DEMO GRAPHIC
development in networking, too?

The holidays are over and the many good resolutions for the coming year are still very much present for all of us. In part we've already begun to implement our resolutions or we're in the course of finding ways to implement them. What is certain is that, if we don't start on them immediately, they will remain just good intentions. Therefore I wish my readers a strong will and lots of discipline on this road to enable you to carry out everything you've undertaken to do.

For this column I've chosen a topic that I'm sure can provoke fascinating discussions in networking circles and will certain do so at some point in time. For inspiring me to Do so I'd like to thank my top-class networking colleague, Peter Thum, with all my heart. During a personal discussion with him after I asked him for an interesting topic he suggested this one to me. Personally I find the topic very interesting indeed because in the past there was a time, as you will read later, when I dealt with it very intensively. This is one reason why, inspired by Peter, I've sat down again to write about it and we may now be able to delve into it a bit more deeply together.

For general comprehension let it be said that by demographic development is understood among other things the relationship between the birth rate of a nation or country and its death rate and the resulting age structure of society. Or put another way: the estimated ratio between the number of young people and the number of those of pensionable age on the basis of current forecasts.

In Germany these figures look a bit meager. Some of us are better informed than others so here to begin with for better comprehension of the situation in Germany are a few figures I've taken from a source on the Internet (www.foerderland.de): "The number of births, which had reached a highpoint of almost 1.2 million in 1964, has sunk to about 673,000 a year today. In the last 15 years alone it has declined by 22%. Forecasts assume that this development will continue. The result: In 40 to 50 years there will be one birth for every two deaths."

The declining number of births results from the declining number of young women from one generation to the next. With a current fertility rate of 1.4 children per woman, women who are about 30 years old today will on average have significantly fewer children by the end of their childbearing years than would be necessary to replace their generation numerically. The birth rate necessary to sustain the population is 2.1 children per woman.

This development is amplified by the decline of traditional values such as the family and the resulting trend towards more and more childless single households. The number of girls being born each year is becoming smaller and smaller. In addition with an average of 1.4 children the future number of children will continue to decline since there will also be fewer potential mothers alive. The number of women of childbearing age (15-49) will fall from 20 million in 2001 to 14 million in 2050. Their proportion of the population will also fall, from approx. 24% at present to about 19%.

According to another Internet source (www.auva.at/media) Austria is also worried about its future, as is Europe as a whole – if you believe the reports from the German Federal Center for Political Education (Bundeszentrale für politische Bildung). But what do all these figures have to do with networking? Does all this affect us at all?

I'm sure that things are different in the various networking companies. But have you had a look at your company at any stage? I've taken the trouble and had a look at a German company among other things and in the course I've hazarded a glance at the Top 300 leaders worldwide.

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Values
with Daniela Claudia Szász
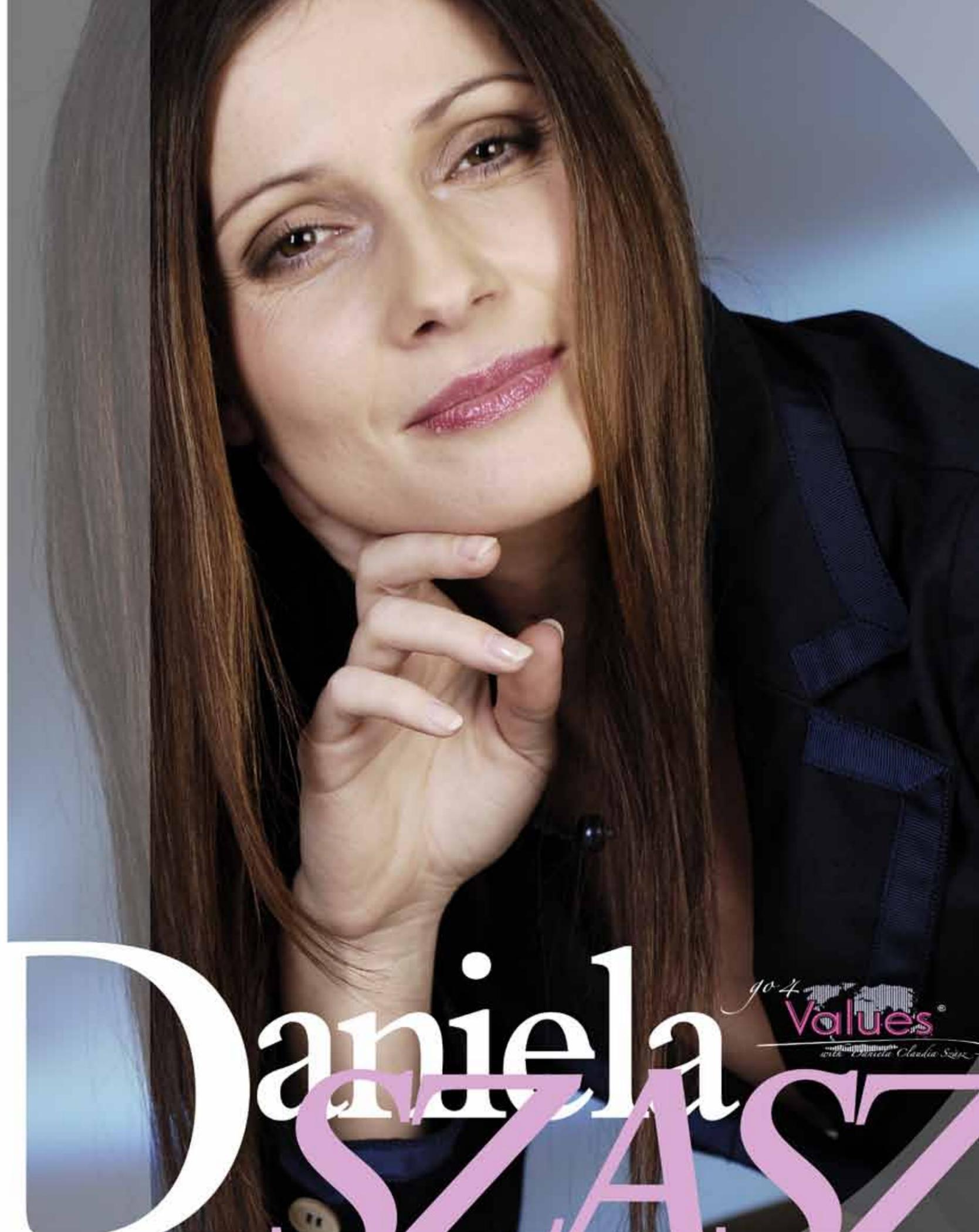
Daniela SZÁSZ

