The Future-Minded Organization

How one mindset helps employees navigate unpredictable times
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Our increasingly unpredictable world

Thinking about the future is core to who we are as human beings, and we tend to do it a lot. For many, the future is more exciting, feels meaningful, and offers a greater sense of happiness. Spending time on this thinking and planning provides a natural motivator for action. But for others, the future is a source of anxiety and doubt. And without a framework to navigate unpredictability, planning for the future feels confusing, stressful, and impossible.
Whether we consider ourselves adept or not at navigating unpredictable times, we all have an innate skill at our disposal that can help — if we can tap into it effectively. Specifically, our ability to imagine ourselves into alternate futures and evaluate them as a way to make decisions and guide present action. Psychologists like Martin Seligman, Roy F. Baumeister, and others refer to this type of thinking as “prospection.” ¹ We use it by tapping into critical thinking to leverage past events and imagine better future states to help us innovate, create, and improve the conditions of our lives. Whether we’re building a bridge or making a sandwich, the past combined with our lived experiences and sense of imagination combine to grant us agency to move forward through life.

We all have the innate ability to draw upon episodic memory and project the future, sometimes very far in time. So, why does it feel so difficult to tap into right now?

A recent study revealed that one-third of Americans are struggling to make basic decisions due to ongoing stress about the pandemic and other world events. Nearly two-thirds (63%) of respondents said they’re stressed by uncertainty about what the next few months will bring, and 49% said the pandemic, specifically, made planning for their future feel impossible.\(^2\)

These unpredictable and uncontrollable conditions are behind more mental health issues than ever before, with 42% of Americans surveyed by the U.S. Census Bureau reporting symptoms of anxiety or depression in December 2020, an increase from 11% the previous year.\(^3\) Mental health issues come with a cost in our personal lives, relationships, and aspirations. They can also significantly impede the ability of our team members to execute strategy, be agile and collaborative, and be creative. These new stressors have significant implications for how organizations will navigate the unpredictability of the coming months and years ahead.

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\(^2\) American Psychological Association - Stress and decision-making during the pandemic, Oct 2021
\(^3\) Nature - Covid's mental-health toll, Feb 2021
These trends may have started with the pandemic, but *they didn’t recede* when the world re-opened.

Recent events have shown us that no matter how much we want to rely on our past experiences to navigate challenges, some events can leave us feeling unequipped to imagine and navigate whatever may come next. War, an evolving job market, economic complexity, on-going supply chain issues, and many other factors present a new business landscape that is uncharted.

Granted, for organizations, unpredictability has always played a role in strategy. Leaders are well-versed in forecasting and preparing contingencies, but the past used to be a reliable input and, together with other levers under their control, made it easier to know which risks they could tolerate. There were margins of error, known unknowns. However, the past few years have made it clear that many tools and models for forecasting no longer apply. There isn’t a clear playbook for how organizations should forge ahead, but that doesn’t mean reactive thinking should be the default for leaders.

Organizations need more productive ways to plan, make decisions, and accommodate unpredictable conditions. If we all can become better at navigating uncertainty and anticipating and forecasting the future, we can reap the benefits both in personal thriving and in leading our businesses to more successful outcomes. Effective business strategy now depends upon leaders recognizing and interpreting new information and being ready to adapt. This is an essential skill for every member of the organization, not limited to the strategy or foresight group.
GPS for whatever comes next
If we only focus on dodging curveballs in life, it’s easy to overlook the massive opportunities and potential for surprise, variety, and serendipity that a rapidly changing world affords. Say goodbye to stasis. For those with the right mindset, the world now is anything but boring or predetermined. Fortunately for all of us, we can develop our skills of looking to an unpredictable future with a sense of possibility and adventure. But first, we must tango with uncertainty and learn how to move forward on our own accord.

Like many skills we use to navigate life’s challenges (emotional regulation, decision making, or problem solving), imagining the future is something we all actually do regularly — whether that future is 10 years, 10 months, or 10 days distant.

It may seem difficult right now, but thinking about and planning for what will happen next is a basic part of operating in the world.

It’s also unavoidable.

Effective planning has more than just strategic value; it’s also a powerful form of proactive coping. Research shows that when we plan our future, we’re less reactive to stress and less likely to be overcome by it.¹ Now, more than ever, we must embrace a new way to plan for a whitewater future that checks in with reality but still keeps our agency intact.

**This type of planning is anything but passive.** Rather than just seeing the future more clearly or preparing more thoroughly for the future, this new planning recognizes the possibilities and embraces the potential for our actions to help shape what happens next, the future outcomes.

In a dramatically changed and unfamiliar world, how do we find our way?

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¹ BBC - Why making plans helps manage pandemic stress, Jul 2020
A body of research illustrates how leveraging the power of **prospection** — the innate human ability to think about the future and envision what is possible — is an important first step. Effective prospection enables us to feel agency about our future and choose how we want to engage despite understanding that we cannot control everything.

Despite how often we hear the word “innovation,” unless we’re part of a lab or design team, it can feel far-removed and irrelevant to our day-to-day lives. But in reality, whenever we move from considering the future to making plans for a better future, we step into the role of innovator. Any time we leverage prospection to envision a better future, we’re bringing innovation directly into our workplaces, our living rooms. This type of action-oriented prospection — both imaginative and pragmatic — helps us take a more active role in improving our future by not letting fate, circumstance, or impulse guide our actions.

Some of us can do this better than others, and we’re now understanding that they have a distinct advantage in life and work because of it. We wanted to know why and just how they do it.

BetterUp’s latest research on human thriving builds on this growing body of work around prospection and takes it a step forward. We analyzed a cross-section of the U.S. workforce to understand better how prevalent prospection is and the profile of the individual who successfully harnesses it to improve their own well-being and performance.

