Building the agile organisation

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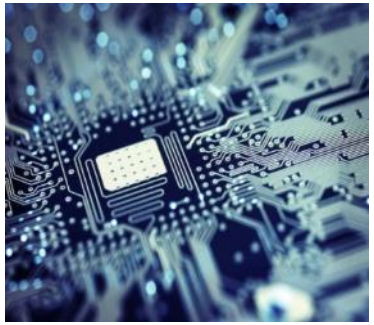
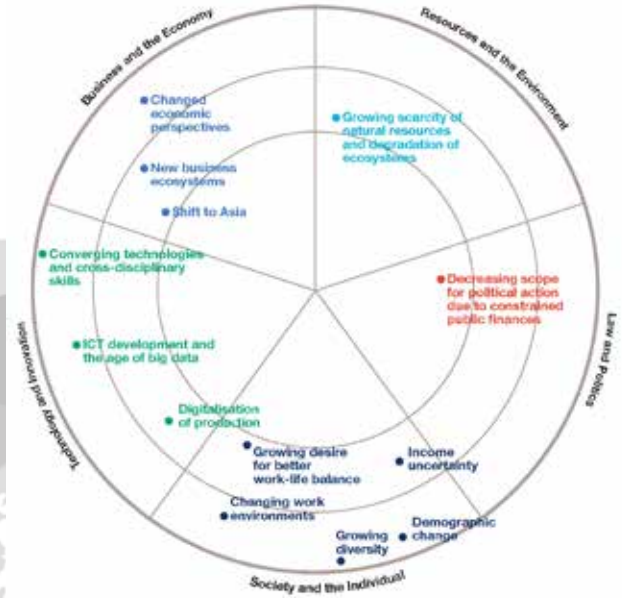
PhD

Overview

- Why go agile?
- Resiliently agile ways of working
- HR's contribution
- Agile workforce strategy: beyond workforce planning to retention – the keys to motivating talent
- Building an agile and engaging culture

Why go agile?





Disruptive innovations and technology

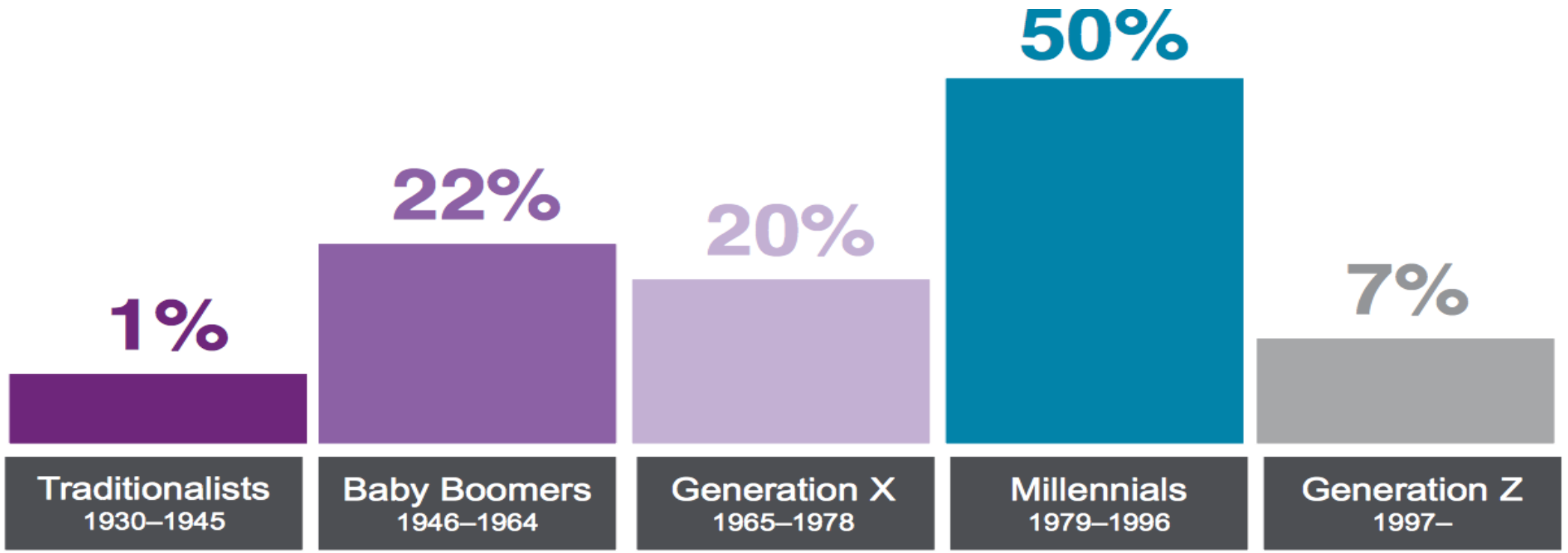
- Today - **Assisted** intelligence – automation –increased demand for STEM skills to build new tech ecosystems
- Emerging - **Augmented** intelligence – fundamental change in nature of work – humans and machines collaborate to make decisions. Uniquely human traits e.g. emotional intelligence, innovation, persuasion, creativity become more valuable
- Tomorrow - **Autonomous** intelligence – adaptive intelligent systems take over decision-making. The future of humans at work is questioned.