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NOW, YOU COULD INDEED ARGUE: "YES, YOU'RE RIGHT, BUT THAT ISN'T IMPORTANT AT ALL. WHAT'S IMPORTANT IS THAT A COMPANY IS SERIOUS, THAT IT HAS VALUES, THAT IT EMBODIES TRADITIONAL VALUES AND IS STABLE."**

When I did so, I noticed, without having seen the actual figures, that the average age was somewhere around 45.

Now as a leader in sales and distribution you do indeed have to ask yourself what things will be like in 20 years. So if we want to build up our business with an orientation on the future, something I assume is the case for most of us, we should ask who will keep our business going when we want to go into well-earned "retirement," particularly if the majority of our leaders are older than us.

There are definitely some companies who focus more on the attributes "young & stylish," but, let's not kid ourselves, in the case of most companies the leaders are on average not quite so "young" anymore.

The company Herbalife International (which as is well known is a billion-dollar company) became aware of this about seven years ago and as a result it launched a successful program, the "Generation H Program," to counter precisely this problem. The goal was and is to develop the next generation of leaders. I know this quite clearly because I ran the program for Europe for two years. I confess that I loved this project and the years of work linked to it. The program had its own momentum and it has to be said that we were given a great deal of freedom by the company as well as our own budget for it. So far I haven't heard of a similar program that has been carried out so consistently in any other company.

Either the topic is being completely ignored or else all the company's packaging is focused exclusively on "young & stylish." It sometimes surprises me to see how consistent networking companies are in recruiting young people into the team on the corporate side while completely ignoring this topic on the distribution side.

Who's making the sales? Who's producing the turnover? After all it's the sales and distribution people who are earning the money out there, admittedly with the support of the administrative services staff. But if no more manpower is available out there, what's going to happen? Then the top leaders will come together and have afternoon tea where they'll chat about the good old times and how brilliant they were when back then at the age of barely 25 they started with a dream. And how sad it is really that the youth of today doesn't see this potential anymore.

Wouldn't you really have to ask honestly whether what was attractive back then 20 years ago might still be attractive for young people today? Or whether it might today be completely old hat and absolutely boring for young people?

Now, you could indeed argue: "Yes, you're right, but that isn't important at all. What's important is that a company is serious, that it has values, that it embodies traditional values and is stable." One thing I can assure you is that such arguments send young people to sleep, not exactly because they're completely unimportant for them, but because they aren't sufficient. I know this quite clearly because I've been dealing with the question for long enough.

So what if all these arguments are simply not enough, are too weak for today's young, dynamic people who would be ideally suited for sales and distribution? Can you as a company really afford the luxury of ignoring this fact and simply devoting yourselves to business as usual because it might be uncomfortable? Do you stick stubbornly to this standpoint and continue to insist on it, or are you prepared to rethink in favor of a promising future? So that also in 20 years somebody will still be there who'll continue to run the company and produce the turnover figures?! As the saying goes: "It's the fish, not the fisherman, that has to like the taste of the worm."

Well then, if my company was a bit boring for today's young people, ;-) then I'd think about how I could change this as soon as possible. And this may have the result that possibly due to my age I won't like everything. However, if the young entrepreneurs like it and it's a continuing program that will produce new and better figures in the long term then the goal will be achieved after all. My company will have a future. And my old leaders won't have to worry that, when they finally get tired, there won't be anybody there to continue the business and their checks will shrink to zero.

Much as they'd like to, even if they aren't happy to hear it, nobody involved in sales and distribution, no matter how good they are, has the desire and the energy to invest the same intensity of work in building up sales and distribution on a permanent basis. Even if they've been doing it for 40 years, a time must and will come when they will or even have to withdraw a bit and, when that happens, there should be enough responsible, motivated leaders who are still hungry in order to keep wstable hat has been built up in the past or even to expand it.

This is something that doesn't just affect external sales and distribution, it also ultimately affects the company's management. Here too it's necessary to ensure that there will always be a fresh wind, on occasions a wind of change. Only in this way will you be spared the danger of getting rusty on the level of both ideas and creativity.

Neither is it sufficient for a company to say that this doesn't affect us, it's something that the distribution people should take care of and recruit younger people if to the outside world the company appears to be boring. Here, in my opinion, it would be important not to judge this specific topic as the company management, but to leave this assessment to others from outside. This assessment won't attempt to be appealing, to schmooze, to play politics or to make any kind of impression. This outside assessment will tell the truth, independently of whether a company is pleased to hear it or not.

Does this now mean that we should focus everything on just being "young & stylish"? I don't think so. I'm convinced that here a good mixture could produce real wonders. We can learn a lot from those who've gone this road before us. But we could also give today's young people the same opportunity to call something their "own" as 20 years ago when today's "old hands" were starting out.

But always the first step is to be prepared to just look at the topic more closely and above all truthfully.

In this sense – as always
Yours, Dany
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