

HRD

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“IT COMES DOWN TO A BASIC TRUTH,
WE'RE HUMAN. WE MUST THINK AND
OPERATE ON AN EMOTIONAL AS WELL
AS STRATEGIC LEVEL”

ANNA MCCARRON
HUMAN RESOURCES DIRECTOR
ASENDIA UK



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Impacts of the pandemic have created a greater appreciation that agility is not just one thing, or a set of tools, but must be embedded into the way a business operates. COVID exposed rigidity in many organisations and highlighted the many challenges in responding to change, making decisions and working at pace. There are numerous examples of businesses who were responsive, but for those that struggled, it has proved costly. Question is, how can business be better at anticipating and making decisions?

"THE HEALTHCARE SYSTEM HAS A LEGACY PATTERN OF TRYING TO FIX THE HERE AND NOW IN FRAGMENTED, FUNCTIONAL AND PROGRAMMATIC WAYS, WHILST MISSING THE MODERATE TO LONGER TIME HORIZON AND ITS BURDENSOME BUREAUCRACY"



ARTICLE BY CHRIS FURNELL, ORGANISATION DESIGN CONSULTANT & MARK LASCOLA, MANAGING PRINCIPAL - ON THE MARK

What is HR's role in being first responder to these operational and strategic shifts, on the frontline of agility? HR needs to be able to connect the dots, between market changes and the burdens and inhibitors buried in the operating model that hinder agility. This requires HR to challenge and intervene, go beyond people processes and sift through traditional and warm data - through both a business and people lens - to influence action. It's about balancing operational needs, whilst maintaining a primary focus on what the business needs to be doing well, to respond to its marketplace.

A few years ago, the UK's National Nuclear Laboratories was up against its outdated, under-performing, bureaucratic operating model, with impending challenges to its revenue in the coming years. Business leadership could see some of the challenges and looked at them in a traditional, fragmented way common to most businesses. The solution was to install a Chief Operating Officer. The CHRO saw it very differently and proactively worked with the executive team to identify firstly, what work they needed to be good at, before any assumptions or decisions are made about the people and skills. This critical agility work of changing the operating model in a more holistic and coordinated way is being carried out by HR, but nowhere as widespread as it needs to be. HR needs to be proactively helping the business define what work *it* needs to be good at, whilst adapting the operating model. This means balancing operational HR roles and moving from the typical psychological positions from where it bids to help a business be more responsive.

UK Healthcare provides another good example: The healthcare marketplace has changed significantly, with varied customer demands and behaviours pummeling healthcare providers - along with the rise of Integrated Care Systems - being two significant market influences. Progressive healthcare providers are looking at what they need to be good at and have realised significant value can be gained by investing in anticipating and coordinating healthcare needs, before

a customer enters the care delivery system. The focus shifts to not just what care is delivered, but how and crucially when someone requires care and treatment. But like many businesses, the healthcare system has a legacy pattern of trying to fix the here and now in fragmented, functional and programmatic ways, whilst missing the moderate to longer time horizon and its burdensome bureaucracy. In the healthcare instance, HR's role needs to help balance the two time horizons and ensure the work the business needs to be good at in the moderate to long term, is constantly monitored and actioned to

"THERE'S NO ESCAPING THE FACT THAT THE PANDEMIC EXPOSED UNRESPONSIVE, CLUMSY AND BUREAUCRATIC OPERATING MODELS IN BUSINESSES. IN THIS WAY, IT WAS A GIFT TO BUSINESS AND NOW IS THE TIME TO EXORCISE TRADITIONAL PSYCHOLOGICAL POSITIONS"

adapt the operating model, to address significant shifts in the market. Of course, HR needs to be good at the things HR does today - including workforce modelling and planning - but must also focus more on integrating its traditional work with the business strategy and demand planning. Progressive healthcare providers are integrating these aspects of work to enrich business intelligence with people intelligence. Yes, operational work may always need to be carried out, but HR needs to add value by looking ahead and acting as air traffic control of the operating model - sensing across the end-to-end work of the organisation - and helping the business connect the dots and take proactive decisions.

Perhaps the starkest of learnings from the pandemic was how to get work done

quickly and the dependency on decision making. Making decisions at pace will always be a central characteristic to agility. But as the pandemic has exposed, there needs to be mechanisms in the operating model to ensure decisions are made at the right place, at the right time, by the right people coherently and in a sustainable way. Driving decisions most local to where customer needs can be best satisfied has been liberating during the pandemic. There is a desire to avoid springing back to how work used to be carried out and decisions made pre-pandemic. Again, HR's role is to help the business design and maintain the structures and management mechanisms to embed local decision-making as business as usual, thus avoiding the assumption "we managed to make it work in the pandemic, let's just carry on." A closer look in many businesses exposes decision-making framework and implications of decisions that were not documented nor fully understood.

One final case in point, a UK Retailer had a framework in place which was principles-based. It was a mechanism whereby everybody from the CEO to the checkout operator was familiar with a common set of principles, by which situational judgement could be applied and decisions made. There is no arguing that the person closest to the work is the one with the best visibility of circumstances in front of them. Agility in this context, requires the business to trust that the individual will do the right thing, but acknowledges that the framework, principles and coaching is required to see more than just what is in front of them. This mechanism is two-way - to aggregate and make sense of the decisions made at a local level - and to disseminate information and decisions which responds to strategic shifts. HR's role is not only to help put the mechanisms in place in the operating model, but to maintain the two-way relationship of trust and empowerment.

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