



What lessons can COVID-19 teach us about organisational change? (CIPD Report: 12 June 2020)

The current crisis has presented people professionals with a host of opportunities for long-term change. The time to capitalise on them is now

The COVID-19 global pandemic and resulting economic downturn has caused momentous human and financial disruption, fundamentally changing how we live and work.

In the world of work, the crisis has accelerated unprecedented transformation as organisations respond to the pandemic. We've seen innovation, collaboration and an integration of functions as teams pull together to enable business operations. The crisis has altered work traditions and paradigms and has propelled us to accept vast changes to the way we work, at great speed. New work practices which may previously have taken years to embed, such as mass homeworking and digital working, have been implemented into practice in a matter of weeks.

During a recent <u>CIPD</u> webinar on leading through <u>crisis</u>, the UK government chief people officer Rupert McNeil and the CIPD's CEO Peter Cheese discussed the need for senior leaders to avoid the natural disposition to 'snap back' following this period of significant change, recalling the quote, 'Never let a good crisis go to waste'. Given the great strides made over the course of the COVID-19 outbreak, why revert to old models of work? Such moments in history bring to the forefront new concepts and ideas, forcing us all to think differently and outside of our comfort zones. What are the key lessons and opportunities that people professionals can take onboard from the COVID-19 response?

Business agility - making it happen

This crisis is very much a human crisis. People professionals are at the centre of the business response, working round the clock to balance and support the evolving needs of the organisation and workforce. Managing change and prioritising business agility has been at the top of the agenda.

The CIPD's <u>People Profession survey 2020</u>, carried out pre-pandemic, found industrial change and organisational agility to be a key driver of change for the people profession. At the time, this was significantly more important to professionals within the private sector (40%, compared to public sector 30% and voluntary sector 24%). Given recent events, it's likely that these figures would be even higher across the board.

Perhaps it will take a pandemic for businesses to appreciate the need to be agile and adaptive within their operational capability. Failure to adapt and respond to both positive and negative external risks will sadly mean that some businesses get left behind. People professionals have a big task at hand to ensure people practices support agile ways of working, enabling operations to be upscaled or scaled back at a moment's notice. The new CIPD <u>Profession Map</u> recommends people professionals embrace <u>situational decision-making</u>. This involves assessing situations independently and making decisions with context and circumstance in mind, a core behaviour to enable business agility.



Embracing change

The COVID-19 global pandemic and resulting economic downturn has caused momentous human and financial disruption, fundamentally changing how we live and work.

In the world of work, the crisis has accelerated unprecedented transformation as organisations respond to the pandemic. We've seen innovation, collaboration and an integration of functions as teams pull together to enable business operations. The crisis has altered work traditions and paradigms and has propelled us to accept vast changes to the way we work, at great speed. New work practices which may previously have taken years to embed, such as mass homeworking and digital working, have been implemented into practice in a matter of weeks.

During a recent <u>CIPD</u> webinar on leading through <u>crisis</u>, the UK government chief people officer Rupert McNeil and the CIPD's CEO Peter Cheese discussed the need for senior leaders to avoid the natural disposition to 'snap back' following this period of significant change, recalling the quote, 'Never let a good crisis go to waste'. Given the great strides made over the course of the COVID-19 outbreak, why revert to old models of work? Such moments in history bring to the forefront new concepts and ideas, forcing us all to think differently and outside of our comfort zones. What are the key lessons and opportunities that people professionals can take onboard from the COVID-19 response?

Learning in a time of crisis

Although our research indicates that learning and development has been de-prioritised by employers and business stakeholders since the pandemic, dropping from 42% before the crisis to 24% during the crisis, learning is more crucial than ever. We've all had to learn new things during this time. This may not be through formal ways of learning, but businesses and employees are certainly learning through necessity during this crisis. Employees have had to grasp a host of new skills, including learning how to:

- implement and run new technology programmes
- facilitate online learning
- manage virtual/remote teams
- maintain work-life balance and care responsibilities while homeworking
- work in a way that supports wellbeing and productivity
- stay connected and continue to collaborate with colleagues.

There's still some way to go to digitalise our learning and align it with modern ways of working. Many L&D roles are still predominately face-to-face facilitators. Our research <u>Learning and Skills at Work</u> <u>2020</u> suggests that many organisations lack the necessary skills and roles to deliver digital learning. Digital asset creators are a rarity, with fewer than one in ten organisations employing such roles. However, learning technology is used by 79% of employers, suggesting a huge opportunity for the development of L&D roles with digital capabilities.

The period of significant change during the pandemic will result in different ways of working and new business models. Consumer needs and client expectations are likely to have changed and businesses will need to respond to this effectively. Job roles pre-pandemic may appear very different to the new demands and responsibilities now being placed on employees. But adaptability needs to be met with the necessary skills to be future-fit. Equip your workforce with the right skills by upskilling and investing in learning now, to support new business challenges and aid recovery (see our Learning and development strategy topic page for more).

In-demand skills and capabilities

The daily COVID-19 government briefings have explicitly highlighted the importance of using <u>data and analytics techniques</u> to make evidence-based recommendations. It's vital for leaders to seek evidence to inform insights during times of significant change or crisis. <u>Evidence-based decision-making</u> is a core professional value in the CIPD's new Profession Map.

The <u>People Profession survey 2020</u> found that nine out of ten organisations plan to use people data and analytics in the future. However, the capability level across the profession remains focused on basic analytics and reporting. Access to and utilisation of data should be key areas of focus for leaders within the profession to support people functions to build their capability and capacity to use <u>analytics and create</u> value within their practice.

The use of data also goes hand-in-hand with our findings on the rising demand for <u>organisational</u> <u>development</u> and <u>change management</u> skillsets. Both specialist areas should draw on data and analytics to ensure business longevity and continuity during challenging times.

Grasp the nettle

The business world has encountered great change during this pandemic and along with it comes learnings, opportunities, and further challenges. We must learn from our mistakes, grasp new opportunities, and move forward with our newly acquired understanding to aid recovery and equip ourselves to respond successfully to the next big challenge ahead, whatever that may be.

Rebecca Peters Research Advisor CIPD 12 June 2020

Books and reports

CAMERON, E. AND GREEN, M. (2019) Making sense of change management: a complete guide to the models, tools and techniques of organisational change. 5th ed. London: Kogan Page.

HOLBECHE, L. (2018) The agile organization. 2nd ed. London: Chartered Institute of Personnel and Development.

On change management. HBR's 10 must reads (2011) Boston, MA: Harvard Business School Press.

Visit the CIPD and Kogan Page Bookshop to see all priced publications currently in print.

Journal articles

AGUIRRE, D. and ALPERN, M. (2014) 10 principles of leading change management. Strategy+Business. No 75, Summer. pp65-71.

ANAND, N. and BARSOUX, J-L. (2017) What everyone gets wrong about change management. *Harvard Business Review*. Vol 95, No 6, Nov/Dec, pp78-85.

BROWN, G. (2018) Six ways to help guide employees through multiple changes. People Management (online). 14 June,

LAWRENCE, P. (2015) Leading change: insights into how leaders actually approach the challenge of complexity. *Journal of Change Management*. Vol 15, No 3. pp231-252.

Centre for Creative Leadership www.ccl.org

https://www.ccl.org/webinars/leadership-agility-in-times-of-change/ A free webinar

https://www.ccl.org/articles/leading-effectively-articles/successful-change-leader/ Outlines 3 C's of change