Leadership for the New Norm: Management Services' Critical Role

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The global COVID-19 pandemic has required organisations to embrace a palette of wide-ranging operational strategies to endure exceptional disruption to their business models. Engaged remotely (EM), working from home (WFH), tele-services, online customer interfaces (OCI), vendor managed inventory (VMI), extemporised planning, and rapid delivery, are just some of the recognisable bolt-on systems now being adopted. With these dramatic and hastily implemented practices, however, arise significant risks with profound implications for operations leadership. Innovative leadership and management services must, by necessity, bring enhanced skills and competencies to bolster disrupted processes. Concerns persist regarding how these changes affect an organisation's communication (both internal and external), problem solving, knowledge sharing, socialisation, friendships and support, upskilling, performance monitoring, data security, and health and safety to name just a few. What, therefore, are the key attributes of 'leadership for the new norm'? What features stand out in outstanding organisations compared to those 'hanging-in'? What are the greater lessons to be learned?

The Developing Norm

For many organisations, the likelihood is that pre-COVID-19 operations will never be reinstated in their entirety. Personal

technology and digital platforms have underpinned current operations far better than envisaged. So, do we need to return to pre-COVID-19 processes?

There is now a realisation that many of us do not need to be located physically close to colleagues to deliver our roles and functions. The pandemic has shown, for many organisations, that individuals and teams can perform well while being completely dispersed – working from home (WFH), engaged remotely (ER), or co-working from community business hubs.

The freedom to be located anywhere is, arguably, one of the positive outcomes that many now enjoy. Moreover, the opportunity arises for a person's skills to be used in any number of companies and organisations – in a consulting capacity, freelancing or as a specialist contractor. Companies can access niche skill-sets as and when needed. Organisations, equally, can now benefit from having fewer people in the office, resulting in reduced workplace costs and associated staff overheads. Given that on average, people in Europe commute some 57 minutes each-way daily, over nine hours weekly, on work-travel this will bring significant productivity savings and benefits to the environment.

The central business districts (CBDs) and office clusters have been a part of our working lives; allowing face-to-face meetings, and both formal and informal interaction. For many of us, not having this has been the greatest challenge. Tools such as Zoom, Skype, MS Teams, and Google Hangouts help, but we are still only adapting to these types of platforms. Distributed synchronous communication is still difficult and unnatural for many – not so much for digital natives and nomads, but particularly so for digital migrants (normally associated with older employees). Undoubtedly, issues around approaches to group dynamics, problem solving, knowledge sharing, and inter-intra communication, will need ongoing attention.

It is recognised that the potential for people to experience social isolation and a disconnect from colleagues as well as the organisation, is profound[1]. WFH and EM can cause a feeling of being cut off from the information flow – both formal and informal (that often benefit from casual/water-cooler exchanges). Even with video-conferencing, the important cues and signals gleaned from up-close human-to-human interaction are lost. Postural echo (body language) and subtle rapport are difficult to engage with and measure. Such aspects are important operational issues for management services to address.

Human resource management and personnel processes, likewise, have become problematic during the pandemic. What do we now understand as satisfactory performance; and how might monitoring be achieved? This is particularly difficult on a subliminal-level, such as important interpersonal factors, team engagement and quality of outputs. What then are the key metrics to be measured when operating in WFH or EM? Moreover, financial reward, promotion and skill development take on new meaning and particular challenges. Undoubtedly, the role and actions of management and leadership in this new environment are still playing out, and as yet are not totally clear.

Competing in the New Norm

Organisations' business models must embrace multi-channels at all stages of service/product delivery; this might be expressed at a high-level of abstraction, such as their inputs, transformation and outputs. In the new norm, operational improvement methods such as the Balanced Scorecard[2] still provide useful techniques to ensure sustainability in meeting customers' needs; and operations are aligned to their strategic intent. However, with the pandemic bringing a new focus on operations management (that is likely to extend well into the future, and even becoming the new norm), other considerations need our attention.

First, removal of operational complexity and adoption of a simplification philosophy is critical. This starts with a concise and captivating business mission that can be simply articulated for everyone to understand. There is no ambiguity.

A practical framework to help management services deliver on this organisation objective is ENERGISE[3].

