

Beyond the Novelty: Pivotal Paradox

How the Chief HR Officers of the World's Largest Companies are Preparing for the Post-COVID Era

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There is justifiable celebration now. McKinsey notes the “[quickening](#)” is the “whiplash” from moving ten years forward in 90 days’ time. Pundits celebrate a new awareness of inherent racism and inequality in social and corporate systems. Most attention now is devoted to describing best practices that embody rapid adaptation to the current crisis. Those are the lessons of today, but it is vital to identify the lessons to sustain beyond the crisis.



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The Economist [heralds CHROs](#) as the heroes of the COVID-19 crisis, just as CFOs were the heroes of the 2008 financial crisis. Arianna Huffington’s [article](#) in the Harvard Business Review celebrates how “CHROs now meet virtually with company leaders twice a week, instead of in-person once a quarter, to discuss key people and operational issues.”

CHROs report days filled with valuable tasks aimed at managing the immediate crisis. HR will be tempted to bask in the well-deserved attention and kudos from boards, CEOs and others on the c-suite team.

HR leaders must insist that their organizations establish values and decision rules that will allow today's lessons to be sustained.

Yet, there is a paradox: It is precisely during the crisis that HR must actively identify how to harvest today’s excitement, capitalize on the attention and authority that HR has earned now, and turn that excitement, attention and authority to create what will sustain beyond the crisis. Now is when HR can draw attention to the key lessons and insist that the organization establish the frameworks, values, decision rules and working relationships that will allow today’s lessons to be sustained.

This paradox was recognized in March 2020 by an insightful steering committee of members of the Executive Networks’ CHRO network. Mike Dulworth and his team were kind enough to invite me to engage with that elite group of CHROs to get beyond the focus on managing the crisis and explore what lay beyond it. In typical fashion, we began with the question, “When will we get back to normal?” but quickly realized a better question would focus not on when, but rather on what might be the future. Moreover, rather than defining that what in terms of a new normal, the group adopted the idea of getting “back to something better,” and the phrase “Back2Better” became the moniker for our exploration and discussion.

The group developed metaphors such as “identifying the new and powerful green shoots that have begun to grow through the sunlight and environment of this crisis and avoid trampling them in our rush to return to normal.” Or, the idea of “soft realities,” or “organizational changes forced by COVID-19 that have produced positive outcomes, but will require real effort to maintain post-COVID.”

This inspired me to formulate four questions that might help guide the journey through the paradox and create value:

1. **What are the new and important lessons being learned and experienced now, due to the crisis?**

2. **Which of those lessons should sustain after the crisis?**

3. **Which sustainable lessons will be challenging, due to inertia, ignorance, or other factors that push to snap back to before ... or worse?**

4. **For the challenging lessons, what are the pivotal and essential actions to take now, while the crisis provides motivation, attention and awareness, to avoid missing the window for change?**

On the ensuing pages, I'll articulate the broad topics of our Back2Better research and apply these four questions. It will provide a preview of the much deeper analysis that you'll find in [the complete September 2020 Back2Better white paper](#).

Business Strategy & Organization

The temptation is to focus on how one's own organization is faring during the recovery, or the general “shape” of the recovery (“V”, “Hockey Stick,” “Swoosh,” etc.). A more future-focused perspective was reflected by the Back2Better group.

1. **Lessons learned now** Global and organizational systems were fragile and vulnerable to pandemic-like shocks in ways that were not perceived. This will not be the last pandemic-like shock.
2. **Lessons to sustain** We cannot rely on governments to create sustainable economies, they must be built upon sustainable organizations and their work relationships, supply chains, collaborations, innovations and systems.
3. **Challenging lessons** The traditional measures and concepts of organizational success were insufficient to prepare many organizations for this crisis, yet it will be tempting to return to those metrics once the crisis has passed. There is a danger of attempting to rebuild what cannot be rebuilt, or to emphasize cost-cutting to boost short-term returns.

4. Essential actions now Use the examples of resilience and agility from the crisis now to showcase the value of resilience, redundancy, flexibility, purpose, etc. Build new organizational measures and systems based on those examples to insure that the organization recognizes, values and nurtures resilience, redundancy, flexibility and purpose after the crisis.

Leadership

1. Lessons learned now Ironically, COVID-induced physical distance between leaders and workers has actually increased leaders' opportunity to humanize themselves and those they lead and to internalize and express their commitment to cherish empathy, diversity, holistic well-being and work flexibility.

It has also highlighted which behaviors and attributes contribute to "wartime" leader success.

2. Lessons to sustain Leadership happens at all levels of the organization, most notably among front-line supervisors and workers. Expressing humanity, vulnerability and empathy has great value and will now be expected after the crisis. The organization needs an array of leadership types, not only "wartime" leaders.

