

# HACKING HR TO BUILD AN ADAPTABILITY ADVANTAGE

A CIPD / MIX HACKATHON



## THE CHALLENGE:

# CHANGING THE WAY WE CHANGE

We live in a world that seems to be all punctuation and no equilibrium, where the future is less and less an extrapolation of the past. We are surrounded by all sorts of things that are changing at an exponential pace: the number of mobile phones in the world, CO2 emissions, data storage, the power of semiconductor chips, the number of devices connected to the Internet, the number of genes that have been sequenced, world energy consumption, and knowledge itself. **Today**, the most important question for any organization is this:

## ARE WE CHANGING AS FAST AS THE WORLD AROUND US?

For most organizations, the answer would be no. In industry after industry, it's the insurgents, not the incumbents, who've been surfing the waves of change—it's Google, not Microsoft; Hyundai, not Chrysler; Apple, not Nokia; Air Asia, not JAL; and so on. The vanguard, though, are just as vulnerable to change as their victims. Success has never been more fleeting.

The only thing that can be safely predicted is that sometime soon your organization will be challenged to change in ways for which it has no precedent. Problem is, our organizations were never built to be adaptable. Those early management pioneers, a hundred years ago, set out to build companies that were disciplined, not resilient. They understood that efficiency comes from routinizing the non-routine. Adaptability, on the other hand, requires a willingness to occasionally abandon those routines—and in most organizations there are precious few incentives to do so.

That's why change tends to come in only two varieties: the trivial and the traumatic. Review the history of the average corporation and you'll discover long periods of incremental fiddling punctuated by occasional bouts of frantic, crisis-driven

## IT'S GETTING HARDER TO STAY ON TOP



A 2005 McKinsey study indicated that market leaders (those in the top quintile by revenue in a given industry) stand a **30%** chance to be "toppled" within 5 years. This probability is over **three times** what it was just a few decades ago.

change. Why should an organization have to lose its way and surrender market value before getting serious about change?

## WE NEED TO CHANGE THE WAY WE CHANGE

The goal should be change without trauma—automatic, spontaneous, and reflexive. In a world of mind-flipping change, what matters is not merely a company's competitive advantage at a point in time, but its evolutionary advantage over time.

# COULD YOUR COMPANY BE TRULY ADAPTABLE?

A company that is **constitutionally adaptive** enjoys advantages in at least **five broad areas**:



## EMPLOYEES

- A passionate and deeply committed workforce
- A high ratio of innovation and value-added per employee
- A relative advantage in capturing the discretionary energy of employees



## CUSTOMERS

- Innovation-based pricing advantages
- A strong, extensible, brand
- A reputation for redefining customer expectations



## COMPETITORS

- A steadily growing share of firm-market-value to industry-market-value
- A reputation as a savvy and formidable competitor
- A competitive advantage in acquiring and retaining talent



## PARTNERS

- A disproportionate share of influence in setting standards
- An advantage in attracting world-class partners
- A nodal position within industry ecosystems



## INVESTORS

- Above average returns over any time frame
- No large, unanticipated, earnings shocks
- A consistent price-to-earnings (P/E) premium versus its peers

**We believe HR can play a hugely positive role** in helping companies to become adaptable at their core. HR is already a partner to business in many change management efforts, but HR's impact would be many times greater if it played a lead role in eliminating the barriers to adaptability and in building new capabilities that facilitate proactive change. This is particularly true for aspects of the management model that HR drives directly, such as change management, organizational design, talent acquisition and deployment, learning and development, and performance review.

# HR AS A CATALYST FOR ADAPTABILITY

## WHAT COULD HR BE DOING TO...

**Design and facilitate “change programs” that are based on ongoing, company-wide dialogue** about priorities and direction, as opposed to episodic catch-up initiatives driven from the top?

**Build nimbler and more fluid organizational structures**, where a “reorg” isn’t something that happens every four or five years in response to a missed opportunity, but something that is occurring continuously, and almost effortlessly?

**Create an “army” of change agents** by disseminating the principles of grass-roots change and increase the capacity of individuals to launch bottom-up change initiatives?

**Create a true market for talent**, where new initiatives and legacy programs compete on an equal footing for the best people?

**Equip people with a new set of conceptual skills** that are required to thrive in an increasingly turbulent and interconnected world, such as double-loop learning, creative problem-solving, and values-driven thinking?

**Foster a high-trust, low-fear environment**—where risk-taking is encouraged, information is broadly shared, and contentious opinions are freely expressed?

**Enlarge the company’s capacity for experimentation** by creating an appropriate level of slack and building skills in experimental design and rapid prototyping?

