

# HRD

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## SPECIAL REPORT

OUR APPROACH TO STRATEGY HAS CALCIFIED. "BLUE SKY" THINKING ALL-TOO OFTEN RESULTS IN BOILERPLATE OUTCOMES

PAUL SMITH, GROUP HR DIRECTOR – OUTDOOR AND CYCLE CONCEPTS LTD

{ BESPOKE }

“THE CLOSER WE MOVE THE CUSTOMER & EMPLOYER PROPOSITION TOGETHER, THE STRONGER THE CONNECTION”

### ALSO FEATURED IN THIS ISSUE

**MANAGING BUSINESS GROWTH** In a stifling hierarchy, HR is a bottleneck to growth. But in a dynamic environment, it's the lifeblood

**LINE MANAGEMENT** Traditional processes and relationships only serve to rattle a dynamic workforce that demands freedom

**WORKFORCE DEMOGRAPHICS** Where three generations once clocked on together, now organisations have up to five in the workforce

**AI, AUTOMATION & ROBOTS** RPA corrodes the traditional link between jobs and work and demands a more granular approach



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# KICKSTART THE TEAM MACHINE

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*A recent study reported in Harvard Business Review revealed that it's our experience of teamwork that shapes engagement and retention more than any other variable. Whilst organisations invest valuable resources in generous benefits packages to motivate individuals, or apply broad-brush analyses to organisational culture, the key to business growth lies in the capacity of teams. Indeed, business journals are in agreement as Forbes found that collaboration could 'supercharge our performance'.*



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ARTICLE BY VICTORIA BIRD, HEAD OF RESEARCH & DEVELOPMENT - BELBIN

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As things stand, whatever the size or shape of the organisation, much teamwork happens informally. With the rise of the 'gig economy', 15 percent of workers in the UK are now self-employed and many of Generation Z now seek out a 'portfolio career' which offers greater flexibility, freedom and personal fulfilment. In essence, this means an increasingly fluid, dispersed and ephemeral workforce. Instead of serving on established teams with well-known colleagues, workers become contractors, engaging in shorter-term projects with a wider variety of people, before moving on. This shift also means more entrepreneurs experimenting with new ideas and making their own way. Looking back to 2015, a number of start-ups joined the UK Government's 'Growth Accelerator' initiative. It demonstrated that most

successful small enterprises had some interesting advantages over larger organisations. The first was size - small companies often meant small teams, which were more responsive to change and rarely included more people than were strictly necessary. This gave rise to the second advantage; that the founding members were in control of recruitment, and were able to move through the first few stages of growth, by bringing in the strengths the business needed at the right time. In most cases, as the company sought to establish roots, the entrepreneurs' drive and creativity was complemented by someone who could address the wider demands of people management and deploy talents effectively. This people manager, in turn, sought to recruit practically-minded employees with an eye for

detail, who could bring ideas to fruition. At the company's inception, teams formed out of necessity. The objective - growing the idea and the business - came first, and it was clear-cut.

However, as the head count grows, start-ups frequently lose the very qualities that make their teams work and they become shackled to a rigid hierarchical structure in a bid to avoid chaos. Teams become bigger because people occupy adjacent desks, not because they are assembled for a particular purpose, or because they possess complementary attributes. It is led by someone who has climbed to the relevant rung of the organisational chart, rather than the one whose expertise and attributes recommend them to the job. The leaders, who used to work closely together, now operate in silos, each in a bid to keep control of their own domain -

instead of checking the pulse of real teams as they form and develop. Meanwhile, HR becomes the gatekeeper who - though perhaps unwittingly - restricts the movement of individuals and inhibits growth. Whilst the function may be in possession of vital people analytics needed on the ground, it is often too far removed from the real work of teams to leverage these data effectively. So, the question becomes; how do we harness the agility of start-ups and enable scalable business growth? The solution is manifold, and HR is at the heart of it. The good news is that, whatever the environmental constraints, teams find a way through. The latest study from the ADP Research Institute demonstrated that, in hierarchies, people come to know of their colleagues' expertise and strengths, and dynamic networks develop to meet demands. In other words, real teams are hiding in plain sight, leaving aimless, ineffective and ill-fitting groups to bear their name on the organisational chart. It is the responsibility of HR to map the contributions of individuals and their true teams in their people analytics, so that records match what's happening in reality.