Through three new studies, BetterUp Labs found that the key for organizations to weather this new kind of unpredictability successfully relies on employees’ ability to tap into a unique skillset. Our research shows that individuals who use prospection to envision their future with a balance of optimism and pragmatism **but also** create necessary time to reflect on desirable outcomes and ready themselves for twists and turns, tend to be more successful, hopeful, and less stressed than their peers. They are also more able to overcome a bias toward blind enthusiasm for their projects or pessimistic resignation in the face of inevitable challenges.

We call these individuals **Future-Minded Leaders**.
Meet the **Future-Minded Leaders**

Future-Minded Leaders go beyond just envisioning their desired future. They gain power from imagining multiple future scenarios, more specifically, potential roadblocks and setbacks that may also arise along the path to success.
This small but vital difference from how many people plan helps them make more reasonable and flexible decisions that take future consequences — both good and bad — into account.

Consider how weather forecasters use spaghetti models for hurricane tracking — a thoughtful reflection and consideration of an array of possible outcomes, each driven by a different set of circumstances. As any weather forecaster will admit, even with elaborate models, there is a significant cone of uncertainty encompassing the chain of knock-on effects caused by factors beyond our control or capacity to know.

Future-mindedness isn’t about predicting a certain future but preparing to create a positive outcome from multiple possible futures.

Extending this idea to our lives and work means imagining several possible future conditions based on an array of potential events, shifting conditions, and personal choices and actions.
Why build an organization of Future-Minded Leaders?

Future Minded Leaders are so successful in navigating the certain uncertainty of this new world because they can harness and use a combination of optimism and realism to help them prepare to effectively respond and adapt when complications do arise.

Future-mindedness is more than just having a Plan B. Leaders, strategists, and everyday people have weighed pros and cons in decision-making since the dawn of time. Those tapping into their future-mindedness take a slightly different tack. They don’t think about the future as one single target ahead on the timeline (a single good outcome or a single poor outcome). They use their psychological, cognitive, and emotional resources to think about many different futures.
Future Minded Leaders dream big and invoke curiosity, but they also reserve space to consider potential outcomes and impact without letting enthusiasm fade. Not only is this type of thinking necessary to see the big picture, it instills us with more confidence to navigate complexity on the fly and teaches us to be less reactive and overwhelmed when things inevitably change. A constant with the world we now live in. Those with future-mindedness don’t waste energy being shocked or disappointed; they have the resiliency to forge ahead.

People strong in future-mindedness also tend to be resilient, optimistic, reflective, and good at planning — these powerful habits all go hand-in-hand. So, if you encounter an individual exercising their future-mindedness, you’re probably looking at someone who’s well on their way to flourishing.

The Future-Minded Leader ladder

**Envisioning**
- Curiosity, optimism, brainstorming

**Exploring**
- Pragmatism, worst-case scenario, gathering diverse inputs

**Navigating**
- Empowered, confidence, enthusiasm

**Result**
- Readiness with uncertainty
The term “pragmatic prospection” was coined by professor and social psychologist Roy Baumeister and colleagues to describe a way of thinking about the “matrix of maybes” where the future is highly changeable. This framework suggests that most thinking about the future involves planning designed to bring about one desired outcome rather than a set of alternatives. Prospection can be thought of as a two-phase model of “fast and slow” thinking about the future. We tend to have an initial optimistic response when we envision what we want to happen. This is followed by a second phase, where we begin to think about and acknowledge the obstacles that could produce less desirable outcomes.

Building on this foundation, we wanted to understand how those strong in future-mindedness can envision more than one singular outcome so well and how this ability is vital to their personal and professional success? How does this thinking show up in our everyday lives? Which individuals are better at it than others? What gets in the way of it, and how can organizations cultivate more of it to navigate unpredictable and tumultuous times?

BetterUp Labs conducted pioneering research that builds on the work of Bauemeister, Seligman, and others to better understand the profile of a future-minded individual and what we can learn about how they think about the future.

Through a market survey of 1,500+ U.S. workers and two experimental research studies with 1,000+ participants, we learned the following five key findings.
Future-Minded Leaders are shaping improved well-being for themselves.
Future-minded leadership is tied to mental health

Our research found a correlation between the ability to leverage future-minded leadership and mental health. Research suggests that an inability to plan makes us feel powerless, which in turn causes us great stress and emotional turmoil.

However, when individuals effectively tap into their future-minded leadership, there are positive shifts in anxiety and depression symptoms. Future-Minded Leaders report 34% less anxiety and 35% less depression.

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6 Journal of Behaviour Research and Therapy, K Buhr & M.J Dugas - The intolerance of uncertainty, Aug 2022
What’s most encouraging was that we found that leveraging future-mindedness in this way doesn’t mean a shift toward pessimism or sucking away one’s sense of enthusiasm for the future. In fact, the opposite occurs.

By balancing an aspirational view of one’s future with a realistic one, there are corresponding improvements in hope (+28%) and overall satisfaction with life (+25%).

**Future-Minded Leaders are more hopeful about the future**

**Future-Minded Leaders are more satisfied with their lives**
Future-minded leadership gives us permission to envision many possible outcomes and to acknowledge the scope of what we don’t know and can’t control along the way. It’s okay to not know what we don’t know, and we no longer need to be afraid of that. It’s freeing to let go of ideas that aren’t serving us. This acknowledgment is helpful for organizations who, pre-pandemic, struggled with slowness or an inability to recognize when a tool, practice, or process wasn’t effective. Instead of cultivating more leaders with these skills to help them adapt, they wasted valuable time and damaged well-being and performance by clinging to and defending failed investments.

Given they report greater consideration of future consequences and spend “higher than average” time planning ahead in both life and work, it is unsurprising that Future-Minded Leaders also tend to make higher salaries.