**Re-engineer control-oriented management processes** to reduce the “bureaucratic drag” that impedes the progress of new initiatives?

**Develop genuine and granular foresight on key workforce trends**, such as new skills required to support business shifts, or the expectations from new generations entering the workplace?

# THE MANAGEMENT HACKATHON

The CIPD and the Management Innovation eXchange (MIX) are inviting HR and business leaders to crack the adaptability challenge through a hackathon—an online problem-solving event that will harness the collective intelligence of progressive HR and management practitioners from around the world.

The hackathon is a hands-on, collaborative effort focused on finding, developing, and eventually implementing real-world solutions that can be experimented with in our companies—not someday, but today. It is based on the MIX's groundbreaking methodology that will help participants:



## DISTILL THE DEFINING CHARACTERISTICS OF ADAPTABLE ORGANIZATIONS

What are the new management tenets that will help organizations change as fast as change itself?



## DIAGNOSE THE BARRIERS TO ADAPTABILITY

Why do most organizations struggle to be truly adaptable? What are the specific impediments that get in the way of proactive change?



## JOINTLY INVENT MANAGEMENT HACKS

What are the most radical yet practical ideas for how HR can spur the entire enterprise into becoming more adaptable? What are some first but impactful steps we could take to make progress on this front?

# WHAT IS A MANAGEMENT HACKATHON?

A management hackathon is a mainly on-line, open-innovation event in which participants jointly solve thorny management problems.

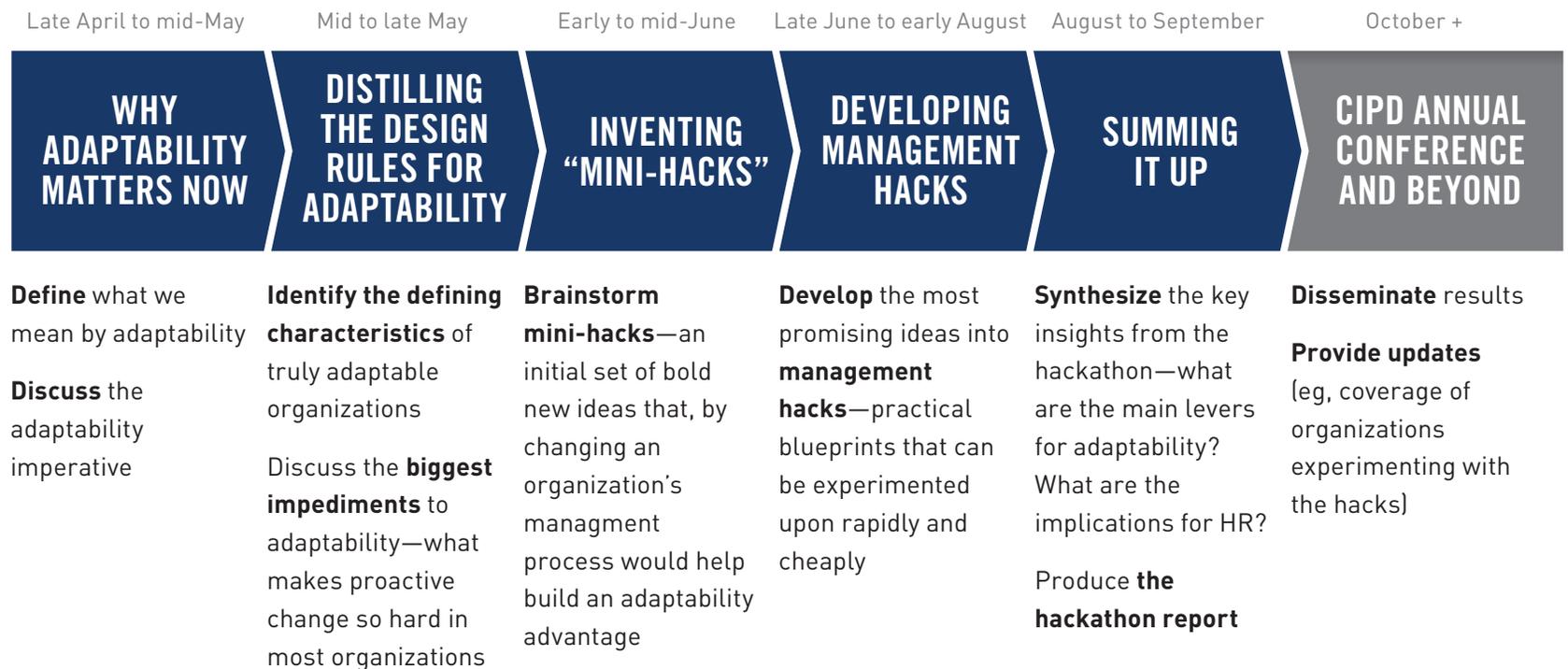
Hackathons are structured as multi-stage, problem-solving efforts that involve learning, diagnosis, priority-setting, idea generation, idea ranking, idea elaboration, prototyping, experimentation and feedback.