McKinsey, *Smartening up with AI*, 2017

The changing workforce

- Diverse workforce
  - Today's workforce is more diverse than ever before
  - Baby boomers reaching retirement but working longer
  - Today's workforce is tech-driven
- Demise of traditional careers
  - Portfolio and multiple careers in one working lifetime
  - Today's workforce expects greater choice and control over their physical space
  - Organisational values are seen as most important to attracting candidates, followed jointly by career development opportunities and pay and benefits (CIPD, 2017)
- New 'psychological contract'
  - Changing employee values
  - Diminishing centrality of work
  - Entrepreneurial lifestyle
  - Gen Y (1980-2000): 92% see 'flexibility' as priority.

A new majority is emerging



- Baby boomers working well past retirement age
- Millennial (Gen Y) majority
- Female majority
- By 2025 Millennials will account for 75% of global workforce

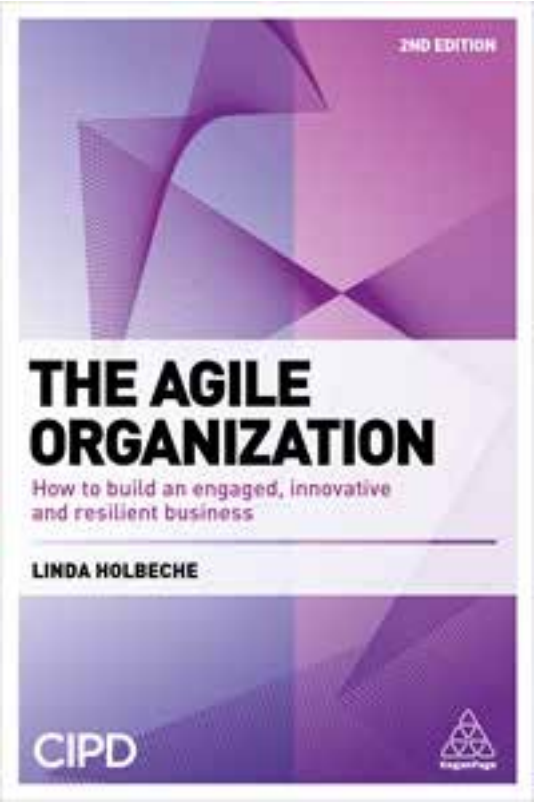
Source: Future of Workforce Survey, Aon Hewitt

Three tier labour market

- Top – ‘Employees’ market
  - High skill, high demand
  - Seek work-life balance, autonomy, progressive work environment
- Middle
  - Squeezed white collar & professionals
  - Financial & legal being automated; digital & AI
- Bottom – ‘Employers’ market
  - Low skilled
  - Ferocious competition for insecure low paid jobs
  - Intergenerational tension

Organisational agility …

"…an organization's capacity to respond, adapt quickly and thrive in the changing environment."
('*The Agile Organization. 2015.* Linda Holbeche)



Key Concepts

Organisation-wide **Customer-intensive** **Strategic and operational** **Rapid**

Proactive **Transient competitive advantages** **Innovative** **Experimental**

Iterative **Efficient *and* effective** **Integrated** **Team work** **Intelligent**

