



# Employee Development in a Changing Organization

For most knowledge workers, it's a question of culture



By Anne Papmehl

Organizations change in response to changing markets. These days, global market change is coming at a break-neck pace. A recent report published by The Conference Board of Canada, entitled

*Leadership for Tomorrow: Playing Catch-up with Change*

reveals that the complexity and speed of change is more than most high-level executives can manage on their own. Increasingly, corporate leaders are relying on the skills, education and competence of their employees at all organizational levels.

As we enter the new economic age, in which human intellectual capital drives the bottom line, organizations must obtain the maximum contribution from their knowledge workers. In addition to recruiting the highest quality people, they must also find ways to develop and retain them. This, however, is easier said than done. During times of organizational change, management attention is so often diverted by day-to-day demands that employee development gets forced into a subordinate position. How do organizations develop their people during such intense times? How do they do this in ways that benefit the employee and move the organization forward? Furthermore, how do they prevent their most talented people from leaving the organization?

Though these questions elicit no simple answers, they evoke plenty of interesting and thoughtful discussion among organizational leaders and management consultants. Inevitably, much of this discussion turns to

the theme of corporate culture. Whether the company is contracting, expanding or momentarily enjoying a period of relative stability, the consensus is that truly effective employee development is a built-in organizational element. The trick resides in "creating a culture which encourages growth and development from both sides," explains Peter Strum, CMA, FCMA, an Ottawa-based management consultant and president of spdGlobal.

When the culture works in a mutually reinforcing manner and employees feel satisfied, their contributions can be felt at the bottom line. Progressive organizations understand this. Progressive organizations have also established means of converting their employees' knowledge into power. This is where the leader's role as a listener is

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vital. "Listening is one of the most powerful things leaders can do, but few of them take the time to do it," says Nick Shepherd, an Oakville, Ont.-based management consultant and president of Eduvision.

Not taking the time to listen because one is too busy creates a false economy, according to Shepherd. "It's better to do some sustaining work first through things like feedback and shared learning sessions. It is difficult to get the employees' hearts and minds on a common goal if both sides are not thinking the same way." Furthermore, "organizations that have not found a way of entrenching their workers' knowledge see it walk out the door. People are becoming consultants or self-employed, or finding jobs elsewhere," adds Shepherd.

Astute leaders seek to understand the motivators and drivers of knowledge workers. As highly educated people, knowledge employees tend to enjoy intellectual challenges, autonomy and innovative thinking. Their motivation to succeed is influenced less by monetary com-



pensation than by growth and development opportunities. In addition, knowledge workers are not necessarily averse to change; in fact, many thrive on it.

The high-tech and dot-com industries make an interesting case study in this regard. As two industries where change and innovation are the norm, attracting the sharpest minds has not been problematic. What has been problematic is the dilemma that this massive dot-com migration posed for other knowledge industries, particularly management consulting. "Every major firm was struck by it and trying to find ways to get the best people," says Strum. Part of the draw, "was people wanting to be working where the neat stuff was happening." Another part was the nature of the working environment. "In the dot-coms, it's not so much about what you're going to do but the people you're going to be working with," he explains.

This key message was not lost in the dot-com recruitment advertising. "On the dot-com billboards, ads and commercials, rather than showing individuals, they show the kind of fun you are going to have working for their team. Depicting the organization as a fun place to work is a shrewd way of creating that motivation," Strum adds.

But high-tech is not the only sector to go team-based. Public and private sectors have been moving toward this approach for many years and so has, interestingly enough, the medical research community. "In the old days, scientists worked alone in a dark, gloomy laboratory,"



notes Strum. "Now they work in teams, and we see a huge behavioural pattern difference here."

The medical research sector presents an intriguing illustration of employee development under particularly challenging circumstances. Unlike the private sector where employees are evaluated on a six-month or yearly basis, medical researchers can labour for as long as three years before producing any results. Nevertheless, "even though the evaluations tend to be for a much longer time frame, you find tremendous growth among these workers," says Strum.

The most in-demand medical researchers possess extremely high credentials — most have either a Ph.D. or an M.D., and in some cas-



es, both — as well as a strong sense of self-discipline and commitment to keeping current in their ever-changing fields. With qualifications like these, most researchers can write their own ticket. Yet, like the dot-coms, the passion of working with other people through teams seems to be a significant contributor to this sector's employee attraction, growth and retention.

The team-based setting has several merits: it enables people to come together to share knowledge, ideas and information; it encourages multi-way communication; and it creates a sense of camaraderie and social support, all of which can be conducive to growing the knowledge of the participants.

But teams do not work well under all circumstances. In some cases, they flounder because of ineffective leadership. "Where you have a leader that is very hands-on and involved, the teams don't develop very well; when the leader is more hands-off yet supportive, you have the opposite situation — the teams grow and develop much more effectively," says Shepherd. This relates back to the importance of leadership being tuned-in to the needs of knowledge workers.