On the other side of the coin, quite literally, if you’re low in future-minded leadership, you are more likely to have a lower salary. Possessing the ability to chart a course for yourself in your career and for your team within an organization, appears to be rewarded in compensation level.
Future-Minded Leaders can **recover from setbacks and maintain productivity**

Future-Minded Leaders have 21% higher work productivity, and this advantage may end up being recognized accordingly. Or, higher salaries may be the result of a 47% boost to strategic decision-making achieved by Future-Minded Leaders.
Managers high in future-minded leadership skills have future-ready teams.
The pandemic brought forth a slew of unique challenges for organizational leaders and frontline managers for which past experiences provided little guidance. Switching to entirely new systems and technologies, supporting hybrid and remote work, and addressing new employee needs and expectations all collided at once. These are paradigm shifts, resulting in unprecedented challenges for organizations.

The key to solving these and new ones that may arise lies in leaders’ ability to let go of what they know, what has worked before, or “the way things are done.” If they don’t let go, they can’t see what is possible and how best to shape emerging alternatives.

Future-minded leadership is the bridge between the control and predictability that we want but can’t find and leaning forward to pursue the opportunities emerging from an unknown and uncontrollable future.
Future-minded leadership and planning go hand in hand

Future-Minded Leaders may tend to overcome challenges more readily because they have refined their approach to planning and readiness to prepare them for various challenges. They aren’t trying to calculate and recalculate every possibility through brute force. In a world that is changing more rapidly, that is a path to anxiety and frustration.

Instead, planning comes to mean more future-focused thinking than endless spreadsheets. This type of thinking may still take more time, though. Future-Minded Leaders say they spend 147% more time on planning in their lives and 159% more time planning in their work than those low in these skills.

This means that when it comes to future readiness — quality and the time invested on planning are associated. But, since Future-Minded Leaders find it easier to envision the future, it’s likely time well spent.
Future-Minded Leaders have lower intent to leave

Future-Minded Leaders also tend to be more committed to the organizations they work for. Our data show that people high in future-minded leadership can see a future for themselves at their organizations more readily, with lower intentions to leave by a margin of 33%. Cultivating the skill of future-minded leadership in organizations will be a distinct competitive advantage for companies that want to retain in-demand talent.

What’s more, when a manager has high future-minded leadership skills, the benefits radiate outward to the direct reports on their team.

Through thousands of BetterUp 360-degree feedback reports, we’ve seen these skills impact not just the individual but the people they lead in profound ways. Teams with a Future-Minded Leader are 18% higher in performance, 18% higher in innovation, and 25% higher in agility! These teams are more resilient (by 15%) and more engaged (by 19%).
**Future-Minded Leaders have higher performing teams**

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<thead>
<tr>
<th>Increase (%)</th>
<th>Team Aspect</th>
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<tbody>
<tr>
<td>+25%</td>
<td>Team agility</td>
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<tr>
<td>+19%</td>
<td>Team engagement</td>
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<tr>
<td>+18%</td>
<td>Team innovation</td>
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<tr>
<td>+18%</td>
<td>Team performance</td>
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<tr>
<td>+15%</td>
<td>Resilience of direct reports</td>
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<tr>
<td>+13%</td>
<td>Team risk-taking</td>
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**The need for future-minded leadership in sales**

Sales teams, for example, would benefit greatly from managers high in future-minded leadership. Even before 2020, sales technology and practices were already changing significantly amid complex and rapidly changing product features, new expectations and preferences from customers, and increasing performance pressures that were driving up turnover. The COVID-19 pandemic accelerated that change without warning. Selling became digitized, and internal operations zoomed forward. As a result, sellers have struggled to meet quotas and frequently suffer from high levels of burnout and attrition. As more sales organizations move toward team-based goals, rather than individual ones, they can benefit from managers who convey a clear strategic path into the future and help them adapt to an ever-changing sales environment.

**Future-minded leadership can help hybrid teams**

Managers of hybrid teams are also facing new and unique challenges, but future-minded leadership can help. Different work arrangements mean different access to information, communication channels, formal and informal relationship-building opportunities, networking, and social connection. By leveraging the ability to look forward and envision several possible outcomes, Future-Minded Leaders can align resources for the best possible outcomes, and organize teams to win based on every individual's strengths — whether they’re at home or in the office. The alignment they promote pays dividends in several ways — direct reports say that when their managers have high strategic planning skills, they feel lower levels of stress and higher focus in their work.

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8 BetterUp Member data, 2020
FINDING 3

Some of us are better at tapping into our future-minded leadership, but all can and must.
Indeed, in our survey of 1,500+ US workers:

- 82% of people have **significant room for improvement** in at least one area of future-minded leadership skills.
- 2% of people are at or near the top of the future-minded leadership scale.

What can we learn from those who are good at **future-minded leadership**?
Some job functions and industries are better at future-minded leadership than others.

Our data show that top industries, such as business services, manufacturing, and health services, possess the highest levels of future-minded leadership, perhaps because they must have sensitivity to market needs and fluctuations. The pandemic forced these industries to reinvent themselves overnight. Organizations, leaders, and employees had to tap into unconventional planning skills and thinking to pivot and overcome uncertainty and shifting customer needs.

Future-Minded Leaders vary by industry, with a significant differential between the highest and lowest industries on this skill. People from industries with more steady demand and mature markets, such as insurance and IT, had difficulty embracing future-minded leadership relative to people from industries that have faced more significant competition, innovation, or disruption in recent years. For those in more process-driven sectors, learning to strengthen their future-mindedness skills may pay dividends by creating an opportunity to design for more flexibility and adaptability.
Future-minded leadership skills also *vary* by function and role.

