

Managing Chaos

Chuck Green

External turmoil in the marketplace, economy and elsewhere has created chaos in many businesses. Emphasizing employee feedback and managerial development can help calm workplace pressures and pave the way for improved business processes.

Even under normal circumstances, keeping a business on a steady course can be rife with challenges. But nowadays, with a stream of changes unfolding at a sometimes breakneck clip, a queasy economy and employees on edge over job security, more and more companies are managing chaos.

Yet work still must be done, deadlines met. In other words, it's business as usual in an environment that is far from it. This can be frustrating for employees and managers, but according to experts, workplace issues are not insurmountable if dealt with properly.

Marcia Riley, vice president of talent management and human resources for ESI International, said companies must be "very in touch, very agile and very nimble. There's simply no book on how to navigate the business climate today. It's a daily triage."

Riley said ESI International, which specializes in project and contract management and business analysis, frames the issue in terms of "owners versus renters." While many renters bail during difficult times like these, "when it's tense and uncertain," owners tend to be more resilient. "[Their mindset] is to get through it, ask questions and put out fires instead of fanning them," explained Riley.

In fact, Gint Baukus, senior vice president of global talent management at Western Union, said in this economy, it's prudent for companies to hone in on how to deal with the business climate, even if it means other areas receive less attention. After all, he said, the "real trick" is to allay employees' fears, as they are understandably unnerved by external forces, such as the blitz of bad news coming at them from multiple sources. "You can't turn on the television or pull up Yahoo news [without hearing] about the doom and gloom. We have our arms around the day-to-day [issues]; we just can't predict how people are going to react when news on the outside gets worse."

Western Union conducted an engagement survey to measure employees' moods and priorities, despite internal debate about the wisdom of doing so in this market. Ultimately, the organization



felt the need to pinpoint what employees were talking about and reinforce its interest in the workforce. "It's one of those age-old questions: whether to be careful of what you ask," Baukus said. "But if you fail to engage people and learn how they're doing, a company can't make [things] better."

When the results of the survey came in, Western Union found key employee engagement measures had actually improved since the previous survey — "a real accomplishment in this climate," said Baukus.

These days, employees need all the reassurance they can get. According to the U.S. Bureau of Labor Statistics, employers took 2,933 mass layoff actions in May that resulted in the separation of 312,880 workers, seasonally adjusted, as measured by new filings for unemployment insurance benefits during the month. Each action involved at least 50 people from a single employer.

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The national unemployment rate was 9.8 percent in September 2009, seasonally adjusted, up from 5.8 percent a year earlier. In September, total nonfarm payroll employment decreased by 263,000 over the month.

To help cope during these turbulent times, talent managers should continue to concentrate on doing their jobs and emphasize truthfulness to keep employees focused and engaged, said Robert Gillespie, executive vice president of talent central at AmTrust Bank, because "bad news is better than no news."

"We talk a lot here about keeping the trust bank full," Riley explained. She said that while senior management can't eliminate a recession, the company will be forthright and frequent when interacting with employees and will remain accessible to put out rumors.

Employees often rally around the truth. "Even if the truth is, 'We're going to do layoffs, and here's how we're making tough decisions,'" said Joseph Murphy, vice president of Shaker Consulting Group, developers of a pre-employment candidate evaluation called the Virtual Job Tryout in Cleveland. But don't do so in a punitive or threatening manner — that's sure to motivate employees to find another job, he cautioned.

Further, in the midst of chaos, companies must demonstrate that they sincerely care about employees, said Jim Downey, vice president of global learning and organiza-

tion development for CH2M Hill, a global environmental engineering firm. "That's something you can't fake." So how do you best demonstrate caring? "Communicate, communicate, communicate, from the CEO on down."

The ability to communicate and build cross-functional and cross-level relationships outweighs merely being smart and technically competent, said Riley, particularly since "even the top leaders don't have all the answers right now."