3. Challenging lessons Traditional leadership processes have often rewarded maximum time and effort commitment to work, financial and operational results and prioritizing shareholders. While some leaders have embraced a role beyond tradition, it will be tempting for many leaders to snap back to the traditional model that they have known for their entire careers. It will also be tempting to be entranced with "wartime" leadership when a balance is required in the future.

4. Essential actions now Use the crisis-induced adaptation to highlight leadership at all levels, in particular leaders adapting at the front-line of the organization and those who have been key to successful transition to remote work. Identify and highlight the use cases emerging from the crisis to develop sustainable frameworks and shared understanding about leadership empathy, vulnerability, openness and flexibility. Highlight the distinction between "wartime" leadership that is effective for an immediate and focused response to a disruption and "peacetime" leadership that is needed to sustain focus and urgency, but over the longer term. Find and highlight examples from the crisis that illustrate the optimum balance. Embrace crisis-induced external scrutiny of the organization's role in social and organizational inequity by including external policy makers and advocates in organizational decisions during the crisis to create relationships that can sustain beyond the crisis.

Work & Workplace of the Future

- 1. Lessons learned now** Work is fluid, workers swarm to projects and tasks, and this is not effectively managed through traditional concepts of jobs and job holders. Location and time flexibility is more feasible and productive than we realized before. Remote work has accelerated virtuality, but our understanding of how virtual work affects collaboration, productivity, health, social networks and culture lags behind because it is based on old paradigms.
- 2. Lessons to sustain** Workers will expect new rules for how work, space and virtuality integrate. Old ideas—and even evidence—about what can be done remotely, the purpose of physical space and the true costs and benefits of remote and on-site work will need to be revised in light of the lessons of the crisis.
- 3. Challenging lessons** It will be tempting to go to extremes such as “work from home forever,” or “everyone return to the office.” It will also be tempting to return to traditional definitions of work based on fixed jobs and job holders because of the inertia of existing systems. Many leaders have simplistic or naïve ideas about work flexibility and will revert to simple rules such as “I only know how to manage workers when they are physically present.”
- 4. Essential actions now** Use the crisis-induced “natural experiments” with remote collaboration, communication, team building and work reinvention to build more insightful decision frameworks based on fluid work and work automation that combines people and technology. Identify where remote work is ill-suited. Establish cross-discipline collaboration between HR, Facilities and Finance, etc. to develop a shared understanding of the real costs and benefits of “workspace,” “collaboration” and “flexibility.” Develop use cases that will help leaders learn more nuanced and sophisticated ways to balance remote and on-location work.

Worker of the Future

- 1. Lessons learned now** Hierarchical “distance” has been reduced as virtual connections have grown. Workers have experienced new interconnections with each other, their leaders and their communities and society. Worker “voice” exists not only through formal collective bargaining and grievance systems but through social networks. The crisis has illuminated economic and social inequity, leading workers to examine more carefully the role of their employer in exacerbating or addressing those issues. The pivotal role of front-line “hero” workers has revealed how traditional organizational systems overlook or under-value vital contributions.



2. Lessons to sustain Measuring, understanding and responding to worker “experience” will be vital to addressing increased worker scrutiny and activism. The organization’s “brand” with workers is inextricably linked with its “brand” with customers, society and other stakeholders. Organizational “purpose” and contribution to social inequity and other issues will become more vital concerns of future workers. Transparency about the existence of social and organizational inequity is a powerful tool for inviting a diverse array of perspectives and solutions. Work systems must be flexible and transparent about the systems and frameworks that lead to differential work outcomes.

3. Challenging lessons Leaders may be tempted to revert back to traditional worker engagement and communication approaches once the novelty and urgency of the crisis subsides. Issues of systemic inequality require uncomfortable conversations and new organizational measures that will make many workers and managers uncomfortable. Newly discovered social platforms that amplify worker collective voices will be unfamiliar and uncomfortable for organizations and leaders. Remedies for inequality may require difficult decisions such as weighing executive remuneration against front-line worker layoffs or pay reductions.

4. Essential actions now Embrace and systematize the crisis-related role of social media and other emerging ways to better listen and anticipate worker collective voice. Use the discomfort of the crisis to build organizational capability to continue uncomfortable conversations and decisions after the crisis. Capitalize on the crisis-induced leader awareness of the full humanity of the workforce to institutionalize systems that take into account that more holistic view of the worker.

To achieve a future that truly is Back2Better, HR leaders must work collectively to ensure that today’s lessons are sustained. Many of the essential actions outlined above require strong leadership from CHROs and buy in from their c-suite peers. Moreover, CHROs and other HR leaders must dedicate the time to collaborate beyond their organizations’ walls, learn from peers across industries, share the lessons they are sustaining and how they are doing so.

Executive Networks provides communities for HR leaders from the world’s largest, most complex organizations. For more information on EN and the Back2Better Research Project, visit:

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