

# HRD

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## SPECIAL REPORTS

EMBRACING UNKNOWNING IS NOT THE SAME AS CELEBRATING IGNORANCE. PLUS, CHANGEMAKERS CAN LEARN FROM THE IMAGINAL CELLS OF CATERPILLARS

HELEN WEBB, CHIEF PEOPLE & SERVICES OFFICER - THE CO-OP

## { THE ESSENTIALS }

“WE HAVE AN UNBREAKABLE THREAD BETWEEN OUR CORE FOUNDATIONS AND FUTURE VISION”

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#### DEVELOPING TRANSFERABLE SKILLS

Reskilling is critical now skills have just a two year shelf-life, impacting 50 percent of employees by 2025

#### SUCCESSION PLANNING

The new model, emphasises leaders at all levels, not the heroic individual senior or the slick central initiative

#### HUMAN CAPITAL MANAGEMENT

We still need a mix of exceptional “people people” and laser-sharp analytical thinkers, to track tangible insights

#### HR & DATA SCIENCE

The C-suite now demands, data through a relevant lens rather than blithely following data-lite assumptions

# WE INTERRUPT THIS PROGRAMME...

ARTICLE BY PHILIPPA HARDMAN & CHRIS NICHOLS, FOUNDING PARTNERS - GAMESHIFT

Most of us will have a strong sense that there are a lot of powerful and important shifts going on in the world, ones that are filled with threats, but also opportunities. This is the stuff of the 'horizon scanning' that business planners and strategy gurus want us all to focus on. They're right, it's worth taking a look at just some changes that are - or should be - on the agenda.

The current and all-pervading virus pandemic is the most visible of these factors right now. But coronavirus is just the latest manifestation of failure in a complex inter-connected tangle of systems in crisis. It may be the most immediate difficulty we all have to deal with, but it will not be the last and it isn't separate from many of the other huge challenges that are looming on our shared horizons. Given that it's obvious that everyone needs to become better at working with the unknown in a world of perpetual disruption, won't this change 'just happen'? Well, maybe and maybe not. There's a lot of imposed change just waiting to spring back into deep patterns (the world can't afford that) and there is a lot of inertia coiled and waiting to preserve those patterns. Inertia must not be allowed to win the day.

Organisations can become stuck, sooner than they think. They have structures, identities, processes, ways of being, ways of doing and ways of learning. These give rise to how the people within them see, hear and experience the world - not the world as it is - but as how these ways allow them to see. They give rise to how people develop positions about all kinds of things, including; strategies, campaigns, initiatives, stakeholder relationships, products, brands, systems, profit margins, organisational

identity, culture, go-to markets and must-win battles. Organisations become big, powerful and successful. They become known for being great at this or for having an unrivalled capacity for that. People want to join them. People in the organisation pour their energy into supporting and reinforcing these things. They fit in, are promoted, earn more money and acquire fancy titles. All of this can work brilliantly, right up to the moment when the world becomes critically different to the world as it was. At this point, which occurs before anyone thinks there is any kind of crisis, the organisation needs to see those changes and respond. There is a moment - we call it a 'knife edge' - where all the great components of past success become threats to future flourishing. They start to entice the leader, the team and the whole organisation into not seeing, into not changing.

The very richest one percent now own over 50 percent of the world's wealth and the gap between rich and poor is growing. An economic model that drives such inequality may turn out to have limited political support. What does this mean for the type of companies we have? Where are they based, how do they structure themselves and how do they trade and pay their taxes? All of these questions are looming in boardrooms around the world and they

are a long way from being resolved. It is an intriguing thought that, with the rise of nationalist governments - many of whom seem determined to ignore international political bodies and to be unconcerned with transnational issues like climate change, multi-national companies (and NGOs) - may end up as the only organisations with a combination of real power and a genuinely global perspective. These companies will be forced to take action on the big issues because, despite complaints about corporate short-termism, they have a longer view than that of ratings-chasing, populist politicians. Climate catastrophe would be disastrous for business - and for everything else.

The challenges are huge - and this is only a sample of the issues facing us in the future. We prefer to see them as huge opportunities - but almost no-one in any organisation that we know is really on top of this. Don't they care? We know people who do, passionately. But their organisations get in the way. Why? One argument used by those unwilling to deal with these issues is that they are simply 'too difficult'. They are shut away in drawers, often labelled 'VUCA'. The VUCA label has a lot of criticism, often being seen as a bit of a fad. That may be right. But it does remind us to take a close look at some things that do really matter. We are particularly concerned with two of the four VUCA factors, uncertainty and complexity. Uncertainty is nothing new, everything in the world lies on a continuum between the known and the unknown and always has. However, there is a lot of pressure in organisations to pretend that uncertainty doesn't exist and to create false certainties instead. Investors demand forecasts, the corporate centre calls for detailed plans; the capital allocation process requires estimates of market share and profit margin before a product even exists. It can be very hard to say, "I don't know." Power in organisations plays heavily into this. Many false certainties are created because someone in power requires certainty, or at least the illusion of it. By contrast, uncertainty invites everyone to ask, "how do we know this is the

case?" It invites us all to find out what we do know and to be brutal in our honesty about what we don't know. It invites us to make rigorous exploration of the unknowns. Some things are unknown, but potentially knowable. Other things are more intrinsically unknown; a more rigorous knowledge of them cannot become available with the level of analysis that is available to us. So, we must find better ways of investigating them, rather than falling back on helplessness or false ideas.