Collaborative **Project work** **Self-organised** **Empowerment**

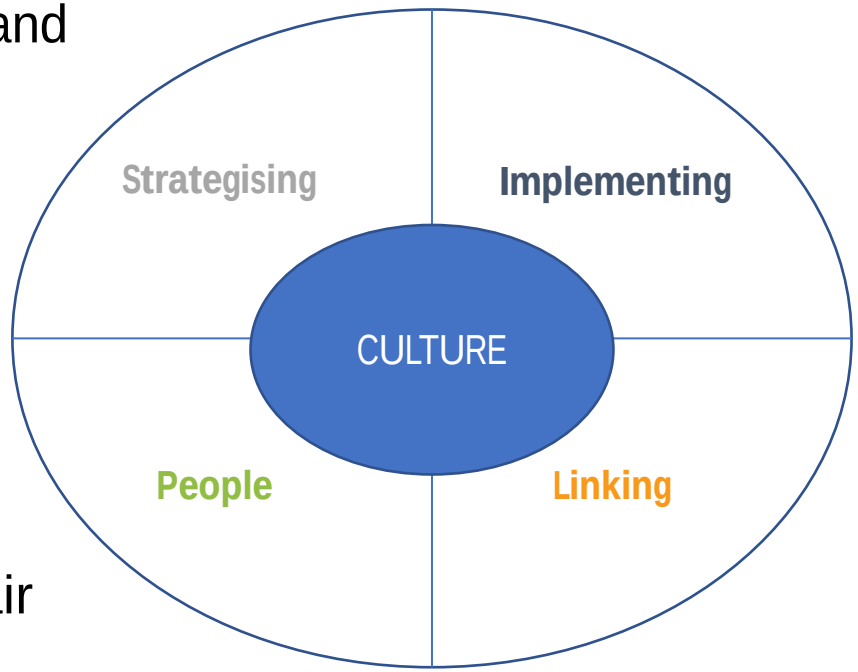
Implications for most sectors?

- Businesses seek flexibility, and collaboration as core skills
- Definitions of 'talent', 'careers' and 'organisational effectiveness' are changing
- New organisational forms
  - Less hierarchically structured – fluid multiplicity of collaborations
  - Time and location based work increasingly eroded.
- New forms of leadership required
- New ways of engaging - variety of contractual relationships
- New routines, ways of working and delivering

Resiliently agile ways of working...

