

Management is dead...

... Long live new management. As the electronic revolution leaves familiar practices looking outmoded, Laurence Lyons explains what HR professionals can do to rejuvenate management and change the culture of their organisations.

Something important must be happening when our everyday language changes. The "e" prefix is being added to a growing list of words on an almost daily basis. We have e-commerce, e-business, e-learning - e-everything, it might seem.

A flood of electronics, in the form of communications and computing, has immersed the world, and we all find ourselves swimming in a new "virtuality" that has short-circuited all the old, inefficient communications paths.

At the Future Work Forum at Henley Management College, we have even changed the name of the subject that we have been researching for the past eight years - "future work" - and now refer to "e-work".

This covers a whole set of new practices and opportunities made possible by

modern technology, and we have been working together with our blue-chip member organisations to find out how best to absorb and manage it.

The 'e' prefix has become so pervasive that we might be led to believe we are entering a new economy. With service as the new differentiator - as opposed to products, which are now easier to make and for competitors to catch up with there is a strong case to be made for saying we are already in a post-industrial era. More and more people now live and work in the post-farm, post-factory setting. They travel. They work at home. They even work while they travel - in hotels, planes, cyber cafés, and at "touchdown spaces".

For many people, the division between work and life is becoming blurred, as is the division between work and learning. The pace of life is faster. The bonds between worker and workplace are weakening in many places, and loyalty is being defined on a shorter-term basis. Paradoxically, this is happening at a time when attracting and retaining talent has become a critical HR challenge almost everywhere.

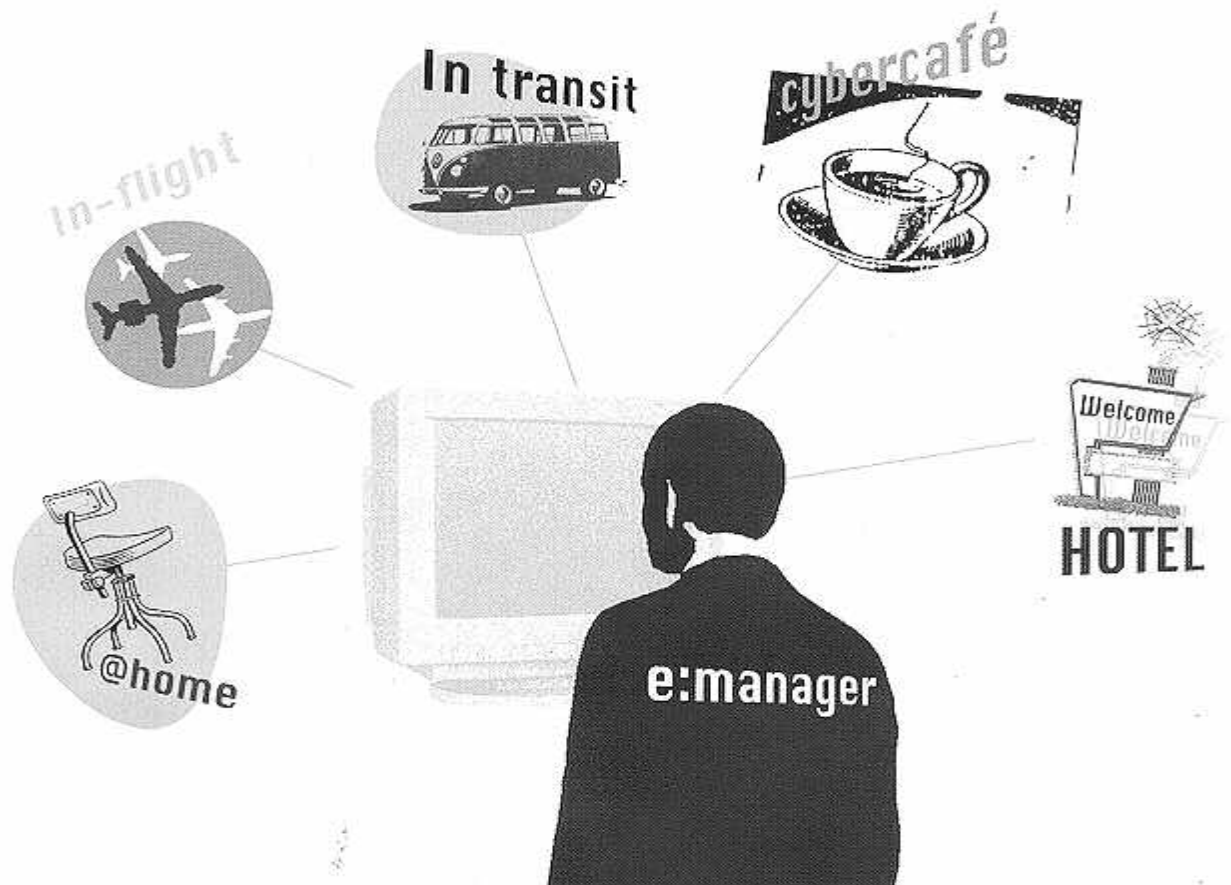
The potential impact of these changing work practices and relationships on

corporate culture cannot be underestimated. While some organisations are bringing their cultures into line with the emerging new economy, in many others the culture still reflects a management model associated with an outdated factory setting. This model enforced strict adherence to rigid plans and routine repetition.

