

HRD

The only independent strategic HR publication

the **HRDIRECTOR** OCTOBER 2016 | ISSUE 144

ROUNDTABLE

RETAINING & ENGAGING
YOUR EMPLOYEES
THROUGH RECOGNITION -
DEVELOPING A CULTURE
OF GRATITUDE

LORRAINE METCALF, GROUP HR DIRECTOR - ZOOPLA PROPERTY GROUP (ZPG)

{ CLICKS & MORTAR }

“IT'S CREATING ENOUGH STRUCTURE TO AVOID ANARCHY,
BUT NOT INADVERTENTLY CAUSING BUREAUCRACY”

ALSO FEATURED IN THIS ISSUE

SUCCESSION PLANNING Facilitating more lateral and horizontal career routes will need a different mindset and no barriers to employee mobility:

GLOBALISATION Regardless of the new terms of engagement with the EU, movement of labour around the world is on an inexorable rise

FUTURE PROOFING HR Move over HR, people scientists are emerging as the industrial view of employees as human capital shifts

PERSONAL DEVELOPMENT A business full of individuals unwilling to push themselves to develop and learn will quickly stagnate and fail



LOST TO THE AGES

An over-reliance on best practice has contributed to a lack of faith in strategic HR, and now a new strategic discourse between executives and HR is just the start of a way forward. Having delivered on the personnel-centric hygiene factors, HR should now be focused on the really interesting work of nurturing fit-for-purpose cultures where agility, exciting careers, ethics and fair rewards are at the fore.



ARTICLE BY
TONY NICHOLLS
ORGANISATION CHANGE, MD
WHITESTONE OD

Focusing on the strategic proprieties would create a future-proofed profession sitting at the very heart of the organisation. Unfortunately, this looks a distant possibility. With notable exceptions, it seems as though HR simply cannot come up with anything new to bring to the table beyond the tactical improvements already delivered. Some organisations are moving forward with HR leading the charge. However, most would agree HR is currently in a pretty dire place and its future is by no means assured. To future proof HR, some fundamental changes need to be seen. Much has been written about the woes of HR. The spotlight has fallen firmly on the profession in general and in particular on the profession's leaders, the HR Directors. However, it is now time to widen the spotlight to include the rest of the Executive team. A recent survey by the CIPD and Workday¹ showed that a sizeable minority (28 percent) of HR leaders don't have faith in their own plans and neither do a whopping 74 percent of their non-HR colleagues. This puts the spotlight on the whole Executive team. This is saying that, for want of anything better, the majority of Executive teams are signing off on people strategies that the overwhelming majority of their members don't have any faith in. Given that people are the key resource, isn't it incumbent on the whole leadership team to ensure a suitable people strategy is in place?

With the whole Executive now under the spotlight, it is time for the people agenda to become part of the ongoing strategic discourse and not an add-on enabler. HR and non-HR leaders all need to take equal accountability for creating and implementing the people strategy. Expecting the HRD and their function to independently create and implement people plans and then blame them when it isn't up to scratch, is no longer acceptable. Some organisations have got this right. You see it in what Hesketh and Hird (2009)² call the "Golden Triangle" between CEO, FD and HRD. This close-knit triangle of trust allows for the commercial, financial and people aspects of the business to be inseparable elements of an ongoing, ever-evolving strategic discourse. When all Executives are actively engaged in this discourse, all can then genuinely share accountability for creation and implementation of a people agenda. In the absence of this new discourse, HR has been expected to 'sell' the people agenda to 'the business'. Given the CIPD/Workday findings, non-HR leaders then reluctantly support implementation. Hardly the recipe for trusting, value-add relationships between HR and non-HR leaders. Part of the sell to the business is often "this is best practice, all the great companies are doing it". That worked for a while. The problem is, best practice simply hasn't moved on. Compounding this lack of evolution is the view that it wasn't actually best practice in the first place. Research that produces best practice handbooks ignores the context-specific relationship between perceived and actual practice.

Perceived practice is what a researcher sees or surveys. This will always be a sanitised version of what is actually going on in the complex web of relationships that is the real world of organisation life. Lifting a sanitised version of any practice and dropping it into a different environment will always generate results different to the original context. The recent move to challenging best practice by studying it and then creating best fit, also doesn't wash. This inevitably ends up with much the same best practice processes with a few tweaks designed to placate our reluctant non-HR leaders, who still remain reluctant. Given this challenge to scrap best practice, how does HR go about creating and implementing meaningful, value-add people practices? The short answer: it doesn't. HR must devolve responsibility for creating and implementing people practices to local

managers. That means first line supervisors for their immediate team members, middle managers for their team leaders and so on up the line. This devolvement offers the chance for practices to evolve and adapt to local changes in context. It also provides the personal feeling so devoid in current practices, yet cried out for by more informed, independent-minded employees. The focus for this devolved practice has to be conversation, not process or paperwork. Too often HR practices result in monologues not dialogues. This devolvement doesn't mean a free-for-all. Principles and guidelines will flow from the strategic Executive discourse. These can act as a framework within which local managers can tailor their offering. In support, appropriate tools must be provided. These include insights mined from real-time data sources and online methods for communicating, collaborating and recording conversations. This provision of real-time data and insight points to where HR need to focus their efforts in supporting the business.