Across roles, for the majority of functions, future-minded leadership is generally hovering around the same proficiency levels. But there are a few unique exceptions. Due to the nature of their work, people in research and development roles have to consider what’s on the horizon, the most pressing problems they will need to solve, and how those will impact lives or a product. Those roles may foster this kind of thinking or attract people who are skilled in this way more readily. Also, those in operations and finance tend to possess high future-mindedness since they must continually evolve to keep up with changing policies and processes.

Alternatively, we saw that functions like HR and legal tend to have lower future-minded leadership. This may be because there has historically been an emphasis on applying existing knowledge and policy in these roles versus creating them anew. They’re also fields that are very process-driven, risk-averse, and compliance-oriented. With HR, in particular, an evolving identity that leans more into people analytics, insights, and thought leadership in talent, learning, and D&I requires the skill of future-minded leadership more than ever before. This data may show an upward trend in the coming years.
Future-minded leadership helps companies *cross the chasm*, but then plateaus

Interestingly, we found that the degree of flexibility to adapt to changing circumstances and to the unexpected tends to correlate with company size, but only to a point. As companies grow from under 100 employees to 1,500, a core part of being a Future-Minded Leader — flexibility to change — tends to show up more and more in the employee population. But once a company grows past 1,500 employees, the frequency of finding people high in this skill levels off.

Perhaps the nimbleness of smaller organizations attracts those who thrive on anticipating and plotting multiple pathways ahead. Smaller companies and startups often face years of unknowns on their path to profitability and growth. Navigating these uncertainties successfully requires resilience, adaptability, and a keen ability to plan for different future outcomes.
On the other hand, process, structure, and policy can limit individual agency or ownership for larger organizations. Planning tends to happen at a higher level and reverts to staying within a known set of more structured and risk-averse options. Akin to a cargo ship knocked off balance by unexpected winds in the Suez Canal and unable to move — having the flexibility needed to respond to uncertainty gets harder as an organization grows. In turn, people within these large organizations show lower levels of it as they consciously or subconsciously stop imagining alternate paths or abandon a responsibility to navigate to an outcome.

The idea that organizations of any size can just expect to struggle or be unable to navigate uncertainty, be agile, and pivot, is outdated.

The pandemic has shown us cultivating these skills in people is not just desirable for organizational success. It’s necessary.
People managers need future-minded leadership skills

Working in a team tends to foster higher levels of future-minded leadership than working alone, as does having a large scope of responsibility. Having multiple levels of dependencies on others may help us build our muscle in thinking through the consequences of decisions and actions and what is within our sphere of control and not. Working with others exposes us to new ideas and new ways of thinking about the future.
Working on a **team** is tied to higher future-minded leadership skills

Having a community to bounce ideas off of and explore new thinking models is core to strengthening our future-mindedness skills. The effect is more significant than just the specific ideas teammates share.

Over time, working on a team opens us up to expect a wider range of possibilities and an awareness of how much falls outside of what we individually anticipate or imagine on our own. This can also lead us to incorporate more diverse points of view around outcomes in our thinking. This lasting recalibration to a more open mindset is crucial for promoting inclusion and belonging in environments that truly harness the power of more diverse points of view.
Parents are more skilled than non-parents at future-minded leadership.

Ever been out to a restaurant and witnessed parents of a toddler, deep into their third tantrum of the day, intervene gracefully on the fly to soothe the child? Our data show that parents have higher future-minded leadership skills. There is nothing like taking a toddler to a restaurant to cultivate an awareness of all that you don’t control and a skill for focusing on what you do and generating alternatives in real-time. Perhaps being relied upon in so many unique and unexpected ways creates more importance and emphasis on developing contingencies, consequences, and planning — all skills embodied by Future-Minded Leaders.

Parents are stronger in future-minded leadership

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<td>Higher</td>
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![Chart showing comparison between Parents and Non-parents in Future-minded leadership](chart.png)
Men and women have relative strengths in future-minded leadership

Overall, women and men are equally skilled, but each has relative strengths. Men have higher flexible execution, whereas women have significantly higher skills in setting sensible goals and imagining outcomes.

This is yet another reason why diversity on teams and in leadership is so important to organizations as they look at how to organize their people to tackle the complex challenges of today and tomorrow.
FINDING 4

The “Innovator’s Bias” gets in our way of assessing the future.
We all have a self-interest in our own future.

Like innovators, we invent visions of what will happen for us down the road. But, our new experimental research uncovered a powerful insight: **we tend to have an unrealistic optimism about our own ideas.**

The creators of various social media platforms, for example, didn’t foresee that as they designed them they would become echo chambers that would accelerate division and promote toxic or false information. They didn’t anticipate how they might be used to turn elections or bring public figures down. Some imagined the possible benefits their inventions would bring upon society — more connection, a dialogue of ideas. They failed to imagine the extent, in some cases even the possibility, that their inventions could bring harm — addiction, anxiety, disinformation. Having failed to accommodate even the possibility that reality would veer from their rosy visions, no attention was given to what could be done to safeguard society against those negative outcomes.

In general, we’re good at judging ideas in which we don’t have a specific self-interest, but when it comes to our own ideas, our ability to be both optimistic and realistic about their limitations and liabilities disintegrates. We call this the “Innovator’s Bias.” Worse, it doesn’t take much for an idea to become “our own” — merely contributing comments or participating in a phase of ideation or development can generate self-interest that creates the Innovator’s Bias.

Unchecked, it can create a ripple effect on our personal choices and strategic planning and innovation for organizations.
Experimental research on our ownership of ideas

We wanted to better understand the Innovator’s Bias, so in BetterUp Labs’ first of two experimental studies, we invited 462 participants to a marketing exercise to learn how commonly we overlook the “realism” stage of pragmatic optimism — basically, forgetting to account for the potential downsides of our ideas.

