

“Life After HR”
by
Dr Peter Saul
Director, Strategic Consulting Group

During his presentation at the 1997 AHRI National Conference, Professor Dave Ulrich outlined four deliverables that he argued HR professionals should be focusing on in adding value to their organisations: (i) Executing Strategy; (ii) Building an Efficient Infrastructure; (iii) Increasing Employee Commitment and Capability; and (iv) Creating a Renewed Organisation. In another session, Joan Ford outlined the deliverables from Goodman Fielders' Leadership Program and they were virtually the same as the HR deliverables described by Ulrich.

It should perhaps not be surprising that we are seeing a coming together of the HR and leadership agendas in Australian (and in most other Western) organisations. In each era in history, the path to the top of organisations has been via the speciality that develops the knowledge and skills that are relevant to dealing with the critical strategic challenges of the day. So, engineers get to the top when survival and competitive success depend on manufacturing efficiency and excellence; marketers get to the top in industries where marketing excellence is the key to competitive success; finance people get to the top when success depends on financial wizardry.

Today, as was confirmed at the recent 1998 AHRI Convention in Canberra, the critical strategic challenges facing organisations are around fostering workforce creativity, building trusting partnerships and working relationships, managing change, enhancing organisational learning, etc. These things are the specialities of the HR professional - or, at least, they are the specialities of those HR professionals who are well on the way to being regarded in their organisations as true business partners.

Current HR Role: Filler of Gaps in Organisations' People Management Capacity

In my work as a consultant in HR strategy and change, I have often been involved in discussions with HR practitioners who have bemoaned the low level of interpersonal skill and the poor understanding of organisations as human systems displayed by the senior executives in their organisations. This anecdotal evidence of a “people management” problem in Australia was confirmed by the Karpin inquiry on leadership and management in Australia which identified deficiencies in “soft skills” as one of the major gaps in the nation's leadership/management talent inventory.

The leadership, ethical, change management and low service quality traumas experienced by some of our high profile enterprises over the last few years (e.g. Coles/Myer, the banks, BHP, SOCOG, parliament, Patrick Stevedores) all reflect facets of the people management challenge facing Australia. Many HR initiatives are designed to correct these deficiencies and better equip managers at all levels to manage the relationship challenges, the challenges in eliciting creativity, caring and other forms of discretionary effort on which business competitiveness and prosperity heavily depend in today's dynamic and demanding marketplaces. The impact of these initiatives is usually frustratingly small, being overwhelmed by the prevailing management culture with its fixation on reducing costs and enhancing returns to shareholders (among whom top executives now feature prominently).

The human costs of current management practices are often hidden because of the high levels of job insecurity in the workplace (managers and workers are too frightened to openly resist the increased work demands being placed on them) and also by the personal pride and professionalism of most Australian workers. In my experience as someone who has conducted many surveys of Australian workers, most people want to do a good job and will keep doing so even when today's tough management practices make this difficult. They, and their families, simply wear the costs of longer hours, reduced resources, continually rising performance targets, and increased stress. But will they continue to do so indefinitely? The prevalence and enormous social impact of job stress and insecurity was a recurring theme at this year's AHRI Convention in Canberra. One got the distinct impression that many Australians are getting very close to the point at which they may collectively cry out: “we're not going to take it any more”.

A New Way Forward for HR Practitioners

It is possible to discern the beginnings of a new trend that may bear upon the way in which Australian organisations tackle these “people management” challenges. We HR professionals appear to be recognising that we might add greater value to our organisations if we stop trying to graft interpersonal sensitivity, coaching skills and transition management capabilities onto the people currently at the top of our organisations and concentrate instead on acquiring the business skills that will enable us to compete for the top jobs ourselves. It may be an easier path to follow - for existing line managers and certainly for us! But, it will require a significant shift in our self-image and in our career aspirations: from helper to leader.