Tactically, they need to keep the show on the road by continuing to deliver the hygiene services efficiently and cost-effectively. Strategically, they need to start looking at becoming the go-to place for insight, thought leadership and specialist expertise on all aspects of delivering performance through people. Critically, this offering needs to be in service of the local managers who are now creating and implementing tailored people practices. The centres of expertise and business partners espoused by the Ulrich operating model still have a place, but their *raison d'être* is significantly and powerfully changed. Big data and analytics will play a significant role here. HR needs to start exploring the opportunities these fields offer them in future proofing the profession. HR also needs to both broaden and deepen its understanding of the social and physical sciences. The profession has become too restricted in its research and ongoing discourse. To become the aforementioned experts on all aspects of delivering performance through people, a broader range of areas of theory and practice needs to be explored.

Two such areas are group dynamics and complexity. It is through becoming experts in these areas that HR will support another critical area of focus. Organisations are not things. They don't exist as physical entities that can be taken apart, studied and rebuilt like a complicated machine. Organisations are complex processes of communicating and meaning making. It is in these complex patterns of interaction that the real stuff of work gets done. Common sense tells us that the more dense the network and deeper the relationships between individuals in those networks, the more likely we are to see agility, innovation and engaged people. A critical area of focus for HR therefore has to be in creating and supporting communities and social connectivity. Some communities will focus on areas of expertise or cross-functional working. Others will be looser, with no particular purpose other than to connect disparate people and teams across the organisation. Greater

agility, creativity and meaningful career paths will all emerge from these communities and this connectivity. However, they need coordination, resources and nurturance, but not big-brother oversight. Another benefit to emerge from social forums and online collaboration will be conversations that support management development. Devolving the implementation of people practices will naturally result in a conversation about it. Stories will be shared and successful new practices bragged about. Expensive sheep-dip management development programmes will not be needed. Instead, local support can be offered to managers for whom the 'people stuff' doesn't come naturally, including, if necessary the Executive team.

A future-proofed HR service offering will be at the centre of a new Executive discourse and its *raison d'être* will become both local and global, supporting devolved people practices and nurturing community and connectivity. HR's future operating model and the capabilities of its members will be designed around this offering. Operating models will be fluid in light of emerging practices coming from within the organisation. Much as today, a mix of internal and external specialists will be needed. However, the mix of capabilities will be broader and, in some areas, deeper. Internal HR should be small and nimble, able to flex in structure quickly depending on the fluid needs of emergent practices. Finally, HR should be seen as an area of practice, not a function. Non-HR managers will consider themselves an intrinsic part of that practice. Some will spend time in HR-practice project teams, jointly developing the organisation's collective HR knowledge and expertise. At the core of this future-proofed HR service offering are new relationships; between the HRD and the Executive team, between HR specialists and people managers and finally, between the entire organisation and the practice of doing HR. Dave Ulrich³, creator of the greatest of HR's 'best practice' straight jackets, recognises this need for change. In 2015 he wrote "upgrades to the HR operating model will come less from roles defined on organisation charts and more from improved relationships". A future-proofed HR practice will come about through the HR function letting go of owning policy and moving towards facilitating an organisation-wide, people-centric discourse and enabling shared responsibility for the organisation's greatest asset, it's people. ●

1. HR Outlook Winter 2015-16: Leaders' Views of Our Profession
2. Hesketh, A. & Hird, M. (2009) The Golden Triangle: How Relationships Between Leaders Can Leverage More Value From People. *Human Resources Business Review*, Vol. 2, No. 1, pp. 24-37
3. <http://www.cipd.co.uk/pm/peoplemanagement/b/weblog/archive/2015/03/24/the-future-of-hr-is-about-relationships.aspx>

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PART OF THE SELL IS OFTEN "THIS IS BEST PRACTICE, ALL THE GREAT COMPANIES ARE DOING IT." THAT WORKED FOR A WHILE. THE PROBLEM IS, BEST PRACTICE SIMPLY HASN'T MOVED ON. COMPOUNDING THIS LACK OF EVOLUTION IS THE VIEW THAT IT WASN'T ACTUALLY BEST PRACTICE IN THE FIRST PLACE