We asked participants to consider a hypothetical invented product and rate the degree of benefit the innovation would have on the world. Each innovation was pre-tested as neutral in terms of its benefit for the world. These objectively neutral hypothetical innovations were: robot nannies, IQ booster shots, holograms of lost loved ones, and drone lumberjacks.

Innovations were independently rated in pilot research as neutral in world benefit:

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<thead>
<tr>
<th>Innovation</th>
<th>Avg. Rating</th>
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<td>IQ booster shot</td>
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<td>Robot nanny</td>
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<td>Drone lumberjack</td>
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<tr>
<th>Innovation</th>
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<td>Drone lumberjack</td>
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The Future-Minded Organization
For each participant in the experiment, we induced a sense of ownership for one randomly assigned neutral innovation. We asked each participant to imagine how they’d run a marketing campaign for their innovation and get the world excited about it. If they were a Chief Marketing Officer for Robot Nannies Incorporated, for example, how would they get the world excited about this product?

Once this exercise was complete, we divided the participants into two groups: “idea owners” and a control group. We asked the “owners” to rate the beneficial impact of the product they had just promoted. The control group, instead, rated one of the innovative products they’d never seen before.

The results:

Over several iterations of this study, “owners” consistently rated their own products as more good than bad, exposing a favorability bias to their own thinking. The control group consistently rated the products they saw as neutral, which is the objectively “correct” assessment. This bias toward optimism in owners is consistent with past research that shows we tend to rate our own chances for positive outcomes happening to us as “above average” whereas for negative events, we tend to see our odds as “below average.”

The “Innovator’s Bias” is a tendency to see our own ideas with partiality

Over several iterations of this study, “owners” consistently rated their own products as more good than bad, exposing a favorability bias to their own thinking.

What does this mean?
Passion for one innovation makes you positively biased to that innovation.
When it comes to self-interested ideas, we have unrealistic optimism. We see our own futures, and the merit of our own ideas, with “rose-colored goggles.”

“I will order the oysters from this food truck. In June. And they will be delicious.” In this case, the likelihood or possibility of food poisoning (and the ways it will ruin our next few days) may be as far off in our minds as a buoy on the outer reaches of Cape Cod. When it comes to self-interested ideas, we have unrealistic optimism. We see our own futures, and the merit of our own ideas, with “rose-colored goggles.”

The problem with this thinking is that it doesn’t serve us, our teams, or our organizations to avoid recognizing not just “how” things might go awry but “that” they will — or at least differently than we expected. Rather, it can prevent us from forecasting future consequences in a way that adaptively helps us, and it interferes with the quality of our strategic planning.
For individuals, understanding the Innovator’s Bias can allow us to plan more effectively for the future.

By not falling in love with our ideas and examining potential outcomes, we can be more agile and realistic about future plans and more ready for when they inevitably change. Instead of wishful thinking, we can use future-minded leadership to stay grounded, set expectations, and productively manage future unknowns rather than unproductively avoiding them, or, as we saw in an experimental setting, becoming unable to see them — literally future blind. These are essential skills for navigating the uncertainty and unpredictability of post-pandemic life.

For organizations, understanding and mitigating the Innovator’s Bias can be transformational. Developing the capacity to reliably bring in realism and future-minded leadership to bear on a company’s long-term plans and near-term actions is especially important when complexity and the pace of change invalidate traditional forecasting and experience-based planning.

Our research indicates that merely contributing to ideas can lead to Innovator’s Bias — it’s not solely on one individual. So when a group of leaders partakes in company strategic planning, for example, or when executives participate in a review board, to the extent that they begin to advise and offer up ideas and without deliberate intervention, they can fall prey to Innovator’s Bias, too. However, being deliberate and explicit about incorporating new practices that tap into future-minded leadership can harness the power and value of diverse perspectives to shape a more achievable roadmap or drive more inclusive planning.

Sidestepping the Innovator’s Bias can help frontline managers identify blind spots and overconfidence in their thinking. Doing this allows them to better organize their teams and work environment. People managers must accommodate uncertainty and anticipate the need to sense and adapt while moving forward.
A simple exercise can boost our future-minded leadership skills.
The Innovator’s Bias study findings reveal that falling in love with our ideas can make us unrealistic. But will using future-minded leadership to minimize the Innovator’s Bias by thinking through future outcomes — both good and bad — destroy our enthusiasm for challenging projects or making decisions and moving forward in the face of uncertainty?

Won’t we just become pessimistic and defeatist, take our ball, and go home?

Not exactly, and it depends on our approach.

Future-minded leadership is similar in some ways to cognitive restructuring — looking at possible worst-case scenarios and asking yourself how you’d respond to them. Doing this simple action can greatly minimize our fears about the future, which is a vital step toward retaining our drive to pursue new things. When you feel more prepared, even if you don’t know the full scope of what’s coming, you’re more resilient and confident. It’s beneficial to have prepared yourself for the likelihood of complications and the need to adapt when they occur, even when it is impossible to know the nature of future difficulties and setbacks.

As we discussed with New Year’s resolutions, pure and blind optimism anchored on one potential outcome alone often leads to disappointment and defeat. Instead, we can lessen the extent of shock or surprise to setbacks and detours by acknowledging a range of possible outcomes and opportunities. In short, we gain a resilience advantage.
The late Navy Admiral James Stockdale described this power of imagining the worst and planning for the best:

“You must never confuse faith that you will prevail in the end — which you can never afford to lose — with the discipline to confront the most brutal facts of your current reality, whatever they might be.”

In BetterUp Labs’ second experimental study, we were interested in eliminating bias but doing it in a way that does not also reduce enthusiasm for our innovations.