In order to be competitive in our claims on the top executive jobs, the typical HR professional will need to:

- x Extend their understanding of our industry, competitors, technology, etc
- x Acquire sound basic financial, marketing, administrative skills
- x Build their self confidence, assertiveness, power
- x Take greater responsibility for the future of their organisation

You will probably already know of an HR manager somewhere who has made the move into a senior line job. I can think of three at least. I could not have said that as little as 5 years ago. A BRW cover story recently identified 50 women managers who were considered to have the potential to reach CEO level. Around 20% of them are currently in HR or Training and Development roles. If these data for women managers are any guide, there certainly appears to be a whole new life after HR for many of us as individuals!

As more and more people from an HR background are successful in moving into key leadership positions, it will be interesting to observe the nature and impact of their leadership styles. They are likely to be very different from the task oriented, short-term, financial "bottom-line" bias that characterises our current generation of corporate leaders. One glimpse into a possible future is given below.

New Leadership Strategies: Some Possibilities

In his recent book, "Leading Minds", Howard Gardner reviewed the lives of some of the great leaders in modern history. He found that they were each distinguished by their ability to relate and embody stories that helped the people they led to answer key questions about their identity; e.g.

- x where are we coming from?
- x where are we going?
- x what is to be feared and struggled against?
- x what is to be dreamed about?

In contrast to the great leaders of our time, many of today's corporate leaders are seen as embodying stories of "profits", of "competitiveness", of "costs", of "efficiency". Other stories are echoes of vague clichés about being "the best" or "preferred" supplier of a specified range of products or services. At worst, these stories are showing signs of being oppressive to the human spirit; at best they fail to define an identity that arouses us and makes us strive to be part of something great. These stories are inappropriate in our post-industrial age as they tend to inhibit the spontaneity, creativity and self-reliance (otherwise known as autonomy) that helps service and knowledge organisations to prosper in today's dynamic, competitive business environment.

However, the elements of possible new stories are emerging. For example, James Ogilvy, writing in *The Futurist* in 1995, suggested that we let go of our mechanistic view of work with its view of human beings as "human resources", as means to an end, as productive tools. He suggests that we seek instead an artistic paradigm, one which acknowledges that truly creative activity is largely unplanned and typically a result of playfulness, spontaneity and openness to diversity (diversity both of experience and of our lenses for seeing and making sense of that experience).

An Example of Work as Art

I am currently working with a NSW government department in reshaping its performance management system. The focus for this work is simply the creation of "constructive conversations" between staff and stakeholders - conversations that people want to continue to be part of (unlike the conversations that typically comprise the annual performance appraisal ritual in most organisations). We have so far had very productive discussions with several teams that have resulted in people reframing their role within the organisation and identifying new ways of satisfying their clients (internal and external). However, I have had to hold people back from their strong desire to produce a "finished" performance appraisal system - so that they can feel a sense of accomplishment and "get on with their work". I am trying to get them to see that the creativity they have displayed in coming up with new ways to improve performance has resulted precisely because we have not had a clear end point in view.

We have invited stakeholders to share their goals, aspirations and perceptions with us; we have listened without too many preconceived ideas to what we heard; we have puzzled over how to enhance our relationships with our stakeholders. Would we have done all this if we had been trying to design a "best practice" performance appraisal system? I think not!

The self-organising potential that is embedded in all living systems is causing a performance management system to evolve from the constructive conversations we have had in my government client. It is an annual cycle of structured conversations that will hopefully foster more listening, more creativity and more performance improvements. We may not end up with a detailed form that we fill in; or highly quantitative measures of "performance" to rate ourselves with. We will have been artists, not engineers. However, will the emergent performance management system be

“appreciated” (as a creative work) by senior management or inspected against preconceived “quality” standards and found to be wanting? It is still too early to say.

I am convinced that new ways of doing work, of managing human resources, are waiting to be found. Like the great artist, the place to start is to honour what is speaking through us rather than bend our talent to the form required by an outdated paradigm. We will almost certainly feel out of control or unsure of ourselves when we first attempt this but the new concepts in twentieth century physics and biology tell us that living systems are the most creative when they are “on the edge of chaos”, not when they are in a position of comfortable stability.

As HR professionals, we can continue to “fix up” a leadership style that we know isn’t working, or we can use our skills in dealing with the strategically critical relationship, team building, learning, and other “people” challenges our organisations are facing today to stake our own claim to lead differently.