Ethical practices; agile thinking and routines

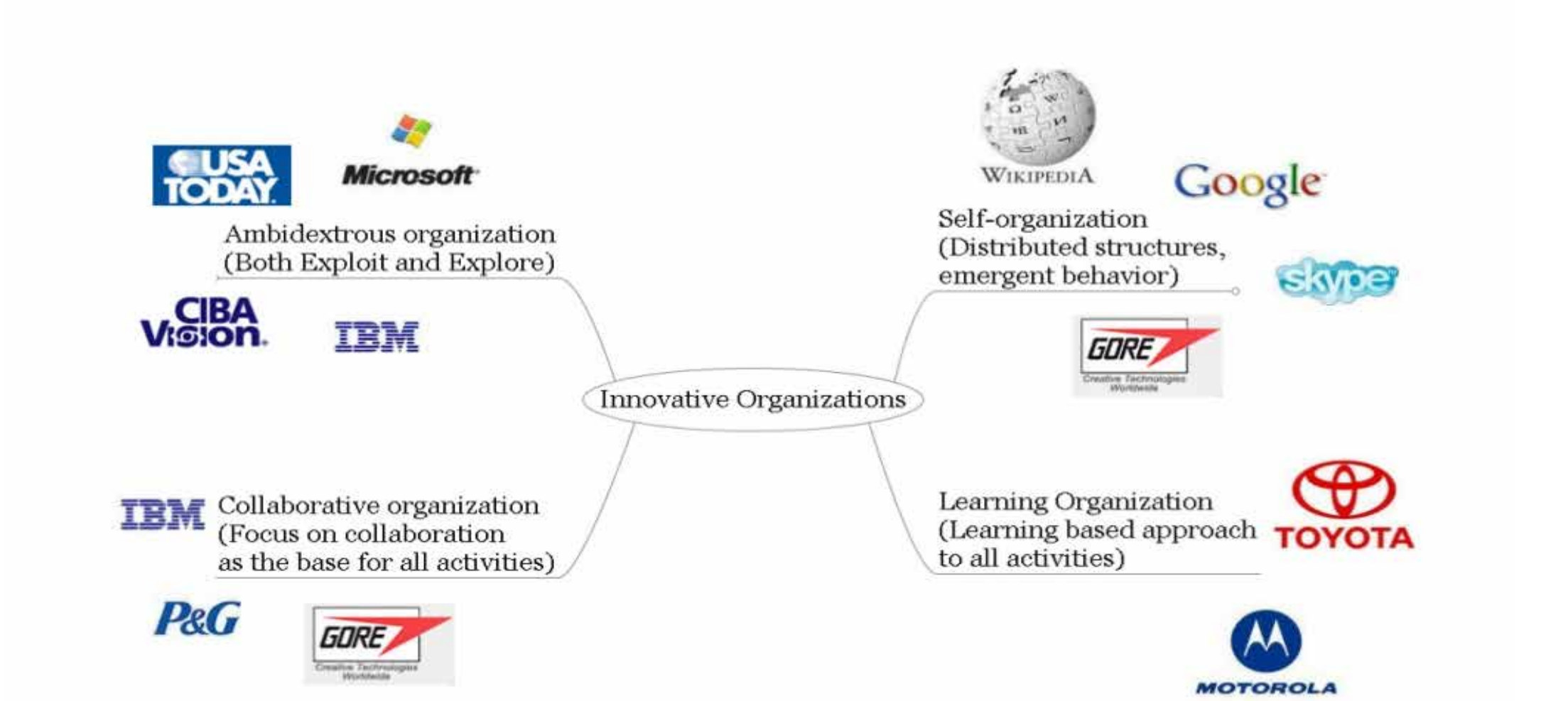
Innovation, change and agile delivery



Mutual and fair employment relationship

Collaborative capabilities

Innovative organisation types



Typical barriers

- Structural
- Cultural
- Mindsets and use of power
- Short-termism
- Neglecting the human aspects of change
- An unbalanced employment relationship
- Failure to plan for, and develop, the key skills people need for agility

Organisational resilience

'Resilience' is about robustness of systems. The capacity for resisting, absorbing and responding, even reinventing if required, in response to fast and/or disruptive change that cannot be avoided.

Key concepts

- **Anticipation**
- **Involvement**
- **Shared purpose**
- **Renewal**
- **Learning**
- **Leveraging knowledge**
- **Risk management**
- **Networks**
- **Employee engagement and wellbeing**

A resiliently agile organisation has:

- A change-able organisational culture and structure that facilitates change within the context of the situation that it faces
- staff who are willing and able to give of their best - in a sustainable way
- a learning mindset in the mainstream business and underlying lean and agile processes and routines to drive innovation.

HR's purpose as:

- Strategic catalysts and **agile** implementers
  - Modelling agility
- Culture shapers
  - HR helping shape an agile culture
  - HR ensuring the culture is an asset not a liability
- Capability builders
  - Building enterprise's capability to fulfil its purpose
  - Leadership and management capability
  - Individuals' Agile capabilities
- Policy drafters
  - Codifying what facilitates fulfilment of the purpose
  - Keeping things simple
  - HR not 'policing' compliance but enabling autonomy, mastery, commitment to the purpose.

Source: partly based on Alex Swarbrick, Roffey Park

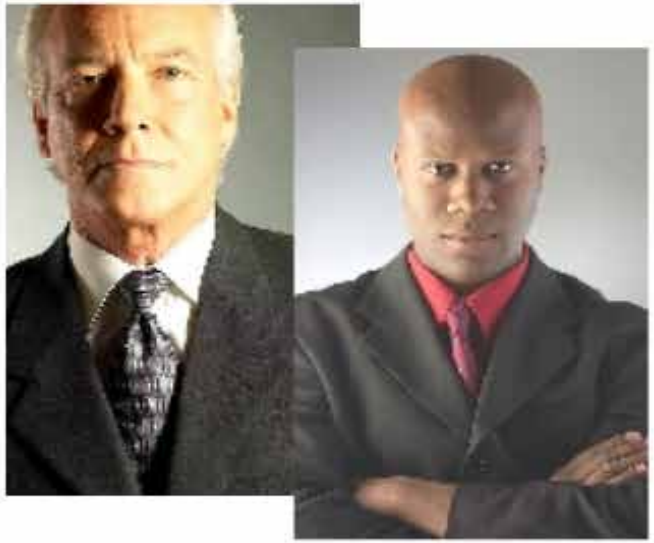
Cultivate new leaders to avoid a leadership gap

