

# Specialist Human Resources Limited

## **PETER DRUCKER AND REMOTE WORKING**

Peter Drucker stated that 'Knowledge Management would have a Major Impact on the Structure of an Organisation'. This is something of an understatement. In fact, the Structure of an Organisation needs to support the Strategy, Capability and Culture (inclusive of the Learning Culture) needed to encourage the collaboration, communication, innovation and creativity needed to support the Value Chain (working back from the Customer). However, the move to remote working does not appear to be supporting these needs. In fact, the introduction of remote working, in many cases, has put in place a structure that has a major (detrimental) impact on Knowledge Management. It has also created a paradox in that, if not managed properly, the Strategy, Capability and Culture will end up supporting the Structure rather than the Value Chain – our research shows that this is already starting to happen.

For some employees, remote working is seen as an opportunity to improve work/life balance. It cuts out the need for travel to and from work and it reduces the need for childcare in some cases. For others it can create an insular existence and, in many cases, stifle career progression. Research undertaken by external organisations have shown the following:

- HR Review – results show that 48% of Millennials are finding it difficult to communicate with colleagues – this is having an impact on their development.
- WeWork – results show that 41% of Gen Z are missing out on the Mentoring required for them to be effective in carrying out tasks; with a further 50% worried about career progression due to a lack of development.
- Three other surveys that have been carried out show that a median of 42% of Gen Z and Millennials feel that they have not received the development that they consider necessary to advance their careers.
- According to Forbes a high proportion of Gen Z would prefer to learn online. However, this does not provide a solution for stemming the loss of implicit learning (the unstructured learning that takes place in the workplace through the use of previously attained knowledge held by colleagues - perhaps from a previous employment – or subjective insight, intuition, judgement, inspiration or innovation) – you can teach explicit knowledge (that is already in the public domain) but you cannot teach what you do not know because it is still in someone else's head.

As seen by the results of the survey conducted by HR Review, the Network Structure that has been utilised to support remote working has, in most cases, reduced the lines of communication available to employees. Our research shows that it consists of a nucleus (representing the Senior Management Team) with lines of communication out to Team Leaders who are working remotely. There is then lines of communication from the Team Leaders to the individual team members and

that is as far as it goes. Communication between team members is often lacking as are the lines of communication between the individual team leaders thus creating individual silos (something that most organisations were moving away from prior to the COVID Epidemic). Much of this comes down to business leaders not putting in place an Integrated Collaboration Environment (**ICE**); through the use of a more sophisticated software that allows for real-time collaboration and conferencing that takes account of the need to react to change with speed and scale (although it should be noted that, even with ICE, implicit learning is unlikely to be as spontaneous as it is when employees are co-located). We are already seeing how customer expectations are not being met through incorrect information being passed to customers due to the poor internal communication of change; and problems not being resolved at the first time of asking due to the poor capability of the people with whom customers are engaging. However, the lack of such software is not the only problem highlighted in our research when looking at poor collaboration.

In an article, published by Specialist Human Resources Ltd prior to COVID, it was suggested that 'having departmental heads explain how the different departments interact and how the post, to which the new employee is allocated, can add value, is a must. In this way, s/he will have a better understanding of how the quality of his or her work can have a knock-on effect across the Organization'. In a remote working environment this does little more than provide a platform on which to establish ICE. Implicit learning is no longer spontaneous and so it is left to the individual employee to identify the learning that needs to be communicated in order to provide growth for both the workforce and the organisation.

If the employee is to be in a position to identify the learning that s/he requires, as well as the learning that they have picked up whilst working remotely that needs to be communicated to others, they will need to be totally engaged in their own work and that of their team. In addition, they will need an understanding of the organisational strategy that has been put in place to ensure that customer expectations are met. They also need to identify the context in which the learning has been identified – implicit (or explicit) learning used in the wrong context could be detrimental to achieving an organisations' goals. That leaves us with another problem.

It is almost two years since many organisations commenced remote working. What has changed in that time? What implicit learning has taken place that has not yet been shared? What has been the effect of remote working on the Value Chain? What has been the effect of poor communication, collaboration and staff development on the Organisation? The most sensible way of answering these questions is to carry out a Quality Continuous Improvement Event. This was previously covered in '**Remote Working – Changing the Structure of the Organisation**'. This article can be easily found on the Specialist Human Resources Limited Business Page on LinkedIn. In the longer term, could hybrid working provide a partial remedy to some of these problems?

In a survey carried out by Bloomberg, 61% of employees preferred the idea of hybrid working. The reasons given being an opportunity for collaboration, innovation and connectivity. However, it should be noted that, whilst it might provide an opportunity for implicit learning to be consolidated, it does not provide for spontaneous learning across the organisation as much of the learning will still occur remotely. For this reason, there is no getting away from the need to introduce ICE in order to manage the learning that is brought about through constant change.

In summary, the Network Structure created by remote working will not support the 'right' strategies, capabilities and culture required to support the Value Chain without changing the way in which team members and team leaders communicate and collaborate with each other. Furthermore, there is a need to introduce software capable of supporting an Integrated Collaboration Environment (ICE) that allows people to react to change with the speed and scale required in order to maintain (or improve) the positioning of the organisation in the marketplace.

It would appear that both the Employer and HR Professional has a lot of catching up to do!