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Helping shore up the ship

HR has a powerful role in helping firms weather economic downturns

By DANIEL SCHROEDER, *For Small Business Times*

Question: In light of current economic conditions and business trends, what advice do you have for human resources professionals who want to help their companies weather the storm?

Answer: The past 18 months have seen a slowdown in economic growth. Some companies have been forced to reduce the scope of their operations. Some have had to pursue staff reductions. At the same time, organizations have flattened out, reducing the number of reporting relationship layers. Greater emphasis has been placed on employee involvement, which is an interesting development in light of the recent rash of downsizings. Customer satisfaction and continuous improvement have become focal points. The coaching model of management has been increasingly pursued.

For human resources professionals, those trends have made it necessary to re-think the manner in which they carry out their own jobs in order to keep pace with the changes that are occurring within the overall organizational context.

For instance, "human resources reengineering" has become more common, stemming from work undertaken by MIT professor Michael Hammer. In essence, as organizations have evolved, what is expected from human resources professionals has also evolved. Put simply, more sophisticated contributions have been demanded.

For HR professionals, this evolution has meant a move away from operating as narrow, subject-matter specialists. Today they must function as broad-based generalists who act as internal consultants and problem-solvers. For many organizations, changes in overriding philosophy and operating structure have meant that some traditional aspects of HR (e.g., benefits administration) have been outsourced. In today's customer-oriented and change-driven organization, the HR professional must be sensitive to these forces and initiate a proactive

approach to service delivery that encourages organizational adaptation.

To encourage organizational adaptation, today's HR professional must be able to think in a strategic, system-oriented way. Let's look at an example of a strategic, systems-oriented approach to organizational learning to explore what we mean. In an adaptive system, a goal is established that serves as a guide. One goal of a learning program may be "to increase employee knowledge and skill in order to positively impact performance on the job."

The inputs or raw materials of the learning program are employees with knowledge and/or skill deficits. The processes that are used to transform them (i.e., the Processing System) are various learning approaches that are based on individual and organizational needs analyses. They have behavioral underpinnings (i.e., they can be observed and measured) that synthesize organizational improvement with individual and group improvement.

Presumably, the outputs of such an approach will be individuals whose skills sets and behavioral repertoires will have been positively impacted so that they are able to offer more sophisticated contributions to the organization. The HR professional interested in knowing the impact that the learning processes have had will be sure to collect data (i.e., Processing System feedback). Such data ensures that the learning program functions as a guided system. Learner behaviors and learning processes can be modified or changed based upon the data that is collected and analyzed.

However, to really encourage individual and organizational adaptation, additional evaluation is necessary. As we all know, learners don't simply "go away" after they complete a learning program. No, they go back to their departments, business units, work groups, etc. (i.e., the Receiving System). Here, they attempt to make use of the information to which they were exposed in the learning program. To a systems-oriented HR professional, how well they make use of the information and/or how well they are doing in applying it on the job is of primary importance.

By examining data about how well employees are doing on the job (i.e., Receiving System feedback), we can further identify how well our Processing System (i.e., the learning program, in this exam-

ple) is working. Does the learner's behavior adapt or transfer to the new environment? Is the learning well adapted to the environment? Do learners help adapt the environment in constructive ways?

To encourage organizational adaptation, we must be attentive to both Processing System and Receiving System feedback. Processing System feedback helps to ensure that the processes are not "hit or miss." It helps answer the question "Are we doing what we set out to do?" Receiving System feedback allows the Processing System (i.e., the learning program) to change to promote better interactions with the business environment. It helps to answer the question, "Is what we're doing resulting in good performance?" Such feedback also provides for adaptation and can involve changing goals. Additionally, it must be emphasized, Processing System feedback can also involve changing the Receiving System (e.g., departments, business units, work groups, etc.).

Systems-thinking requires the HR professional to make use of the old adage "Begin with the end in mind." To encourage adaptive individual and organizational behavior, examine the Receiving System for that behavior. Prior to offering a learning program on the topic of customer service or leadership or team skills or feedback provision, ask the question, "What are the desired consequences of the behavior (e.g., refined skills in customer service, leadership, teaming, or providing feedback) on the primary Receiving System (e.g., work group/business

unit/department/customer) for that behavior?"

If you want to understand a complex system (e.g., an organizational learning system), then use systems-thinking as a means to look beyond the training room. What outputs are expected? Which will be reinforced? Which will be ignored/dismissed/resisted? What are the consequences to the Processing System and the Receiving System for producing these outputs in these ways?

If you want to encourage individual and organizational improvement, then move beyond a focus on the immediate consequences (i.e., the Processing System) to an emphasis on the longer-term consequences (i.e., the Receiving System).

Use strategic systems-thinking to help your organization see beyond its old framework. Use it to synthesize individual, group, and organizational objectives and activities. Use it to move "outside the box" and toward adaptation and evolution.



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