# Human Resource Management is Dead; Long Live Unleashing Human Talent

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In launching our 21st century organization framework, we made the observation that we have sleepwalked into the 21st Century with 20th Century businesses – with structures, teams, processes, governance, infrastructure and architecture that are all not fit for purpose. All the aspects of how we do business need radical reinvention, and none more so than our approach to people. Human Resources management (HRM) is a failed experiment, and we need something radically different, and an order of magnitude better, if we are to win in an age when property, machinery, infrastructure, applications, and many other assets become commodity services, and talent is even more important to success.

21st Century Organizations recognize talent as their critical asset
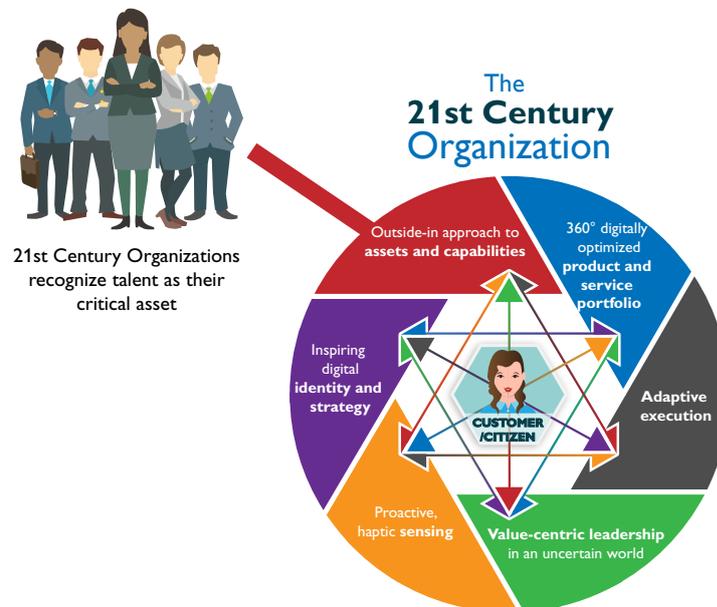
The LEF's Richard Davies and I are just starting a study of breakthrough practices to attract and unleash talent in a digital world. Our colleagues Lewis Richards and Bob Barker have just created a two-day workshop for individuals and teams to radically improve their digital skills. We continue to run Silicon Valley study tours to expose clients to both new technologies and new skills.

HR is a Failed Experiment

What's wrong with HR? Why did it fail?

First of all, it focused on the 'R' of HR, and forgot the 'H'. In my last two jobs, the process of being hired and inducted has been very unpleasant, confusing and demotivating, and the pain only went away when I stopped expecting anything from the HR organization, and started asking those around me for help.

Second, most HR organizations aren't resourced to deliver the big 'Human Capital Management' vision. During my MBA, I was positively surprised that what I thought would be the most boring topic was actually a fascinating arena of human possibility. As soon as I finished my MBA, real-world HR brought me back down to earth with a bump.

Third, almost all organizations are internally dissonant, with fixed, siloed structures punishing the attraction and development of well-rounded, innovative, *double-deep* individuals and teams, even as the senior leadership requests those things. The relationship of the internal organization and senior leadership to 21st century talent is reminiscent of Paul Newman's character in the film *Cool Hand Luke*, where two different prison guards alternately ask Luke to dig then fill the same hole until they break his spirit. Related to this is the assumption that people are, and can be, loyal to a company or brand; evidence from Boris Groysberg[1] and others suggests people are really loyal to the team immediately around them.

1. http://press.princeton.edu/titles/9128.html.

Fourth, the world of skills and capabilities has moved so fast, especially – but not only – in the area of IT/digital, that it has been hard to keep up. Not only is it hard for the HR organization to understand the different skills (e.g. big back-end systems development vs web front-end development, enterprise architecture vs technical architecture, etc.) but also the skill needs are morphing fast, as are the types of skill available (think digital design, data science, machine intelligence, digital anthropology), and the skills themselves. Moreover, many of the newer skills are in very, very short supply. Three or four years ago, no-one had heard of digital anthropology; many clients still look at me oddly when I say it. The dearth of skilled people will continue to apply as demand for machine intelligence, bots, internet of things and robotics ramps up. (Of course we can leverage *the Matrix*, but there will still need to be some internal capability; at a very minimum, the skills to be an intelligent buyer of these things.)

We Must Create Approaches to Attract, Evolve and Unleash Talent

We must pursue four paths to unleash talent in our organizations:

1. Invest more in developing our talent. Create a detailed talent inventory for now and future needs, and make a detailed plan to evolve towards it. An online course here and there just won't cut it. Tailored, thoughtful, sufficiently funded learning and development is needed.

2. Experiment with unusual techniques. Reverse mentoring (junior/ less tenured staff mentoring others) is one that we believe has massive potential. Another is allowing people to choose their work and their manager, rather than the other way round. A third example is self-managed teams, where the team manages its own members, and the company only relates to the team as a whole, based on goals. Amongst other things, the team is responsible for its own talent. (This builds on the team loyalty phenomenon mentioned earlier.)

3. Focus on behaviours. A person comes with knowledge, skills and behavioural traits. Knowledge is relatively easily teachable. New skills are harder, but still teachable. Changing behavioural traits is a much more difficult journey; it is much better to hire and position people who already have the right behavioural traits. The corollary of this is that wherever possible companies should rebalance to focus on behaviours first, skills second and knowledge third.

4. As much as possible, allow people to bring their whole person to work. This includes bringing their own tools, their own workstyles, and their own communities (BYOC).

We would be delighted to hear your views on our study of breakthrough talent management. If you would like to learn more/participate in a research interview, click here for more details.

To learn more about our two-day digital skills workshop, visit this webpage.

Our September 2016 study tour is full, but sign up now for the 2017 tour, *Applying Machine Intelligence* here.

Most important – don't do nothing; and don't keep doing what you always have. Take a good, hard look at your approach to HR, and evolve from Human Resource Management to Unleashing Human Talent.