- Work with top management to ensure sign-up and clarity about purpose and ambition: a clear, unambiguous vision for what the organization is looking to achieve and why
- Increase own and others' ability to deal with complexity – expose self and others to new thinking and practice – scenario planning, visits etc
- Establish the principle and practice of taking decisions as close to the action as possible
- Help managers understand what the new management practices are, and how they can communicate them to others
- Use story-telling to reach managers at a deeper emotional level to persuade managers to stop acting like the traditional boss and embrace agile leadership
- Encourage 'tight-loose' leadership – help managers understand why, when, how and what to signal

Striking the right balance - loose versus tight control
(Karl Weick, 1976)

- Loose Control
  - Casual
  - Improvisation

- Tight Control
  - Seriousness
  - Punctuality



Loose ⟷ Tight

Enable partnership working and collaboration across boundaries

- Work in integrated teams
- Encourage knowledge sharing; act as learning hub, connecting the system to itself
- Develop ‘virtual’ and ‘global’ managers and cross-boundary teams, including global teams
- Flexible working options
- Manage conflict
- Implement effective diversity policies
- Develop in/out/in career tracks
- Develop collaborative behaviours and values
- Keep HR policies simple!

An agile workforce strategy?

The key to workforce agility lies in a strategy that puts people first, enabled by technology. With an eye on business outcomes, leaders will develop talent strategies that help liberate human potential and help shape an agile workforce—one able to confidently face the changes ahead.

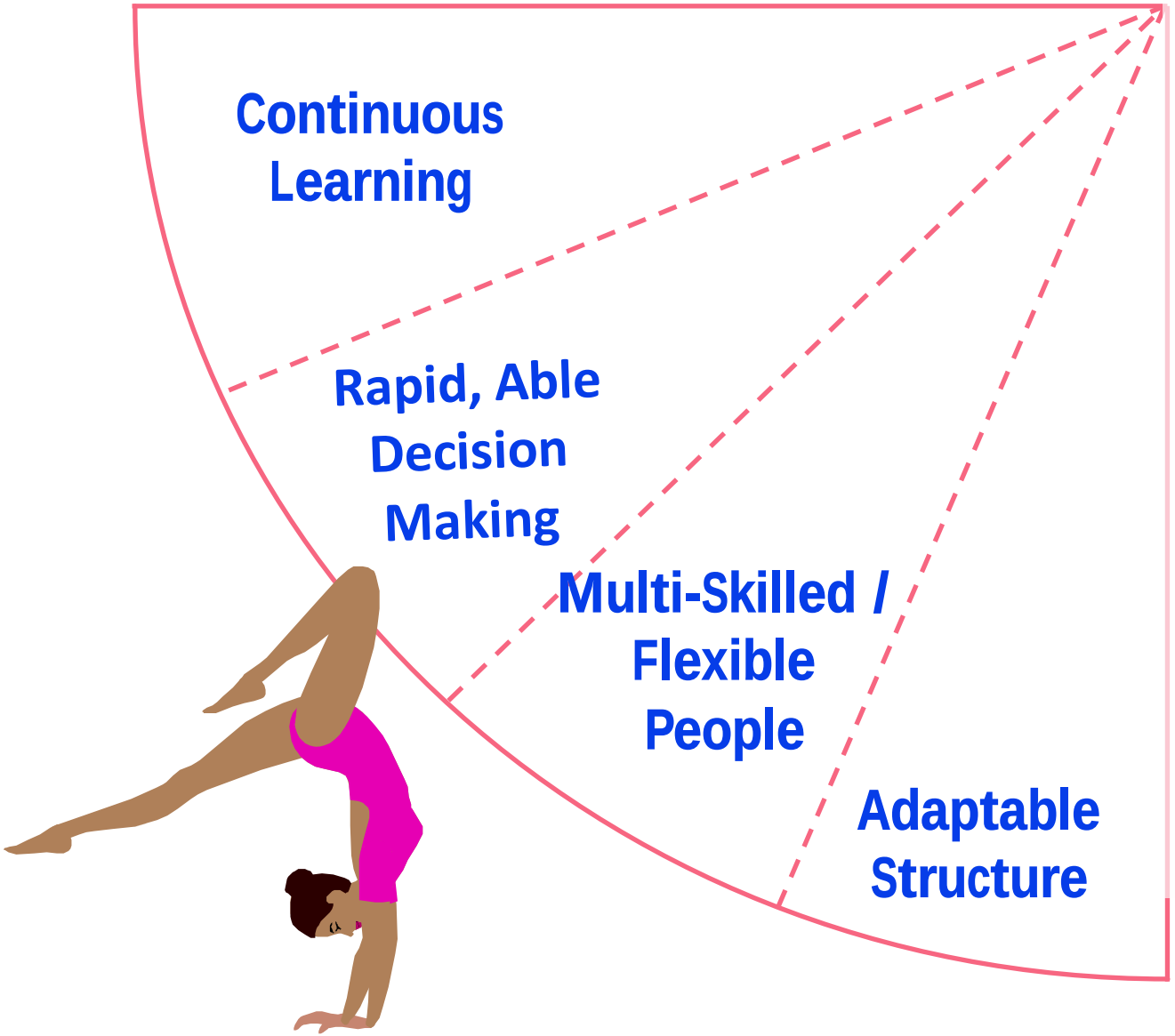
Accenture 2017: *Shaping the Agile Workforce*

