

MANAGING PEOPLE in disruptive times

Loom for the opportunities rather than the threats in our tumultuous world.

Currently, we are living in unprecedented times, where ordinary life became abnormal, where businesses became chaotic and unpredictable and where the future became fuzzy.

In these exceptional times, the contemporary business environment is characterized by increasing levels of complexity, turbulence and uncertainty - the VUCA world - and for organizations to survive and thrive in such an environment, they need to become more agile or adaptive. Organizations that are able to adapt quickly to changing circumstances in their operating environment have a competitive advantage.

Similar to organizations, human resources practitioners ought to be agile and quick learners to comprehend what is going on and then implement new practices for their companies.

IN TRYING TIMES

We are in the midst of a global economic slowdown, as a matter of fact, and since the last financial turmoil in 2007/2008, as a consequence of the financial meltdown, we are working in a confusing world in which a new world business order began to appear.

This new world business order emerged with the Coronavirus pandemic, probably earlier, followed by a reduction in salaries and wages as well as by massive layoffs and downsizing. There were also great resignations due to the slowdown in the economy and business, the currency war and last but not least the Russian/Ukraine war.

The COVID-19 pandemic impacted the following facets of the HR function on a broader landscape:

- Compliance of Government instructions and mandates;
- Adapting to remote work arrangements;



FROM EGYPT

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- Safety of employees and their families;
- Performance Management Activities; remote working or operating with a reduced workforce resulted in the challenge of managing employee productivity. Many industries saw a sharp fall in employee productivity, which further declined organizational revenues;
- Employee Engagement Activities: lockdowns and remote work arrangements have had an adverse effect on employee morale. According to the McKinsey Employee Engagement Report, June 2020, 78% employees of surveyed employees showed that their organizations have responded appropriately to the crisis; and
- Training and Development: there should be learning platforms, and not just traditional methods of learning for employees to cope with the changing environment, like peer coaching in the organization.

HR's quest to thrive and survive in such times is important.

THE VUCA PHENOMENA

VUCA refers to complex and variable business circles faced by corporations and individuals. With this phenomenon, the modern world is defined where classical skills are not sufficient as well as the practices of the HR function. It represents a set of challenges that individuals, teams, managers and organizations in affected industries all have to face. Individually, these challenges can be significant, and they can be formidable when they're combined (see the diagram below by HBR').

To manage well in such times, HR Practitioners have to do something different or simply manager better. The answer is the latter. The basic issues of management are the same for all organizations and at all times. It is just that, in hard times, during a downturn and where there is turbulence, it is all the more important.

THE SURVIVORS

VUCA or Turbulence often results in people being laid off. People are not, then, a great asset but, rather, a great liability. Too often, HR

A Guide to Approaching Events in the Four VUCA Categories



as well as managers look for easy or quick solutions in bad times.

But, until we shift our thinking and our mindsets as HR Practitioners, until we can learn to truly define the problems we are facing, and until we can learn to move past the application of outdated and outmoded practices to new and evolving challenges, we will fail to be as effective or impactful in pushing through the change forces that we continue to face now and in the future.

The types of challenges that we now face, and will face in the future, are no longer fixed and simply identified. They are much more intricate and complex, and require different thinking, deeper understandings and new skill-sets for HR Practitioners.

The new world business order has shown us that we've moved from a world of more static technical problems to one that is evolving and oriented towards more and more adaptive challenges. What has worked for leading our organizations previously, what has been effective for a more traditional and well-ordered world, will not necessarily be as effective or viable in a VUCA World.



Surviving and thriving in the current world that is constantly changing, becoming more unstable each day, where changes big and small are becoming

more unpredictable and getting more and more dramatic and happening faster and faster, events unfold in completely unexpected ways, and where it's becoming impossible to determine cause and effect, require new sets of skills and competencies from HR Practitioners. They should convert their current skills and competencies to help their organizations to:

- Create a culture and environment of openness which values discovery, diverse perspectives and experimentation;
- Detect and identify the weak signals that predict and foretell changes in business, or opportunities enabled by new technology;
- Conduct interactive dialogues that put new ideas into the context of the company's work, and translate new information into differentiating capabilities;
- Unpack business challenges to reveal the learning gaps for individuals, teams and the organization's practices, processes and systems; and
- Strengthen thoughtful decision-making in the organization.

VUCA is more than a buzzword! It is a way of

thinking and approaching solutions to the problems of our dynamic world requiring a flexible mindset. VUCA is not going to disappear.

As identified at the Davos Forum, "cognitive flexibility" is one of the 10 key skills for the future, and the reality is that most people and organizations find it very hard to change.

Broadly, cognitive flexibility is described as the ability to adjust our way of thinking to new situations, along with the ability to overcome our customary automatic responses or thoughts, and adapt them to the new reality. So, if someone is able to leave behind old beliefs and old habits to adopt other beliefs more suited to the new circumstances, then we say that person is cognitively flexible.

Creativity will become one of the top three skills workers will need. With the avalanche of new products, new technologies and new ways of working, workers are going to have to become more creative in order to benefit from these changes.

CONCLUSION

In the end, challenges are gifts that force us



to search and think of new ways of managing our people. However, the VUCA environment demands that HR Practitioners should avoid

traditional and outdated styles of leadership in such a disruptive environment. A more inclusive style of leadership is required to counter the challenges of VUCA times.

Developing the ability to grasp according to both short-term and long-term goals of a business will be the key to navigating the current environment. Strategies that are anchored in the long-term vision but also dynamically managing the short-term goals are necessary to maintain the relevance of the Human Resource function. Seen from this greater perspective, the current VUCA world can be an opportunity for further advancement and greater collaboration, rather than a threat to be alleviated.

Reference

1 <https://hbr.org/2014/01/what-vuca-really-means-for-you?> ■

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