To this end, it is crucial that HR takes the lead in promoting analytics based on behavioural contributions. We need to give people the lexicon to articulate their preferred working styles (beyond functional expertise) and the understanding needed to cultivate them. Gallup's 2013 study found that individuals working to their strengths are, on average, six times more engaged at work. More recently, Deloitte's 2018 paper found that, although more than 70 percent of companies say that they consider people analytics to be a high priority, only nine percent believe that they have a solid understanding of how talent drives performance. And whilst many organisations already use strengths-based assessments in their L&D programmes, many fail to join these up with business objectives. In short, the evidence is already there and the teams are waiting to be discovered. It's up to HR to curate this wealth of data and shape it into real business advantage. With individuals as the building blocks, behavioural tools can be used to simulate potential teams and diagnose existing ones, offering practical advice and guidance on how the team might conduct business and pointing up potential roadblocks along the way. When the objective changes, so does the team - and so does the advice.

In HR, it's a core duty to keep a broad view and ensure that the culture does not exclude certain ways of thinking and behaving as the organisation matures. Larger organisations often fall into the trap of 'cloning' high performers when recruiting, thereby limiting the talent pool and narrowing the organisational culture. In a study spanning over twelve years, working with over 100 teams, researchers Alison Reynolds and David Lewis discovered that it was 'cognitive diversity' - diversity of working styles and approaches - rather than diversity of age and ethnicity or gender which correlated with higher performance and growth. After all, high performance isn't an absolute. It's the result

of engaged individuals working to their strengths in a particular setting. We need to stop thinking in terms of "good people" and consider how to identify and hone all contributions to a team, even and especially those on which the organisation's culture does not usually shine a light. This goes for internal recruitment, too. Many new enterprises expand rapidly as an outward sign of their success, but don't consider how best to earmark and utilise the latent talent they have already taken great care to recruit.

When teams are forced to refer back to a separate HR function, it wastes valuable time, creates unnecessary red tape and decreases autonomy. Instead, 'without portfolio' HR professionals can provide on-site support to teams, empowering them to measure their growth and learn lessons ad hoc, where and when needed. Rather than working according to an appointed schedule or list, team leaders need access to responsive, practical and applicable people analytics that truly reflect the way they work and offer the insights needed to effect change. In some cases, even where the need for flexible teamworking is acknowledged, team managers can thwart efforts, fearing the loss of their high performers. In this instance, HR needs to act as arbiter, ensuring that managers are pulling together, to foster a culture of versatile, mobile teams.

In order to succeed, businesses need to set the example of effective teams at the highest level. Deloitte's 2018 research addresses the problem of senior leaders working in silos, finding that the degree of regular C-suite collaboration on interdependent work correlated with higher growth expectations. It calls the need for high-level teamwork (the 'symphonic C-suite') 'the most pressing human capital issue facing organisations today'. Whilst 'future-proofing' may be a comforting concept, in reality, we need to build agility and accountability - a strong, but flexible structure - into our teams, to allow them to respond effectively to change and grow the business. We need the data to unearth and support successful informal teams, and the confidence to make new ones and break old ones. In a stifling hierarchy, HR is a bottleneck and risks obsolescence. In a truly dynamic organisation, HR takes the pulse on its very lifeblood. With an arsenal of behavioural data, our new challenge is to be responsive in seeking, transporting and deploying strengths wherever they are most needed for growth. ●



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Do you believe that your company is adequately resourced and equipped to handle business growth?



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