Use technology to predict future needs

- Leverage predictive intelligence to understand your skills needs now and over time – including the traits and behaviours of future leaders
- However… rather than getting into the detail of estimating the contours of the future workplace itself – which jobs stay, which jobs go – instead reflect on the evolutionary cycle of technology, where we are within it and consequently how we prepare as it unfolds.
- Preparation benefits from anticipating future work demands earlier in the cycle.
- This requires a mix of up-skilling, reskilling and unlearning. Doing things differently can require behaviour change as much as a skills change.

CIPD, 2018

Build workforce capability: more agile routines and skills



Adaptability

Learning Agility

Tolerance for Complexity

Entrepreneurial Mindset

Innovation and Creativity

Resilience

Resourcefullness

Managing Ambiguity

Collaborative behaviours and values

Understand your workforce's expectations

Today's work environment

- Flexible but risky
- Flat and matrixed leadership models
- Greater focus on performance
- Technology and data enable work
- Value driven by skills, roles, backgrounds
- 'Careers' ill-defined
- Recognition of need for new skills

Tomorrow's work environment

- Flexible and risky but with options
- Shared leadership models
- Greater focus on improvement and innovation
- Technology and data drive work
- Value driven by mix of attributes
- Careers redefined - flexible
- New skills – digital, data etc – integral to ways of working

