insurance providers. The manufacturing resurgence of 2010 was further supported by the flexibility of social partners that helped retain skilled labor until demand reemerged. With plans to set up **Wayra** - Telefónica's smart start up accelerator in Germany - We are

demonstrating our commitment to supporting innovation and entrepreneurship in order to generate more job opportunities. Furthermore, German enterprises are at the technological forefront of green technologies, showing in practice that green and growth are synonymous. This enables us to participate in green innovation through Wayra, and also to providing products and services that can help people consciously make the right choices. This will help is to build deeper emotional connections with consumers.

Making Meaning demonstrates the importance of presenting Telefónica as a good business for people and the community, but also to empower people to create soulful lifestyles for themselves. We know that German consumers are particularly interested in leading sustainable lifestyles, and in interacting with companies that do good business. Initiatives that promote greater transparency, such as the virtual platform for labeling activities in Germany and Europe, provide consumers with updated information on over 300 eco-labels and the certification systems behind each one ([www.label-online.de](http://www.label-online.de)). This mirrors our own endeavor with **Eco Rating** (launched in Germany in 2011), to enable consumers to make informed purchases when seeking a new device. Such initiatives are important, as they help create meaning behind the O2 brand for both our consumers and our employees. Additionally, recycling programs are important to German consumers, and Germany leads the way in that respect among other European countries. **O2 Recycling** is therefore an important initiative to pursue.

## In Argentina

Argentina's context shows not only sustained growth but also highlights consumer confidence. Unemployment is down to 7.1% and the trade surplus in 2011 reached \$10 billion. From 2002 onwards, Argentina has grown nearly twice as fast as Brazil, and has sported one of the highest growth rates in the world.

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Consequently, the government has increased social spending from 10.3% of GDP, to 14.2%. Inequality, and moderate and extreme poverty have fallen by roughly two thirds. Furthermore, the government has been tackling the issue of the digital divide. In mid-2010, Argentina launched the **Connected Plan**, to bring broadband to the entire country by building a national fiber-optic system. The state invests in the infrastructure, but customer service is provided by local operators (both private and co-operative). The program also includes **NAC- Núcleos de Acceso (Access to Knowledge)** installations. The plan currently seeks to offer NAC to each of the 2400 municipalities (The NACs have WiFi rooms, training rooms and Open Digital Television). Additionally, the program's aims to provide three million netbooks between 2010 and 2012, to every student and teacher.

By the end of 2011, 1,800,000 netbooks had been delivered. The program includes special content and online assessments. In addition, in 2010 the government launched the **TDA Program (Open Digital Television)**, which aims to cover 88% of national territory with TDA and to cover the remaining territory with a DTH (TDH) satellite service. With more consumers having access to connectivity, we have a clear opportunity to 'teach' people how digital technology can empower them by helping them make the right choices and by opening up new opportunities. This fits very well with **Telefónica Argentina's** program: "The Power to Transform", which is dedicated to improving lives, facilitating business development and contributing to the progress of society in Argentina, by providing innovative services based on Information Technology and Communications. Additionally, Telefónica Argentina has implemented a series of programs to help employees derive meaning from their work and position Telefónica as a Good Business. For example, Telefónica Argentina offers flexible working schedules to help people achieve work/life balance and the Horizon Program to help employees strengthen their knowledge, skills and behaviors in order to evolve within their careers at

In the Great Place to Work ranking of Argentina's best companies, Movistar ranked #3.





Telefónica Latin America. As a result, in the 2011 **Great Place to Work** ranking of Argentina's best companies with over 1000 employees, Movistar ranked third, and was named the best company in the telecommunications sector. Telefónica, in turn, ranked No. 12. It is important that we keep developing new and innovative ways to create meaning for our employees and our consumers, as it is clear that allocentric companies are more compelling. In Argentina, such companies, like the co-operatives, are very popular.

At present, the country's 12,670 co-operative societies have over 9.3 million members - approximately 23.5% of the population. ("Las Cooperativas y las Mutuales en la República Argentina", Instituto Nacional de Asociativismo y Economía Social (INAES), 30 June 2008).

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## In Brazil

Brazil has claimed the UK's spot as the world's sixth largest economy. Official figures showed its economy rose 2.7% in 2011. In comparison with the UK's 0.8%, France remains in fifth place behind Germany, Japan, China and the US. Brazilian per capita income remains less than a third of that enjoyed in the UK, at \$11,000 (£7,000) per head, but the situation is constantly improving while western economies largely stagnate.

Within this context, it is perhaps unsurprising that **Wayra**, Telefónica's smart start up accelerator, was originally created in LATAM. Whilst some LATAM countries like Brazil are benefiting from exponential growth, there are still few entrepreneurship successes to talk about. Wayra provides an opportunity to support entrepreneurs who want to positively impact the world around them. Companies like Natura (the direct sales cosmetic company), which has earned a reputation

for providing work opportunities for women of all backgrounds, are proving very popular in Brazil.

Against this backdrop of great economic growth, Brazilians are keen for the whole nation to become upwardly mobile. According to a recent study, 50% of Brazilians aged 18 to 24 seem to be more connected to collective discourses than to individualistic ones. 74% claim that they "feel compelled to do something for the collective in their daily lives" (Box 1824, Brazilian Dream Report, 2011). This demonstrates how a new generation of consumers will be interested in companies that act for the 'greater good' and benefit the entire community. Companies that are allocentric, in other words, those that are actively trying to bridge the digital and social divides, will be embraced by tomorrow's consumers. In Brazil, only 6% of people have broadband at home. The country has 115% mobile penetration, 82% of which is made up of

50% of Brazilians aged 18 to 24 seem to be more connected to collective discourses than to individualistic ones. 74% claim that they "feel compelled to do something for the collective in their daily lives".

feature phones. Therefore, more needs to be done to create services and opportunities for the vast majority of people in Brazil. PDI's "Empowering Women" project, conducted in 2011 in Brazil and Columbia, highlighted the opportunities for companies connect with low-income women. The **HTML 5 phone project** is another way to show that we are trying to do good business, by creating a smartphone that is affordable for most customers. **Campus Party Brazil** launched the

"Something Better" initiative as a collaboration between Jose Maria Alvarez Pallete, president of **Telefonica LATAM** and Paco Ragageles, one of the Campus Party founders. "Something Better" aims to encourage tech fans to contribute to projects that carry social benefits. "Something Better" seeks to become a platform through which technology changes our lives for the better. **BlueVia**, our open-innovation platform for developers has recently teamed up with **WikiMedia** and **Evernote** to create an e-inclusion hack to generate new ideas and services, especially those focused on feature phone users. These initiatives are important for our consumers to see, as they elevate our brand from 'business' to 'good business'. They also enable us to expand our footprint into new segments, while internally endowing employees with a sense of 'greater purpose' and achievement.





## Areas Of Opportunity

1

Human-centric innovation:  
discovering how to create 'meaning'  
for our consumers through technology

2

Slow technology: innovating to enable  
consumers greater time to reflect  
and spend on what matters to them

3

Sustainable innovation  
& green technologies

4

Affordable technology  
(tariffs and devices)

## Areas Of Opportunity

5

Emerging area: low-income  
consumer segments, emerging markets

6

The future of work:  
flexible and remote working systems  
and solutions

7

Community projects built on existing  
initiatives, such as Ciudadanía 4.0,  
and Think BIG for people and planet