In other words, the goal is not to create reality checks that move us toward states of pessimism but to simultaneously generate clarity and maintain positive energy in moving toward a future state.

“You must never confuse faith that you will prevail in the end — which you can never afford to lose — with the discipline to confront the most brutal facts of your current reality, whatever they might be.”

– Navy Admiral James Stockdale
We tested 3 interventions on 553 participants:

**Intervention 1**
**Impact on others.**
We asked participants to think not just about how great their invention is and how good it will be for their team, but what it will do to the lives of people who use what they’ve made.

**Intervention 2**
**Long-term consequences.**
We asked participants to consider not just how the idea would impact the world 1-2 years from now, but up to 10 years out.

**Intervention 3**
**Worst-case scenario.**
We asked participants to think about the absolute worst thing that could happen due to releasing the invention into the world.

Imagining the worst-case scenario eliminated the “Innovator’s Bias” while preserving enthusiasm.

The results:

The result of these trials reveals one strategy that helps combat the Innovator’s Bias while maintaining enthusiasm for new ideas:

**envisioning the worst-case scenario.**

Against uncertainty and change, the new normal requires that we consistently pivot, adapt, and innovate. Leveraging the worst-case scenario helps us do all that by empowering us to take a more realistic, balanced approach to the future without killing the buzz of new ideas, and it still allows our innovations to flourish.

Getting pragmatic about possible future outcomes is the best fix for the Innovator’s Bias.
Support is needed to practice future-minded leadership

While future-minded leadership offers a practical way to stay grounded while planning, thinking about the future can cause distress for many. After all, the root of most anxiety is getting stuck considering the future and what may or may not happen (usually the negative stuff) without a productive path forward. If we didn’t have this ability to think abstractly into the future, we could greatly reduce anxiety, uncertainty, and fear at home and in the workplace.

But our ability to imagine the future is often the source of upset. If you have a low belief in your own agency or ability to harness said future, you likely lack the skills needed to shape it for yourself because you can’t clearly articulate the roadblocks ahead, nor feel confident you have the mental fitness needed to navigate the changes that do arise.

Through our research and work by many in the field of psychology, we’re just beginning to understand the power and importance of envisioning the future. Without a strong supporting skillset, this thinking can contribute to a range of symptoms like depression, anxiety, ADHD, and addiction. Depression, in particular, may be worsened by leveraging prospection.10

While practicing and cultivating future-minded leadership may seem like an individual pursuit, it’s actually up to organizational leaders to prioritize the investment into the techniques and culture to support it. Too often, traditional leadership thinking embraces making gut decisions, timely ones at that, instead of falling victim to inaction — no one wants to be responsible for impeding progress on behalf of having a think, after all. There’s also social pressure to embrace positive thinking and avoid hedging to align with a “team player” persona and to be a champion of ideas. But this type of thinking is why so many organizations struggle to adapt and innovate. If it was easy to forcefully just decide our way through challenges and say “yes” to everything, then why are so many organizations struggling to stay afloat, keep their best people, or meet changing customer needs? The stakes are too high to go backward.

Future-minded leadership, when strengthened, becomes muscle memory for decision-making that can be tapped into within every part of your organization.

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10 John Templeton Foundation, Greater Good Science Center, UC Berkeley - Future Mindedness, Feb 2019
How to cultivate future-minded leadership.
1. Ask the science-backed “floodlight question.”

Our research illustrates the blinders that tend to automatically appear when thinking about our own ideas or futures. When it comes to ideas about the future and crafting a better one ahead, we’re generally able to clearly see the ideal, the best-case scenario with ease. What’s less automatic is holding space for all the less than ideal scenarios and pathways we may encounter. To balance our tendencies toward optimism, use what we call “the floodlight question”:

**What is the worst outcome?**

By asking this question along with every new idea, every project plan, every goal, every vision of a future state we are working toward, we can open our aperture to the full range of possibilities and opportunities for course shifts. Done well, this primes our imagination and triggers richer and more nuanced thinking about a possible future and its conditions. This is an evolved and more helpful kind of thinking than simply asking, “is our innovation good or bad?”

It also helps us combat our own blindness to alternatives and yet doesn’t carry the risk of killing the energetic buzz of excitement about the idea.

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Take action:

1. Ask the science-backed “floodlight question.”
2. Seek diversity across teams, and in your planning.
3. Create time to reflect.
4. Train managers on alignment and strategic planning.
5. Use coaching and community to strengthen future-minded leadership skills.
2. Seek diversity across teams, and in your planning.

Future-minded leadership skills show up in many different segments of the employee population. Working with others exposes us to new ideas but also new ways of thinking about the future. This diversity introduces fresh perspectives and outcomes we may not have otherwise considered in our planning because of our own biases. One of our most significant biases may be simply underestimating how many other perspectives there are and how different they are from our own and each other.

In addition, leaders should look to bring diverse perspectives into decision-making and planning, not just every quarter but regularly. Gaining diversity in feedback and input from employees across the organization can help leaders remove personal blinders and gain foresight into roadblocks and biases that may be preventing successful and effective innovation.

Questions to ask others:

- Where do you see blockers toward this vision?
- Have there been times when a similar idea, goal, or plan got derailed? How is this the same? How is this different?
- What do we need to acknowledge that we don’t know?
- What assumptions are we making?
- What could change the existing conditions?
3. Create time to reflect.
A vital part of future-minded leadership is possessing skills to use as many inputs available from the past and present to shape a better tomorrow. By making “retros” or “lookbacks” a critical part of every project lifecycle, you create intentional space for your team to reflect on what went well or didn’t, and why. This pause helps us learn and embrace how our best-laid plans may have had holes, gaps, or oversight to challenges. It also helps us actively imagine how we could avoid them in the future while also building muscle memory to make these considerations a habitual part of project planning.