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Positive disruptors embrace unknowing - embracing unknowing is not the same as celebrating ignorance - it's a frank admission that there are some things we just don't know yet. Unknowing provides an anvil against which to break down the hyperbole and the blind-sight of common assumptions and motivates us to be serious about finding out some new things. Complexity describes a state where cause and influence are interconnected and non-linear and thus to some extent, unknown or unpredictable because the pattern, direction and magnitude of the causation is continually in flux. But complexity is often confused with complication and these are not the same at all and confusion over this lies at the heart of much that is awry in organisations. One of the most common ways in which organisations address complex issues is to create complicated structures. But you can't do this - it's the wrong level of analysis. You might have the temporary comfort of thinking that you've

contained the complex situation, but the reality is that you haven't. It's a false security, creating an illusion of imagining you are more certain of something than you really can be. It's a comfort blanket. Nearly all of the challenges and opportunities highlighted here have some of the characteristics of VUCA challenges, but this does not make them impossible. They are invitations to do better work in system-shifting ways. The rewards could be huge. Business and work life is - and will continue to be - deeply affected by the impact of these chaotic times and by the reorganisations and reinventions forced on society. It seems that a reluctant world has just taken a deep dive into a massive digital shift. People who had never used an app are suddenly part of webs of virtual communities; from online Buddhist centres to doctors doing video consultation as a standard offer; from instant global sharing of expertise among clinical teams to open source patents for 3D printed ventilators. Suddenly, everyone seems fully bought in to the digital reinvention of the future.

When the virus crisis is over, will things 'ping' back to conditions as they once were? We think not. Many people have felt the huge relief of a different way of working and will want more of it and will be sceptical about the hyper-mobility of jetting around the world to team up with colleagues face-to-face. We sense there has been a catalytic moment in the realisation of the digital age, but where does it go from here? What will business look like after this immediate crisis passes? That is all to be created and everyone will be involved in the process. The identities of every organisation and the people within them, will have to shift in response to these challenges. Are we ready? The world needs a whole new passion for constant re-learning everywhere and always in organisational life. This is not about telling people what the digital future is - no one knows yet - it is more like Antoine de Saint-Exupéry's notion: "If you want to build a ship, don't drum up men to gather wood and give orders ... instead, teach them to yearn for the vast and endless sea." In just about every kind of organisational work, it is really important to acknowledge that some things are more certain and

predictable than others. We draw on a simple analogy to help make this thinking clearer. We call it the 'Navigate-Explore' framework. It has two zones: The Navigation zone is when things are relatively stable and familiar, when you're dealing with technical issues (even demanding ones) and your existing experience and expertise is a good guide for action. We call it Navigation, because you already have a good enough 'map' to guide the actions you need to take. Navigation tasks may be lengthy and complicated, but they will feel familiar -

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the tasks of 'business as usual', project management, resource allocation - all to deliver specified outcomes. The Exploration zone is when things are more unfamiliar, for example when in times of significant change, when you're innovating and when you want different behaviours to achieve new outcomes. These times will all tend to have some elements of being 'beyond the known map'. In this type of activity, your existing experience and expertise may or may not be quite so useful, and may, at times, even be a false friend.

So how can understanding about Navigation and Exploration help disrupt

organisations in positive ways? The main clue to spotting you're in the Navigation zone is very straightforward, it'll be familiar. The navigating world is one where your existing experience and expertise gives you a reliable sense of what is happening and what to expect. You are likely to be entering the Exploration zone whenever people start talking about facing new problems. These can be genuinely totally new (such as the current virus), or new twists on familiar themes, like entering new markets, finding new ways to achieve growth, creating a different way of connecting to customers and meeting their needs. What they have in common is that all these demand that you develop fresh ways to see, act and organise, to achieve a new way of working. In this zone, you are creating maps, not just following them.

It's extremely common when talking about strategy or change to use the metaphor of a journey with a destination: "We're here and we are headed for the sunlit uplands over there..." nobody ever heads for the drizzly lowlands. Our advice is to be very cautious about using 'destination' language at any time where you are uncertain and want others genuinely to join in exploring with you. Think about explorers and expedition leaders of old. They had no maps, but were prepared for their process of exploration. They had the right team, they had the right equipment and they were fit. Focus on all these things in how you position the work to be done. Those explorers also had one other important ingredient, a purpose. Notice that a purpose and a destination are different. Destination assumes you know the outcome, that you can describe the end point. Purpose doesn't do this, it says that the journey itself is important, that the reason for the exploration matters.

This is not a story of certainty. Perhaps another metaphor will help here - the knight on a white charger, who rides to the rescue heroically revealing a glorious plan. "Follow me, I've got the answer!" We saw this at a business school, where a new CEO rode in with a clear plan. In the future the focus would solely be on

large corporates, with the intention of maximising profit from each of them. Business development was no longer the responsibility of faculty but of large teams whose competencies included 'having the killer instinct'. The role of faculty was to turn up and teach people in their allotted programme. Staff were told: "This is what will make the business successful again". The story was clear, the boundaries extremely well defined. It was then simply a choice whether to follow the knight or not. By comparison, explorers invite people to join in the creation of the map, sharing with them the possibilities for the future. Explorers tell a story about their purpose and about the potential that lies over the horizon. The story invites others to come with them. Crafting and telling such a story is probably the most vital skill. ●

This article is an edited extract from *Disrupted! How to create the Future when the Old Rules are Broken*, by Philippa Hardman and Chris Nichols.



FOR FURTHER INFO  
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