Enlightenment. Once the high-priority barrier to business excellence has been identified and selected for elimination, there must be clear definition of the issue and a deep understanding of its impact on customer satisfaction. Understanding of the Theory of Constraints would be particularly useful[3].

Now situation. Clarify and report on the current processes; collect comprehensive facts and data on the issue; create an informative display of the findings; and analyse data for insights into possible causes of potential problems.

Examine. To identify and gain an understanding of all possible causes of problems and bottlenecks; choose the most likely causes based on facts and data;and then go beyond symptoms to identify and select cause(s). Root cause analysis is beneficial to this phase[3].

Reality check. This activity requires development of a range of improvements and then selection of preferred options; set a clear goal, and design a comprehensive action plan to pilot an improved process.
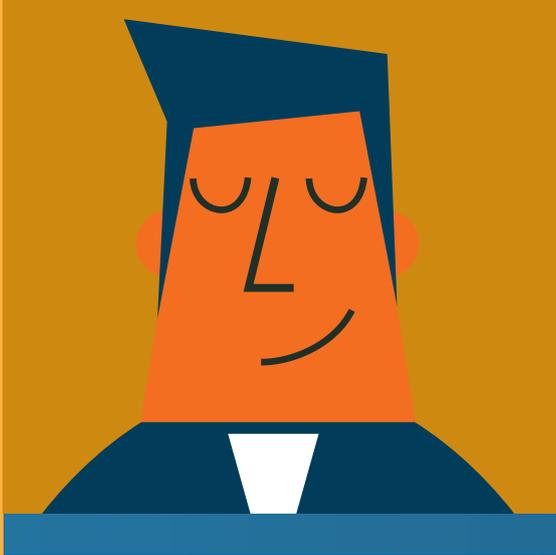
Grounding. Design a limited test of the planned improvement. Take measurements at specific points and compile a detailed record of activities and results.

Indices. Measure and evaluate the results in terms of the goals of the pilot, and also compare with pre-pilot data. Communicate the results to all those who provided data on which the pilot was based. Note any positive or negative effects, and then make a decision whether to move forward, re-run the pilot, or reassess root causes.

Evaluate. Appraise the improvement and prepare documentation of the new, more reliable process. Communicate details of the new process and obtain approval for widespread implementation. Design a system for continuously tracking the improvements. Seek further improvements. Identify and implement ways to improve the process. Identify important next steps to assure the problems do not reappear. Furthermore, of great importance, is to celebrate the team's work.

Management Services Critical Role

It is unlikely that business models and ways of working pre-pandemic will completely return in future. Technology and

digital interfaces have shown new ways to achieve customer service. For management services, successful process improvement needs adaptive problem-solving skills.

In successful organisations, the essential difference is that they recognise the Pareto rule: 20 per cent of effort brings an 80 per cent return in productivity; and it is through this lens that most attention is directed.

Management services' role is to ensure a focus on simplicity to ensure that what is offered is value-adding for the company. Selling more does not necessarily increase profit margins.

The notion of simplicity has yet to find its place as a highly relevant pursuit of management services. Businesses often focus their growth on top-line sales revenue only to find that this growth is accompanied by a continual slide in bottom-line profitability.

Management services role is to ensure:
- An understanding of the main business processes and the foremost constraints in these processes, especially as they impact upon the delivery of value to customers;
- an understanding of the contribution to profitability of the different types of services the business offers;
- an appreciation by the management team that they must facilitate problem-solving at the source of the problem, by the persons who are most affected;
- introduce information systems that provide understanding of profitability and the key business processes, and help management make decisions on what activities to pursue and what to leave alone – as opposed to relying on an overarching income statement and balance sheet, that show the financial health of the business but do not point to how to improve it.

Conclusions

Management services' role must evolve to meet the changes in the workplace post-pandemic. We need to make the assumption that the post-COVID-19 workplace with WFH and ER will be the new norm. This will challenge current managers/supervisors to guide work teams through adjusted processes. As with any workplace change, there will be varying degrees of reaction ranging from welcoming acceptance to strong resistance.

The skills required to progress a career through a very different workplace will stress both employees and managers. New post-COVID-19 performance measures may confront traditional approaches to promotion and career progression. Furthermore, the transition from the traditional office to the WFH concept will change the existing human to human interface. The role of management services in support of these changes is critical if productivity is to be optimised.

References

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