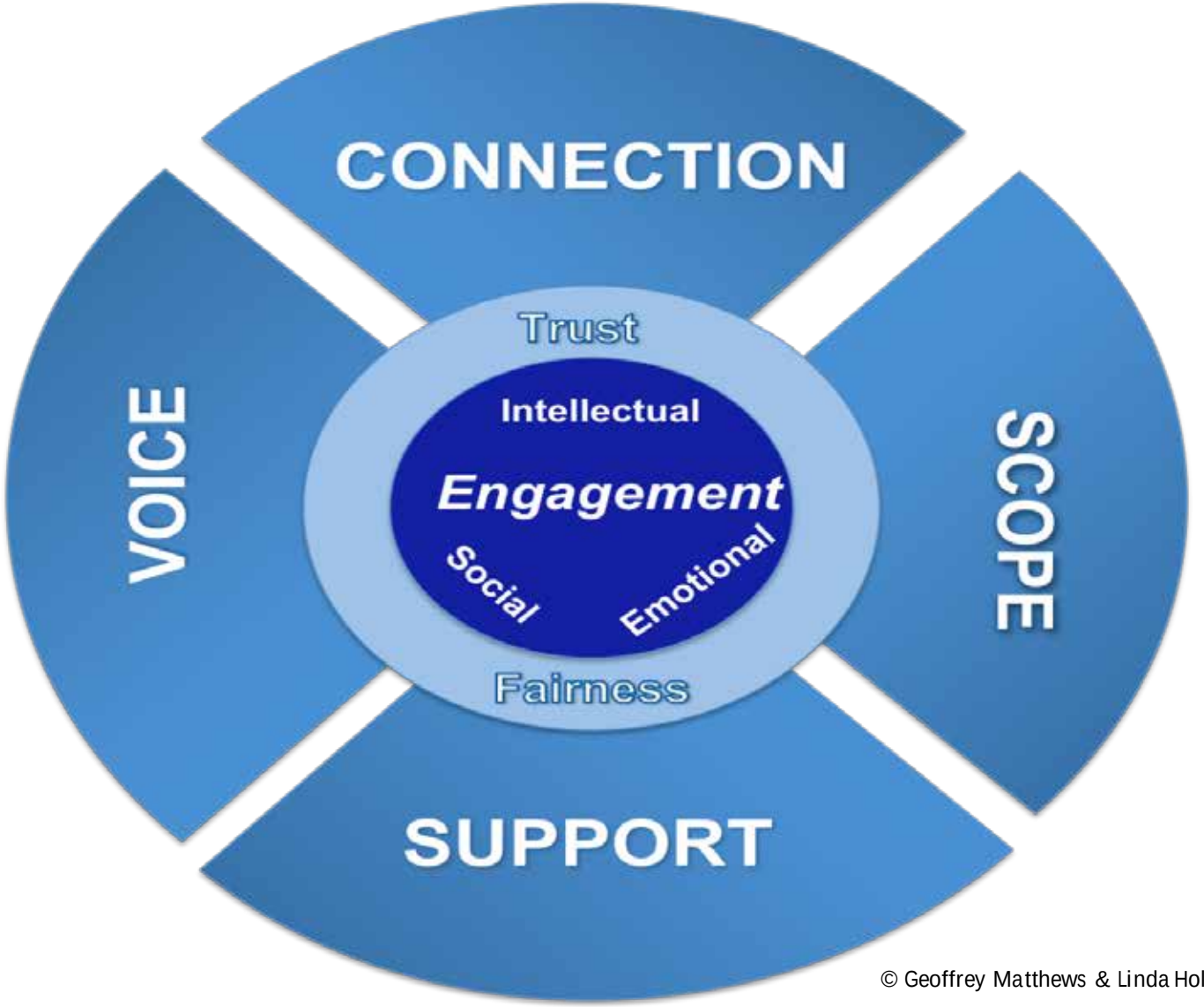
Co-create a new partnership with employees: the importance of choice

"It's such a significant part of our culture now. People having the ability to make a change [to] something as simple as the temperature in an office space really goes a long way for an employee to feel happy, feel appreciated, feel really engaged in their day-to-day work." Sarah Pacitti, *Learning and Development, AppNexus*

The crucial role of managers and leaders

- Setting the tone and sponsorship
- Moving from reacting to *pro*acting
- Moving from command and control to direction and capability-building
- Supporting the team, creating the environment where people can better connect and decide to work, learn and change together
- Also enabling diversity and employee well-being
- Deliberately developing organisational learning

The *Engaged* model of employee engagement



Extend the employee experience

- Connect people to the organisation e.g. develop contingent workers
- Ensure adequate support - develop engaging managers and values-based leaders
- Focus on employee well-being
- Increase voice – actively involve people in change
- Develop capabilities and skills
- Prepare people for new roles – arrange cross-organisational attachments etc
- Training, evaluations and promotions that emphasize collaboration; rotations required for moving up
- Fair performance and reward processes
- Flexible working options
- Effective diversity policies