In contrast, today's post-factory setting requires people to be thoughtful, flexible, creative and innovative. But people cannot be creative and innovative while they remain chained to the factory model of management. So management must change, and this means that organisations must also change the way in which they formulate strategy. Strategy was once the province of only a few people in "higher management" It was all about the organisation. That is now changing, as the focus of strategy shifts to the individual.

Efficient businesses are increasingly being built on networks, rather than pyramids, and success now depends on everyone being creative and innovative as we shift from keeping machines running to pioneering relationships. After an era of organised business process engineering, personal acuity has become the new

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This millennium's model

The following is an excerpt from Coaching for Leadership: How the World's Greatest Coaches Help Leaders Learn (Jossey-Bass 01243 843294), by Alyssa Freas, Marshall Goldsmith and Laurence Lyons.

"As knowledge work relentlessly replaces manual work, we are witness to the dawn of perhaps the most meritocratic workplace environment in history. Management is no longer perceived in terms of maintaining the business machine, but is seen as the motivator and leader of men and women. Our understanding of the essence of management is reeling from radical change.

The management metaphor has, until now, been extremely useful in helping executives to plan, motivate, and control. But, the word "management" has come to represent an attitudinal straightjacket that can stifle, and often excuse the need for, that kind of truly innovative thinking that has become a prerequisite for success. As markets become more efficient and intensely competitive, ideas of coercion and control -- together with a reliance on rigid rules -- hinder, rather than help.

Businesses can no longer afford to reward the routine repetition embedded in the all-too-rigid "management" model. A new culture, one that prizes sensible action and appropriate adaptability, is challenging as well as complementing written strategic plans. These vast tomes were invariably out of date on the day they were published, and contained too many untested or generalized assumptions to be workable in practice. Long delays in the planning cycle allowed the organization to meander aimlessly while waiting for the control loop to close. It is not easy to enter into dialog with a written plan. These days, competitive advantage is not to be found in written plans alone.

Corporate success is now intimately related to the way in which individual executives think, act, and interact on a daily basis. They must now do the right thing, not simply the written thing. It is not enough to take problems to others and await a response. The competition will not stand back and wait. Successful executives do not "need the meetings," instead they "meet the needs."

Whereas the technical business process was only recently seen as the dominant lever of change, we have come to recognize the human "etiquette" of the organization as a potent value driver. If we get the formula right, the currently emerging leadership culture offers leaders a genuine opportunity to make the world a better place."

key to winning. These developments give the HR profession a clear and exciting agenda, because that is where an organisation looks when a change of culture becomes a business imperative.

In the same way that the personal computer took power out of the computer room and placed it on people's desktops, today's HR challenge is to take strategy out of the boardroom and to develop more thinkers and leaders. Generally speaking, there is now no greater service that the profession can provide - or value that it can add - than helping the organisation to shift its culture so that it is more in tune with the modern world of work. That may be no easy task.

One powerful method is to transform management into leadership. While managers merely motivate, leaders are those who inspire. And, in order to win in the new economy, companies need inspiration. But what do individuals actually have to do differently in order to achieve this breakthrough?

My experience of coaching executives suggests that the answer lies in a distillation of seven personal skills. These are the core strategic skills that individuals need to help them transform from

Working to the best of their Ability

In *Coaching for Leadership*, Laurence Lyons and his co-authors argue that as technology gives people freedom to work where and when they wish, many people prefer to be judged on what they achieve rather than the hours they put into the office. "For knowledge workers in particular, the time of day or geographic location of their efforts has become irrelevant," they write.

One company that has discovered that it pays to measure performance in terms of outcomes rather than inputs is the software house Ability Europe.

"We have a policy where people telework and are not expected to come into the office every day," says managing director Angela Lovegrove. "The reason I've done that is to get the quality of the people I want. They do not necessarily live round the corner from the office; they live all over the country."

Working mainly from home both improves employees' quality of life and boosts their productivity, according to Lovegrove. But it is certainly no soft option.

"My view is that I've got intelligent people who know what they have got to do, and if they don't perform, they are out," she says. "There is an enormous amount of trust but there's an enormous amount of pressure as well, in terms of delivery. So I think I get a far higher volume of work out of my staff than somebody who has got office-based staff who do 12-hour days."