During a hackathon, participants “swarm” specific management challenges, developing and prototyping management **hacks**—bold yet highly actionable ideas for re-inventing processes such as strategic planning, resource allocation, and talent management in ways that make a decisive performance difference.

# HOW TO PLAY

Participation is open to anyone with an interest in seeing our organizations change for the better. We are particularly seeking progressive HR, learning and development, and management practitioners looking to make real-world impact within their own organizations. Registration is free and only takes a few seconds.

## WHAT IS THE TIMELINE?



## WHO ARE THE COACHES?

Coaches will provide thought-provoking perspectives and practical advice to participants throughout the hackathon. Our coaching staff includes a number of leading management thinkers and progressive practitioners, including:



**Gary Hamel**



**Peter Cheese**



**Lynda Gratton**



**Dave Ulrich**

Other coaches to be announced

# WHY JOIN THE HACKATHON?

## BECAUSE YOU AIM HIGH

There may be some who are content to work on trivial problems, but you're not one of them. You're excited by the chance to bring your experience and imagination to this important, global-scale challenge.

## BECAUSE YOU WANT YOUR INNOVATION TO SPREAD

Progressive management practices deserve to be emulated, and radical yet practical ideas should be put into practice. The best ideas will receive significant recognition as management innovators on the MIX, *People Management*, and other publications (eg, Fortune.com).

## BECAUSE YOU WANT TO MAKE A WORLD-CLASS CONTRIBUTION

Every radical new management practice starts out as a courageous "What if?" During the course of the hackathon, world-renowned experts and like-minded practitioners will give you valuable feedback to make your story even more compelling, and turn your "far out" idea into a real-world management breakthrough.

## BECAUSE IT'S NOT EASY BEING A RENEGADE

Trailblazing is often hard and lonely work. During this hackathon challenge, you'll discover and collaborate with a community of like-minded management rebels. You'll meet others who have what it takes to fight the status quo and win—and who are eager to share their experiences and insights. And you'll have plenty of opportunities to share your own ideas and stories along the way. At the end of the process, we hope you'll walk away with a new set of management innovation friends and advocates to help you navigate the path to a more adaptable organization.

## BECAUSE YOU WANT TO BE PART OF THE SOLUTION

Tackling the urgent challenge of reinventing management for the 21st century is everybody's business. You don't have to be a guru or a CEO—or even a "manager" by title—to be an effective management innovator. You aren't solely interested in your own organization's success—your highest ambition is to change the game for everybody.



# HELP SPREAD THE WORD

The more people participate in this hackathon, the greater the chance that we'll be able to build a comprehensive picture of how to create truly adaptable organizations. You can play a big role by activating your personal networks to build enthusiasm for building an evolutionary advantage. Here are some ideas to get you started:

**Send an email to your team and colleagues** introducing the hackathon and encouraging them to join. Include a link to [www.mixhackathon.org/cipdhack](http://www.mixhackathon.org/cipdhack)

**Promote the hackathon through social media** channels—this includes Facebook, Twitter, LinkedIn, and your corporate social network

Post updates and reminders on your **intranet**.

# ABOUT THE CIPD

The CIPD is the professional body for HR and work-based learning. With over 130,000 members internationally working in HR, learning and development, people management and consulting across all sectors, it is committed to championing better work and working lives by improving practices in people and organization development for the benefit of individuals, businesses, economies and society. The CIPD brings together extensive research and thought leadership, practical advice and guidance, professional development and rigorous professional standards to drive better capabilities and understanding in how organizations of all kinds operate and perform, and in how they manage and develop their people.

[www.cipd.co.uk](http://www.cipd.co.uk)

# ABOUT THE MIX

The Management Innovation eXchange (MIX) is an open innovation project aimed at reinventing management for the 21st century. The MIX is based on the premise that management is nothing less than the technology of human accomplishment and that, after 100 years of incremental tweaks, it now needs to be reinvented for a new age. Designed as an open innovation and collaborative platform, the MIX brings together the most progressive leaders and provocative management thinkers with in-the-trenches management innovators—indeed, anyone with ideas and approaches to making our organizations resilient, inventive and inspiring enough to thrive in the 21st century.

[www.managementexchange.com](http://www.managementexchange.com)