

The fork in the road



With shrinking budgets and a smaller permanent workforce, will there be a need for more flexible workers/contractors.

Last month we were joined by a number of senior HR leaders for a webinar hosted by Mandy Chooi, Founder & CEO of her own HR consulting business, **Fairlead Consulting**, and former Global Director of Strategy & Innovation for HR at ING. We had a thought-provoking session in which Mandy explored the impact of COVID19 on HR and the opportunity this creates for the future of the function. Below is a brief summary of the themes we covered.

Undoubtedly, COVID19 has had a significant impact on the HR / People functions in organisations globally.

Entire workforces have been transitioned to remote working with no prior warning and in many cases with little impact on productivity. This has demonstrated HR's ability to "just do it" and push through a major change without total alignment and with less than complete clarity on the desired end product.

Will HR be up to the task of caring for overall wellness for the workforce?

The pandemic has also highlighted the importance of **mental wellbeing alongside physical wellbeing**, individuals have been faced with the challenges of the virus itself, as well as the broader impacts of living in lockdown. There has been a blurring of lines between work and home lives, with personal factors now playing a major role in work-related decisions more than ever before.

As we begin to emerge from this crisis and look to the return to the office, it is not helpful to think of versions of the past that many are unfortunately calling the "new normal". HR needs to step up to its responsibility of guiding the organization's future. **COVID19 has created a (liminal) space** for organisations to take stock, recognize what needs to be left in the past, acknowledge what we have learnt through this experience, and make clear choices to chart a new path in the organisational culture and ways of working. Don't be in a rush to take action. The gift of a liminal space is that the past is gone but the future is not yet set. Take advantage of this to pause, observe and ask the right questions, for that is what will give us better answers, and better insights from which we can make bold and wise commitments.

How do we balance this difficult polarity?

- » Employees need for stability and certainty increases
- » Organisations' need for flexibility and agility increases

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Over the last few months, the pandemic has highlighted **our need to adapt and be flexible in the highly complex environment in which we are operating**. The impact we have seen in our traditional supply chains and medical services has demonstrated the weakness of



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seemingly robust systems which cannot adapt to changing needs.

Moving forward, **organisations need to be even more agile and, in turn, more resilient.** Many organisations have become over-optimized, often for the sake of efficiency. As a result, we have optimized ourselves to the point of fragility – rather like “**over-inflated balloons**”, which we have to handle with great care and which are too rigid to adapt and survive when conditions change. Organisations must learn to operate as part of a complex adaptive system, in which multiple independent parts can interact with, and impact, all other components, adapting as needed, in order to function effectively in changing conditions.

So how can organisations shift their culture to operate successfully in such an ambiguous and fast-moving environment?

The answer could be to strip away much of the rigidity we have developed around ourselves in the form of processes and structures.

If we reduce HR to its most basic level **and consider ‘what is the most minimum version of HR - HR’s MVP (minimum viable product),** that can still enable large groups of people to succeed as part of a team? What would be the minimum structure and people/management processes needed? The first crucial component could be a shared purpose – one that is truly used in decision making and can be felt in the daily lived experiences of everyone. In fact, in the face of so much complexity, purpose has never been more important. A clear purpose at an organisational, team and individual level is the fastest way to cut through the clutter and create autonomy and cohesion almost at a magnetic level, instead of relying on rules and instructions, all crucial in maintaining motivation and productivity.

We often see organisations go through functional transformation where the traditional HR building blocks such as talent acquisition, learning, employee relations, etc, are reorganized in various combinations. **Perhaps what is required is to completely reimagine the function, stripping it back to its minimum viable version, and to ask what is the primary purpose of HR?**

We discussed the purpose of the HR function with our guests and agreed that **HR’s purpose was to unleash potential,** creating an environment in which people and businesses can thrive. If this were true what would be the minimum set of HR practices? Where the constraints that exist are there to enable, empower and to create cohesion.

In a context of heightened uncertainty and instability, as we emerge from this pandemic, this will be a complex cultural shift to manage. Leaders need more than ever to instil a sense of stability amongst their teams, whilst encouraging a culture of flexibility and agility. **This will not be easy to achieve, but those who bravely forge a new path at this juncture could be the ones to thrive.**

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