Another problem with team models is that the stresses of organizational change can bring out the worst in peo-

## Keeping the Knowledge Employee Satisfied

In today's economy, knowledge is in high demand but short supply. If companies do not succeed in attracting and keeping their best knowledge workers, they feel it at the bottom line. Although most companies recognize the worth of their knowledge employees to the organization, there is a perceived gap between what employees value and what companies offer.

Employee development, for many organizations, has taken the form of some well-intentioned but misguided efforts. One has been the attempt to buy employee motivation and development from the outside through expensive empowerment courses, seminars and programs. Another is the assumption that one can buy their workers' loyalty through increased salaries, benefits and agreeable amenities.

While knowledge workers, like most people, wish to be fairly compensated for the work they do, money is not always the key motivator. "Essentially, knowledge workers want to have a space to develop within their jobs on a continuous, autonomous basis," says Oakville, Ont.-based management consultant Nick Shepherd of Eduvision.

They also want to be kept informed of what is going on with the organization, especially during times of change. Carol Dilks, a Toronto-based organizational development specialist and president of Behaviour Profiling International says, "Employees are working in a climate of uncertainty. Not knowing where the organization is going breeds fear, which causes people to falter."

When companies succeed in retaining quality employees, this is usually a sign that the leadership has established an effective communication structure. This comes about through leaders clarifying the expectations, stating the rules of the game, and encouraging employees to lead within their individual spheres of influence.

As people with high levels of motivation, education and intelligence, knowledge workers do not respond well to hierarchical command-and-control management styles. Their preferred leadership style is one that invites their input and involvement. And in today's fast-paced global economy, if you don't involve your workers in moving the organization forward, you run the risk of lagging behind.

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ple through personality conflicts and petty politics, which hinder growth. However, on this issue, Strum raises an interesting point.

“Whenever you have something other than a steady state, people will usually perform their best. In a shrinking market, it’s a survivor’s game and you’re looking for the best talent you can find. In a growing market, again what you want is the very best people for your team, and nobody much cares about politics when there is so much opportunity out there.”

Strum’s observation bears weight when applied to a vastly different knowledge setting — academia. Though one would expect intellectuals to be immune to political strife and stagnation, academia suffers an unusually high degree of both. A common complaint among more dedicated facul-

ty is the number of senior, tenured colleagues who contribute minimally to advance their chosen discipline.

But, unlike business, academic environments are slow to change, averse to risk and in the public sector. The success of academic knowledge workers is not tied to the bottom line of the college or university. Academics often tend to work in isolation rather than in groups. This strongly suggests that environmental factors play an important role in determining the degree to which knowledge employees develop within an organization.

In the bottom-line-driven private sector, the environment is rife with challenges to be overcome. For the motivated people, these challenges signal opportunity. If the challenges of organizational change can be positioned within the corporation’s culture as germane to the growth of both employer and employee, then change can be the vehicle through which that growth occurs.

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## A Two-Way Street

Work is a two-way exchange of value. Just as employers seek the best from their workers, employees seek to get the most out of their jobs. For employees, this requires clarification of their own professional development needs and expectations relative to those of the organization.

“Where I have seen people grow a lot of their knowledge,” says Peter Strum, CMA, FCMA, president of Ottawa-based spdGlobal, “the employees themselves understand the framework within which the company is working and have determined whether it is in sync with their own personal objectives. Where the two don’t converge, it doesn’t work.”

Here is where the old adage of knowing thyself rings true. But in today’s working context, many employees are taking their self-assessment initiatives a few steps further. In addition to evaluating their skills, education and experience, they are also examining their working behavioural styles and value systems to help find out exactly who they are and the value they bring to the organization.

“If you can understand the hows and whys of your working style and what it translates to, then you have a

better idea of how you fit into the organization,” says Carol Dilks, organizational behavioural specialist and president of Behaviour Profiling International in Toronto. “If you can’t be who you are, you’re going to get tired. You’re spending emotional energy being something you are not, and it’s unlikely you’ll grow and develop in that kind of situation.”

A less-than-perfect work situation, however, can still prove valuable from a professional development perspective if one can find a suitable mentor or coach within that organization. “I think part of it comes back to the employee who says, ‘I can learn and grow here working with this individual better than I can somewhere else,’” says Strum.

But if you are not growing, you are not going to go very far. “Every company has a day-to-day challenge to make certain that their people are growing, but things are different than they were and the world is changing too fast,” says Strum. “There used to be a phrase, ‘up or out,’ that’s now being replaced with ‘grow or go.’ Unless you can grow and bring fresh new ideas, there are very few organizations around, including government, that have the time.”