

WhitePaper

Organisations must evolve to meet the changing needs of employees and customers, says Val Sedounik.

New thinking is required in today's emergent workplace

Creating a great place to work that harnesses the talent and potential of employees has never been easy, but now it has become even more difficult. The work environment in today's organisations has been transformed by technological, social and demographic changes. Every employee now has an outlet for self-expression, through social networks and blogs. Customers have also become better informed and more demanding. They can publicly express any dissatisfaction with the products or service they receive and easily switch to a competitor if any supplier fails to meet their expectations.

Organisations therefore face the dual battle of trying to retain the loyalty of their staff and of their customers. As they strive to achieve this in ever more competitive markets, it's becoming increasingly clear that the old way of thinking about the workplace - which led to the creation of traditional hierarchical structures - is no longer appropriate. If organisations are to become fit for the future, a new way of thinking and leading is required.

Stifling initiative

The problem with traditional hierarchical structures is that employees are constrained by the bureaucracy of internal policies, procedures and processes. Managers become 'enforcers', ensuring that people follow rules, adhere to standards, stick to the task and stay within the budget. Micro-management and silo-based working become the norm within teams, departments and functions. Having multiple tiers creates its own inefficiency, as it takes longer for decisions to be made. Response rates are therefore slower, initiative gets stifled and employees, particularly those at the lower level of the hierarchy, are left feeling disempowered and disengaged.

Saddled with these restrictions, it's very difficult for any organisation to satisfy the dual demands of its employees and its customers. So is it possible to improve the work environment and create a customer-centric culture where employees can work collaboratively and take pride in their work; where autonomy and flexibility are encouraged; where innovation is unleashed and where people are freed up to think differently and to respond more effectively to customer needs?

The good news is: yes, it's possible. The bad news is that there's no simple, prescriptive checklist of 'do this, then do that' that will bring this about. That's the old mental model.

The new way of thinking is to start with an absolutely clean slate and ask yourself what are the future demands of your organisation. What do you need to do to meet the expectations of your staff and customers, and stay relevant in the future? This is a broad question and it may lead you to consider aspects such as your structure, your culture, the prevalent leadership style and the level of trust in your organisation.

It's important to note that the organisational evolution that's required goes beyond the realms of traditional change management. We're not talking here about a brief period of transition before you create your desired future state. Meeting the needs of staff and customers in the future is likely to require continuous transformation. However, you'll need a catalyst to initiate the process. The evolution that's required in today's organisations won't happen naturally; it will need to be provoked.

Exposing flaws in organisational design

For example, the introduction of a new claims handling platform prompted a leading insurer to transform its way of working and improve its operational efficiency. My team and I liaised closely with their internal division to conduct a wide-ranging review of their existing processes and procedures. This review highlighted organisational design and workflow flaws that were impeding initiative and fostering micro-management. In line with the strategy and the values of the claims division, we recommended a structural redesign and workplace changes, including the creation of new

management accountabilities. These changes freed up the claims handlers not only to make faster claims-related decisions but also to provide a more consistent service to customers, where they could bring their expertise to bear.

To explain the new roles that were required, we created an interactive workbook, delivered a facilitation training programme for business leaders and provided coaching for line managers. As a result, the insurer not only created a more conducive work environment, it enhanced customer service, increased employee engagement and improved its overall efficiency and effectiveness.

Probing current practice

These benefits can be achieved by questioning your accepted way of working and embarking on a course of action that's right for your organisation.

For example, if your business would benefit from independent, autonomous working, then how can you create this?

- Do your roles focus on the task or the outcome?
- If you concentrated on the benefits that are delivered, not the actions that are performed, what implications would this have for your managers?

If you want a decentralised, customer-oriented culture that supports collaborative working in interdisciplinary teams, how can you create this?

- How will you move people from a state of dependency to one of autonomy?
- How will you balance the need to improve employee engagement with the need to create a flexible and agile workforce that can respond to customer needs?
- How important is it for you to create an open culture that encourages honest communication?
- Can your organisation achieve its goals and, at the same time, be mindful about its actions and social responsibilities?

Meeting the challenge

Evolving any organisation is likely to create new demands on leaders. A key challenge for them will be to build an infrastructure and an environment that enables employees to focus their energies and become more effective. It's also likely that managers will have an important - but different - role in the future, as coordinators and connectors of knowledge workers, allocating teams and resources as required.

The key point here is that there's no 'one-size-fits-all' solution to how your organisation should evolve. It all depends on your circumstances and the priorities of your business. One thing is certain though: the biggest challenge in moving your organisation forward will be persuading people at all levels to think differently. Gaining the collaboration of your employees is essential. Achieve this and your organisation can win the battle to create engaged employees and satisfied customers. What's more, you'll build a competitive advantage that other companies will find difficult to replicate.