Allowing employees to work from home and manage themselves takes a culture and leadership style that, as Laurence Lyons and his co-authors put it, treats "people as responsible adults." Ability Europe's experience suggests that once people are treated in this way, they also begin to question and influence organisational strategy.

Part of a global group that develops software, the company specialises in marketing and selling software products and providing clients with after-sale support. It has around 1000 employees worldwide, 50 of them in the UK, and a structure made up of just two levels of staff, one of them being a four-strong management team. But Angela Lovegrove prefers to describe what she and the rest of this team do as "coaching" rather than "management".

"We work as a team and coach each other," she says. "I coach people in certain aspects of the business but it's a reciprocal relationship where everybody helps each other."

Can this relationship and the leadership style it reflects continue to flourish as Ability Europe grows and takes on more staff?

"As long as we continue to employ the right people with the right attitude, who are open-minded and adaptable enough, I think it's possible," says Lovegrove. "I'm certainly going to try but the next few years will be a real test."

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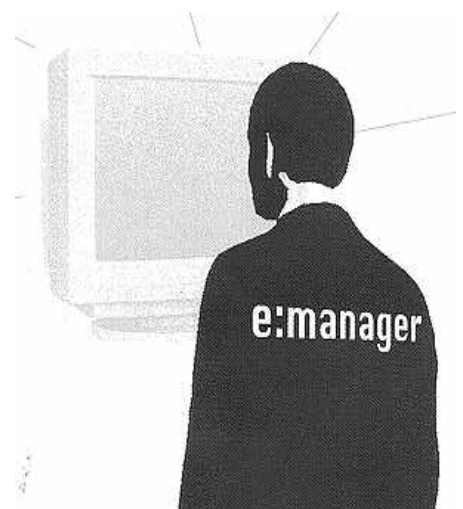
managers into leaders. Of course, leadership covers more than strategic thinking. It will include - among other things - setting a good example and acting with integrity. But personal strategic competence offers a rational foundation on which leadership can be built. Here are the skills:

1. Personal reflection – This involves periodically standing back and taking stock. In a world of rapid change where plans may become quickly outdated, an open and reflective approach helps people to think through all the alternatives and gives them a sense of being in control. In other words, personal reflection promotes self-reliance.

2. Instigating dialogue – In a world that survives on relationships, continuous meaningful dialogue becomes vital. Dialogue engages each individual with others in a direct and effective way. When practiced well, it is dialogue that brings us face-to-face with reality and lets us try out our ideas. Coaching is the mechanism that transforms manager-subordinate discourse into a dialogue between peers.

3. Seeking identity – In these turbulent times, the re-affirmation or re-definition of individual's roles must take place more frequent. The traditional job description is giving way to a much more dynamic interpretation. Within the network, one individual may take on several roles

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simultaneously, and an ability to understand and communicate this evolving identity is crucial to the new peer-to-peer way of working.

4. Obtaining agreement – It should come as no surprise that the art of negotiating is a key skill in a world that is depending more on relationships. Also under this heading comes the ability to question before acting, and minimize the risk disagreement.

Now more than ever, one of the most important kinds of agreement is cross-functional. There is no place for the silo mentality in today's world of work. Modern leaders must be able to converse with, and understand the worlds of those

In-flight



In transit



cybercafé



whose backgrounds are different from their own.

5. Taking action –In a more uncertain world, there is a great tendency for us all to let things slip and hope problems will simply go away. Without action, nothing happens differently. Although it often exposes us to the possibility of making a mistake, failing to act may also be also a mistake. A learning culture does not penalize someone whose actions are based on informed judgement, because sometimes the pos-

sibility of making a mistake is the only way forward. We must realise that we live in a more risky world and behave accordingly. To support this we need courage, confidence, good judgement and a sense of balance.

6. Giving recognition –This is a powerful leadership activity that is not emphasised enough in traditional management styles, and is a key to making strategy work over time. The results that come from appropriate recognition of a job well done are extremely positive and motivational to both the individual and the team. Giving recognition can also be one of the easiest skills to coach.

7. Ensuring follow-up – All our research shows that the impact of “closing the loop” or follow-up is enormously important. It is one thing to say

that something will be done; whether it actually gets done is another matter. The skill of following-up is a modern counterpart to the “control” techniques of the factory model - a piece of traditional management that has be re-interpreted sensitively for use in the modern business world.

All seven of these seven skills can be learnt. Together they provide a framework for making strategy personal and appropriate to the new world of work.

FURTHER INFORMATION

Laurence Lyons is leading a master class on “Surviving and Leading the e-work explosion - what it means for HR, your company, and for you” on Thursday 26th October at the CIPD National Conference 25-27 October. For details call 020 8363 3434 or visit www.cipd.co.uk/conferences