4. Train managers on alignment and strategic planning.
Work with your people leaders regularly to deep dive into the uncertainty they may be facing with their planning. Cultivate future-minded leadership skills in your workforce so that this type of thinking, encompassing a full spectrum of possibilities, becomes a regular topic of discussion across the organization.

Also, cultivate in leaders the ability to transmit future visions into a cohesive, inspiring picture for others. When managers have strong alignment skills, our research has found that the benefits cascade down to their direct reports in the form of increased collaboration, focus, and performance.

5. Use coaching and community to strengthen future-minded leadership skills.
Future-minded leadership can be strengthened. Research across thousands of BetterUp Members has shown that personal skills in prospection have the largest degree of growth relative to all other measured personal and leadership skills with six months of coaching.11

Future-minded leadership is a key skill that leads to mindsets and behaviors that are a sign of flourishing. Coaches can offer support and guidance to cultivate resilience, optimism, reflection, and goal setting, making us more ready and able to naturally channel our inner Future-Minded Leader.

Through individualized, ongoing support, Coaches also serve as a reliable sounding board to explore ideas and uncover blind spots and biases in our thinking.

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About these studies

BetterUp Labs, a team of Ph.D. behavioral scientists at BetterUp dedicated to research on human thriving at work, conducted this research. Three studies were conducted.
Survey Study

Method
This study was conducted by BetterUp, Inc. in the United States in June 2021. BetterUp researchers built and administered a series of online survey questionnaires that spanned five core subjects:

1. Sample demographics
2. Role-related information
3. Planning
4. Pragmatic prospection
5. Mental health and well-being

Surveys were administered in English. Each survey took 25 minutes to complete, and all respondents were paid for their time at an average rate of USD $12 per hour.

Analysis

Sample
The sample used in this report included 1,541 United States residents, ages 18+, who are currently employed 40+ hours per week and had >90% approval rate on the Prolific survey platform. All respondents were recruited using a consecutive sampling design. The final sample was not matched or weighted to reflect nationally representative demographic distributions (see later information on sample demographics).

Survey items
Survey items related to demographics and work experiences were largely adapted from open data resources provided by the United States Census, the U.S. Bureau of Labor Statistics, and the Rand American Life Panel. Planning was measured with items written by the research team to assess perception of time spent on planning in work and life relative to the average person. The following validated measurement instruments were used in the assessment of psychographic and behavioral constructs:

- Pragmatic prospection: Item measured respondents’ future-oriented thinking that helps them achieve desirable outcomes and avoid undesirable ones via the Pragmatic Prospection Scale.
- Life Satisfaction: Items measured respondents’ global cognitive judgments of satisfaction with one’s life via The Satisfaction with Life Scale.
- Psychological capital: Items measure respondents’ psychological capital, or positive psychological state of development via the Psychological Capital Questionnaire.
- Depression and anxiety: Items measure core symptoms of depression and anxiety via the PHQ-4.

Results
Data were analyzed by researchers at BetterUp, Inc. Descriptive and inferential analyses were applied to the entire sample, as well as to subgroups. Subgroup analyses assessed differences between demographic profiles (e.g., gender, education, race/ethnicity, parental status) and employment circumstances (e.g., managers vs. individual contributors, industry, company size). Significance testing was used to determine whether group differences were statistically significant (at the p < .05 level). All results are significant under this definition, except where otherwise noted. Correlation analyses were used to examine relationships between variables and determine direction of relationships.

High and low levels of prospection
Some findings report the differences between employees who score high in their ratings of their prospection, compared to employees with low scores on this measure.

References to high and low scores on prospection refer to the discretization of a continuous measurement of belonging into quantile brackets. High (low) prospection brackets may refer to the top (bottom) 25% of prospection scores.

Limitations
This report highlights a number of high-value, analytical findings related to the measurement of belonging in the workplace; however, it is limited in important ways:

1. Sampling. The consecutive sampling method employed does not attempt to account for sample characteristics which may be non-representative of the actual makeup of the American workforce. In some cases, sample demographics were reasonably reflective of the broader U.S. population (e.g., gender, education, and income), but this was not true for all variables (e.g., racial/ethnic composition was mostly White/Caucasian). Caution should be exercised when using the findings in this report to make confident inferences about the American workforce at large. Future iterations of this research can improve external validity by employing weighting schemas and adaptive inclusion criteria to better approximate the true population of the American workforce.

2. Cause and effect. This research used observational data, meaning there was no randomization or experimental manipulation of the variables measured. As such, the relationship between any two variables is just that—a relationship. It remains undetermined as to whether a change in one variable actually caused the change in another. The findings in this report may, however, be used as preliminary indicators to determine which variables may be worth manipulating experimentally to establish true causal relationships.

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Experiment 1

Method
Experiments were conducted by BetterUp, Inc. in the United States in September 2021. BetterUp researchers programmed experimental tasks that were administered online in English. These tasks usually took approximately 20 minutes for participants to complete, and all respondents were paid for their time at an average rate of USD $10 per hour.

Analysis

Sample
The sample used in these experiments included more than 462 United States workers, ages 18+. Respondent qualifications for recruitment were similar to the survey with the additional exclusion criteria of not allowing any given participant to participate in more than one of our studies. All participants were recruited using a consecutive sampling design. The final samples were not matched or weighted to reflect nationally representative demographic distributions.

Dependent variable
Our main dependent variable in the experiments were participants’ ratings of their assigned innovation in terms of its benefit to the world. After being presented with an innovation either within the control group or experimental group, they were asked “what impact will it have on the world?” They then responded on a scale with a low end “Mainly Negative Consequences” and a high end “Mainly Positive Consequences.”