Downey said his organization's CEO, Lee McIntire, blogs from the Arctic Circle to the Middle East, no holds barred. "He tells it like it is," which he said is important when managing in chaos. "The leader has to be honest."

Communicating truthfully comes easier to some than others, said Gillespie, who said most of the time, talented managers seem to do the right thing. "These are challenging times. Not just here, but with colleagues and friends at other organizations throughout the country and world; those who aren't as talented really almost don't know what to do. They need talking points more than ever." Otherwise, he said they withdraw from communicating altogether.

Fortunately, Murphy said effective management can be coached or developed, because good leaders are cultivated by honing skills and learning from experience and self-reflection. "A manager has to ask, 'What am I doing that's working or not working, and how can I adapt?'" A manager should ask peers and direct reports how he or she can be a more effective leader, said Murphy.

Being available, adaptable and acting as an advocate are also marks of effective leadership. Availability includes meeting frequently on an informal basis so employees know they are being heard and have a voice, said Murphy. At the same time, to help managers meet such objectives, they should have a clearly defined role as an advocate. A manager should ask employees what resources they need to become effective and what barriers they perceive a manager should be able to help remove, Murphy explained.

Tim Clifford, CEO of Marlborough, Mass.-based Workscape, which provides talent management and outsourced benefits administration solutions, said talent managers need to provide forums where employees are encouraged to ask questions and voice their concerns to help increase productivity and help employees deal with pressure. He said periodic town hall meetings can provide an excellent venue to achieve these goals, while also giving management the opportunity to reinforce big-picture thinking.

ing with managers and leaders, Murphy said he's found many line employees and individual contributors are driven "absolutely crazy" when their boss gives them a new project, with unspoken expectations to complete previously assigned tasks on time as well. "That leaves employees feeling overwhelmed and out of control." To help avoid that, when a manager asks an employee to start working on another project, the manager should emphasize that the employee is to stop working on something else and agree on what will be moved lower on the list of active priorities.

If a manager fails to do so, he said employees should push back, lest priorities become murky and they jeopardize performance. "When you're working on one project, you're not working on another," Murphy said. "It's okay for priorities to change, but being adaptive means that you say, 'Here's the new priority; start working on this and stop working on that.'"

However, Gillespie said he is not sure if many managers actually discuss project assignments and how they impact previously assigned projects with employees especially since, more often than not, managers themselves may not be fully aware of the big picture.

For a manager, it's important to avoid making short-term decisions that punish a firm in the long term, said Peter Cappelli, George W. Taylor Professor of management, director, Center for Human Resources, The Wharton School, University of Pennsylvania. "At the moment, it's hard for organizations to do these things because they're so focused on the immediate crisis and getting through it." He said there is a big risk in being out of step with your organization. "You're taking the long view, and you're focused on cost cutting — you end up being one of the costs cut."

As everyone is tightening their belts, one of the first things typically to get cut is the training and development budgets, said Baukus. "However, we've all acknowledged that's normal and smart business." However, he said that this year, Western Union's senior management increased the size of his training and development budget, going against accepted concepts of leadership, which often fly in the face of cutting things down.

Especially during periods of chaos, Downey said his organization, Hill, looks hard at where it can give employees a choice. Doing so can make them feel involved, which can help secure their buy-in for projects, strengthen teams and generate better ideas. Further, he said giving decisions to be made at the lowest appropriate level is a key to employee involvement.

At many organizations, tw telecom in Littleton, Colo., a provider of managed voice and data networking business solutions, believes strongly in empowering employees, said Laura Coburn, vice president of talent management. Currently, the company is standardizing its work process. The project is being managed by a cross-functional team of employees responsible for some part of the process.

For her, anyone above the level of vice president has been asked to stay out of the way to allow the development team to identify and implement the improvements, said Coburn, who explained that will enable employees closest to the work to improve the process.

The initiative seems to be working. "Even in this troubled economy, the company continues to grow revenue, deliver impressive margins and generate solid cash flow," she said. **TM**

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