Career impatience a driving factor

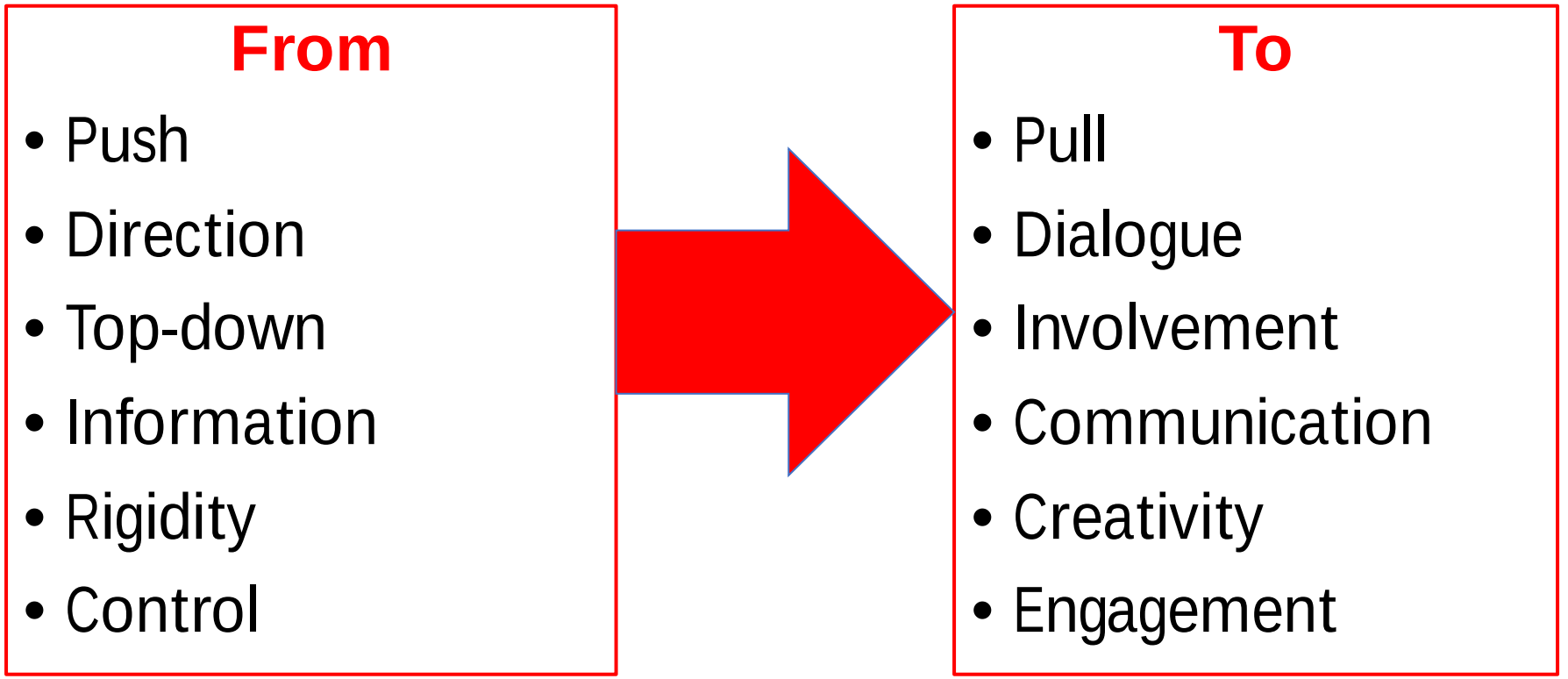
- Provide growth opportunities: develop in/out/in career tracks for agile careers
- Does the organization have lateral or cross-functional moves available, or could employees even move into a new role with less responsibility to learn a new area, but not risk future promotion opportunities within the organization?
- What kinds of career pathways can be mapped so that people can see opportunities ahead?

Build talent pools

- Design new and existing roles to better meet the requirements of business
- Explore digital talent platforms and expand your talent ecosystem to include networks of freelancers and create access to potential opportunities
- Phillips TA has a systematic approach to building talent pipelines in certain key areas. They:
  a) Have a target set of companies
  b) Research their employee base
  c) Actively reach out to the ones they are interested in.

  d) Have regular interactions with their talent pool through a good mix of engagement forms. The essence is to get to know your talent pool and build a long term relationship with them.

Change culture to retain talent longer



At organisational level this means ...

- Listen to first-hand experiences of staff and customers together;
- Engage the leadership;
- Build social capital inside and outside organization;
- Co-create the change with people e.g. revisit purpose/develop values bottom-up. Clearly articulate values in behavioural terms, and incorporate them into organisational life;
- Connect the organisational strategy with individual goals and objectives, which includes holding people to account on both performance and practice of values; signal what is valued-past, present and future;
- Foster trust and break down silos
- Create learning linkages across the organization.

Build a culture of disciplined innovation

- Act as innovation hub – collaborate with other disciplines to share knowledge, work on change programmes, design spaces, facilitate connections …
- Consider what core elements of HR process can be standardised, and simplified to free up space for needed innovation and shared learning.
- Co-create HR policies with staff

Develop a shared leadership culture

- Recruit and develop future leaders who ‘get it’
- Prepare existing workers for the digital future, continuously reskilling them to create a sustainable workforce—in the process, emphasizing human strengths in the collaborative relationship between people and between people and machines.
- Develop leadership at all levels – e.g. get people involved in reviewing and revitalizing the values, strategizing around key challenges

Contact details

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