Results
Data were analyzed by researchers at BetterUp, Inc. Descriptive and inferential analyses were applied to the entire sample, as well as to subgroups (depending on the experimental design). Significance testing was used to determine whether group differences were statistically significant (at the p < .05 level). All results are significant under this definition, except where otherwise noted.

Limitations
This experiment offers critical insights on the innovators bias, but there are also some important limitations:

1. Sampling. Similar to the surveys, the consecutive sampling method employed does not attempt to account for sample characteristics which may be non-representative of the actual makeup of the American workforce. Caution should be exercised when using the findings in this report to make confident inferences about the American workforce at large. Future iterations of this research could use weighting schemas and adaptive inclusion criteria to better approximate the true population of the American workforce.

2. External validity. Our experimental tasks were not only designed to draw inferences about the broader population, but we also use them to make conclusions about human behavior. Since we observed our effects with specific settings (i.e., online simulated scenario of various innovative ideas) and specific tasks (i.e., “Imagine you are the Chief Marketing Officer for this new product...”), it is very possible that these effects will not extend to all contexts or situations. In future research, a variety of experimental designs and manipulations should be used to replicate, verify, and extend the current findings.

3. Data quality. All experiments were conducted online to facilitate rapid data collection and accessibility to workers across the United States. Note, however, that conducting online experiments can sometimes make it more difficult to guarantee that participants are correctly following instructions and remaining attentive to all experimental tasks. Given that we replicated our key effects across many trials, we are confident that they are real and robust, but participant error and inattentiveness can have a substantial impact on data quality. In the future, additional efforts can always be made in designing experiments and programming tasks to assure that all data is of the highest fidelity (e.g., attention checks, language/instruction probes, IP address checks).
Experiment 2

Method
Experiments were conducted by BetterUp, Inc. in the United States in September 2021. BetterUp researchers programmed experimental tasks that were administered online in English. These tasks usually took approximately 20 minutes for participants to complete, and all respondents were paid for their time at an average rate of USD $10 per hour.

Analysis

Sample
The sample used in these experiments included more than 553 United States workers, ages 18+. Respondent qualifications for recruitment were similar to the survey. All participants were recruited using a consecutive sampling design. The final samples were not matched or weighted to reflect nationally representative demographic distributions.

Dependent variable
Our main dependent variable in this experiment was the same as Experiment 1, with the only difference being participants gave their rating after participating in one of several randomly assigned possible pragmatic prospection intervention exercises (which were designed by the research team to help participants combat the innovator's bias), besides those randomly assigned to the “no intervention/control condition.”

Results
Data were analyzed by researchers at BetterUp, Inc. Descriptive and inferential analyses were applied to the entire sample, as well as to subgroups (depending on the experimental design). Significance testing was used to determine whether group differences were statistically significant (at the p < .05 level). All results are significant under this definition, except where otherwise noted.

Limitations
These experiments offer critical insights on the effects of belonging and inclusion in the workplace, but there are also some important limitations:

1. Sampling. Similar to the surveys, the consecutive sampling method employed does not attempt to account for sample characteristics which may be non-representative of the actual makeup of the American workforce. Caution should be exercised when using the findings in this report to make confident inferences about the American workforce at large. Future iterations of this research could use weighting schemas and adaptive inclusion criteria to better approximate the true population of the American workforce.

2. External validity. Our experimental tasks were not only designed to draw inferences about the broader population, but we also use them to make conclusions about human behavior. Since we observed our effects with specific settings (i.e., online simulated scenario of various innovative ideas) and specific tasks (i.e., “Imagine you are the Chief Marketing Officer for this new product...” and “Consider the worst case scenario for the application of this innovation”), it is very possible that these effects will not extend to all contexts or situations. In future research, a variety of experimental designs and manipulations should be used to replicate, verify, and extend the current findings.

3. Data quality. All experiments were conducted online to facilitate rapid data collection and accessibility to workers across the United States. Note, however, that conducting online experiments can sometimes make it more difficult to guarantee that participants are correctly following instructions and remaining attentive to all experimental tasks. Given that we replicated our key effects across many experiments, we are confident that they are real and robust, but participant error and inattentiveness can have a substantial impact on data quality. In the future, additional efforts can always be made in designing experiments and programming tasks to assure that all data is of the highest fidelity (e.g., attention checks, language/instruction probes, IP address checks).

In addition, insights from our BetterUp Member 360 degree feedback dataset, spanning 1600+ teams, informed team impact insights.
About BetterUp

Founded in 2013, BetterUp® is a human transformation company that dares to innovate the future of work by helping people and businesses grow personally and professionally to reach peak performance and maximize their potential, through coaching, content, community, and cutting-edge AI technology. BetterUp is the inventor of virtual coaching, with the world's largest network of over 3,000 Coaches offering support in 46 languages across over 90 countries. Trusted by more than 380 organizations including NASA, Google, Snap Inc., Hilton, Warner Media and other leading Fortune 1,000 companies, BetterUp delivers on three key impact areas – Mental Fitness, career & leadership development, and social connection – inspiring people everywhere to live with greater clarity, purpose, and passion.

Investors include Wellington Management, ICONIQ Growth, Lightspeed Venture Partners, Threshold Ventures, PLUS Capital, Salesforce Ventures, Sapphire Ventures, Mubadala Investment Company, Morningside Group, SV Angel, Freestyle Capital, Crosslink Capital, and Tenaya Capital. BetterUp’s Science Board is composed of leading researchers in the fields of positive psychology and human performance including Martin Seligman, Adam Grant, Shawn Achor, and Quinetta Roberson. BetterUp has been recognized in the Inc. 5000, Fortune’s Great Places to Work, and People Magazine’s Companies that Care. To learn more, visit www.betterup.com.

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