



## In Search of Human-Centric Innovation

A seismic change is happening to the way we work and how distributors go to market; are you ready for what's next?

*In the digital age, people matter more than ever. New talent strategies are essential—not just to thrive but to lean in and help customers as B2B innovators. In my work with NAED's [Futures Group](#), we are working to help launch conversations about what isn't being talked about. In our next Office Hours, we've invited Dirk Beveridge, CEO of UnleashWD, to share his insights and advice on modernizing distributor talent plans, cultures, and leadership. We'll explore the future of work trends and their implications for distributor innovations. I invite you to join us on April 20th at 2 pm ET. You must register first, so [click here](#) to do so. On our call, please ask questions, share experiences, and lend a hand toward building the future of distribution.*

### Moving forward, boldly

Products and services fail if they don't meet the human needs of people at work and in life. The best innovations flow from a process specifically designed to “put people first,” balancing the needs of individuals and communities as understood today, supported by diligent research, and with an eye to what the future will bring. This argument is put forth by McKinsey & Company senior partners [Ewan Duncan](#) and [Kevin Neher](#), supported by analysis and case studies in [Here's why human-centric innovation is necessary](#):

Even a great idea or mission can be crippled by design that doesn't put people first. Why should human considerations—such as their needs, wants, and dreams—only come into the conversation later? By centering empathy and understanding in design research, companies can both reduce risk in the idea-

generating stage and ensure people are at the heart of the process ... These needs also include the needs of the planet, society, and what matters to us as human beings.

For distribution's innovators, Duncan and Neher's messages are both a first principle and an admonition—a golden rule and a cautionary tale. In distribution, bold innovations are gaining steam, driven by the idea that the purpose of distribution is not to deliver products but to help customers do their work better, even as everything about how work is done is changing.

Workers are working at home. Work is directed differently as command-and-control cultures bend to offer more autonomy and empowerment. Automation is assuming work. Worker wellness, mental health, and belonging are as crucial as worker productivity, labor costs, and turnover. These new realities define the future of work, and they are happening now in every sector, as chronicled [here](#) by *MIT Sloan Management Review*.

The future of work is happening in ways that are unique to distribution, or at least uniquely painful. Labor costs are rising, driven by shortages and competition for the relatively unskilled labor required to operate warehouses. Automation replaces physical work and the menial labor needed to process invoices, collect receivables, and chase down supplier incentives. Artificial intelligence tools set prices, direct sales activities, and fill shopping carts. The next generation of leaders and innovators are in the wings, wanting to do business differently, guided by different values. Everything is shifting, seemingly everywhere and all at once.

If distributors are to help customers work better, they must first clean up their act at home, embrace the future of work trends, and make them their own. [Dirk Beveridge](#) is on the case. As executive producer of *We Supply America*, Beveridge is on tour, visiting distributors, and telling their stories. His work documents the purpose-driven spirit that animates distributor innovations and the willingness to embrace change shared by leaders and frontline employees. Now, Beveridge backs up his work with research in a soon-to-be-released report on distribution-centered best practices for recruiting and empowering talent. Beveridge [explains](#):

In our research, we found that 87% of leaders in distribution believe their employees' needs, wants, and desires have significantly changed. Distributors must understand the changing nature of work and reimagine the value proposition offered to employees. We are at an inflection point about the human element being central to everything we do.

Beveridge's insights help distributors embrace the forces reshaping our society and economy—the ongoing digital transformation, generational transfer, generative AI, and more. [Here](#), he invites discussion and suggests 10 “potential ramifications” of his findings, all pointing to the risks of not building a culture of creativity and a process for human-centric innovation. All are worth considering, and I share four that might be essential for leaning in to help customers master the future of work:

- **Hindered innovation.** This is due to a lack of diverse perspectives, ideas, and experiences as the workforce becomes increasingly dissatisfied.
- **Reputation damage.** This is a result of negative employer branding as word spreads about the company's inability to adapt to the changing expectations of the workforce.
- **Skill gaps.** Wider skill gaps occur in the organization as current employees seek opportunities that align better with their personal and professional growth.

- **Stagnant organizational culture.** This is a culture that fails to evolve and adapt to the changing needs and values of the workforce.

Sage words. In my work, I've learned that distributors often operate from homogenous business models, leadership styles, and organizations. Diversity matters. And brand. Customers won't let distributors lean in or share their strategies, aspirations, and data without a respected reputation. Innovating with customers creates opportunities to bring new skills to bear, meaning distributors must expand their capabilities; but for the most robust assistance, distributors must offer more. Distribution's innovators can build and lead [workforce ecosystems](#), marshaling knowledge, experience, and skills as needed to create the best possible outcome for customers. And most important, distributors must build a culture that “evolves and adapts” to challenges and opportunities. Distributors can lead the way, demonstrating how the future of work will actually work as they work for the betterment of our “planet, society, and what matters to us as human beings,” as the McKinsey authors explained.

### **Foresight and footsteps**

A seismic change is coming. In the traditional role of adding value to products, distribution's purpose is predetermined by manufacturers—and truth-be-told, managed by suppliers through channel policies, marketing programs, sales activities, and performance incentives. Learning to help customers work better is liberating. As enablers of work, distributors can ride the waves of change, align with the future of work, and lead customers and communities forward. I offer several questions for every innovator to consider and to help guide our discussions about talent and the future of work:

- Is your organization aware of the future of work trends and working to build a modern, purpose-driven, creative, and innovative culture? If not, why?
- How do future of work trends impact your customers today and tomorrow? What talent changes are needed? How can you help?
- Are your company and industry associations working to enable new generations of leaders and innovators? Do you have a plan to pass along the senior generation's knowledge in a way that frees the younger generations to create new value for customers?
- Have you embraced human-centric design as a North Star for leveraging technology, or are you blindly implementing best practices dictated by our technology overlords?
- Can you translate your company and industry’s plans for implementing future of work innovations to public policy needs and share them with local, state, and national officials?

We need your help. Please [register](#) and join us for our NAED Office Hours discussion with Dirk Beveridge, share your comments below, and contact me at [mark.dancer@n4bi.com](mailto:mark.dancer@n4bi.com).