



2020 and the new normal

With the arrival of Covid19, the world of work has experienced its biggest upheaval ever. One big change is the number of people working from home, instead of enduring the dreaded commute to work in a big city. This transition produces many issues for people and their management teams to tackle. It also produces any number of opportunities, not least of which is a reduction in air pollution and the potential for an improvement in the health of people in the community.

In short, there are likely to be a number of benefits, to people and their employers, arising from the shift to more remote working. In all probability they will outweigh the risks. There is likely, however, to be a transition period during which new models for management practice will emerge. This transition period may link time-wise with emerging patterns of Covid19 infection and treatment – or it might not.

One interesting question concerns what happens when the Covid19 containment regulations are eased, and it becomes possible for people to revert to previous work patterns. Will they want to? Will a new-normal way of working have emerged? If people are expected to revert, and it is discovered that the new way of remote working is actually preferred over more traditional models, what then?

What will the differentials be in respect of different industries / job types? For example, in respect of retail, office-based work, manufacturing, public sector or engineering. There are also likely to be differences within individual businesses. A manufacturing business will have some traditionally office-based jobs, that have moved towards more home-based, whereas factory floor jobs will have to stay where the machines are. Much the same will be true of all service industries, including the public sector, where one split will be between client-facing and non client-facing roles.

The challenge of drift

Ashby's "Law" of Requisite Variety states that for a system to be stable, the number of states that its control mechanism is capable of attaining (its variety) must be greater than, or equal to, the number of states in the system being controlled. This means, paradoxically, that in a VUCA world, where there is unending variety with few if any circumstances ever repeating exactly, only variety will lead to stability. In other words people have to constantly invent new solutions, which may be experienced as chaotic systems behaviour. This produces a special form of chaos, but it is NOT disorder.

Part of the problem is that, instead of accepting the inevitability of chaotic systems behaviour and working with it, many managers see it as disorder, and a loss of control, instead of different kind of order. They then make changes in control systems, in an effort to try to restore the very order that was not missing in the first place. Those changes often fail to produce the desired effect, which leads to more changes, and so on. It is this process that produces the result known as drift. This is a phenomenon that is not particularly well understood, but can be commonly observed in many organisations.

Often when people are faced with a VUCA world, and working from home, they introduce adaptive change to continue to get the job done and value added to customers, by making changes in systems. If the management response is that of increased controls, the chaotic systems behaviour may simply go underground. This arises from the tensions experienced by good-hearted employees caught between the need to observe the imposed controls on standards and the felt need to introduce variety to look after the customer – and the future of the business and its employees. In these circumstances, chaotic systems behaviour does not go away – it simply becomes invisible to management.

Post the Covid 19 containment and treatment measures, and given the felt need of many managers to 'take back control', there is the possibility of their initiatives creating drift, that will have the effect of taking the world of work away from a new normal and back to old patterns of command and control – and losing all the benefits of the 'new normal' way of working, along the way.

Drift in organisations

Below are several examples of drift. These are subtle changes that occur, over time, without management or any other kind of intervention. They occur naturally, as one facet of soft systems behaviour in hierarchical organisations. In fact (unlike drift in nature, where natural selection ensures that the effect is always positive) the impact of drift on organisational performance is almost always negative. This means that there is a need for management interventions to stop organisational drift happening.

Ideal state	State after drift
There is an appropriate balance of maintenance and development activities. There is a balance of short-term performance standards with longer-term developmental goals.	There is an excessive focus on short-term standards. Wheel-spin and fire-fighting are common, and the organisation may be in stasis.
There is a short list of key performance indicators, balanced across internal / external; financial / non-financial; lagging / leading; technical / people related topics. All are supported by diagnostic information for ad hoc analysis of cause and implementation of corrective action. Root cause analysis is applied. Exception reporting is used.	There is a long list of performance indicators, mainly inward focused / financial / short term / cyclical. There are frequent conflicts between performance indicators. Regular reports and reviews are used. Formal investigations are used to try to determine responsibility for performance problems. Root cause analysis is not applied.
Simple principles are used to guide behaviour – there is support for emergent, complex adaptive strategies and innovation.	There are complex and detailed prescriptive rules that severely limit freedom of decision about responses to a variable environment. Innovation is limited or suppressed.
Performance management models are output-results focused; they use informal, two-way feedback processes; they run on variable timings; reporting is limited. The same model applies to all employees. Performance management is a normal and natural part of daily work life.	Performance management is really employee assessment, and is focused on the person not output results. There are regular, formal, one-way downward assessments that focus on skills or competencies. Grades; ratings; tick boxes are common. Reporting is complex and detailed. Different models are used for senior people – or not used at all. Assessments are regulated and may use artificial constructs such as 360 ^o feedback.
Strategy is largely emergent (guided by a clear strategic intent), with ad hoc opportunistic decisions used to capitalise on changing conditions, or to respond to environmental issues. The power to influence strategy is widely dispersed.	Strategic planning is done by senior people or specialists. Decision power is held closely to the centre. Long-range plans are used, with annual updates, tied to the budget round. Mostly, strategic plans are long-range, financial forecasts.
The organisation is flat, and line managers are generalists – they perform their own support functions. Head office and central functions are small. Power is widely distributed.	The organisation is deep, and there are many specialist functions. Head office and central functions are large. Most power is retained in the centre.

Ideal state	State after drift
Budgets are treated as what they are – forecasts, and subject to the standard rule for all forecasts – 'if they are accurate within 5% they were either lucky or wrong'. Small variances are ignored. Trends are more important than monthly figures. Transfers between budget headings are easy.	Budgets are treated as sacrosanct. Monthly figures must be met. All variances are treated as serious issues and subject to detailed analysis and reporting – commonly with assignment of blame. Transfers between budget headings require senior level approval.
Decisions about the disposal and application of resources are for line managers to make. Budget holders can swap resources between budget headings or share them with other budget holders.	All variations from budgeted allocations of resources have to be approved by the centre. Decisions about resources are held within vertical silos.
Decision processes are fast, objective, frequently cross-functional, and focused on achieving high standards of product and customer service quality. Generally, decisions are taken by the people who have to implement them.	Decision processes are slow and rule-bound. Conformance is more important than performance. Decisions are often taken within organisational silos, and by people who do not have to implement them.
Employees are engaged with the organisation to a high degree. Motivation is extrinsic as well as intrinsic, and stems from the way that employees are managed by their immediate supervisor. Levels of 'Flow ' are high.	Employees are disengaged from the organisation. Motivation is mainly intrinsic rather than extrinsic, and the organisation relies on a variety of financial and other rewards to try to motivate employees.
'Communication' is something that happens naturally and is part of the normal process of managers and employees getting their jobs done. No topics are off the table. 'Communication' is the responsibility of everyone in the organisation.	'Communication' is a formal process and is something that is designed to transmit specific information selectively from the organisation to employees. 'Communication' is the responsibility of a specialised department or individual.
Change is a way of life for everyone in the organisation. It arises from a non-ending search for ways of improving product and customer service quality – and the effectiveness of the organisation in delivering them.	Change is the focus of formal programmes in the organisation, with most change being stimulated by top management. Most change is a response to needs imposed from outside the organisation or from above.
Knowledge and skill are valued more highly than status	Status is valued higher than knowledge and skill
Interactions within functions and across functional boundaries are characterised by open dialogue. Conflict is normal and healthy, confronted openly by the people involved, and agreements are negotiated between peers.	Interactions are characterised by hidden agendas and political objectives. Power brokers and influence networks dominate decision-making. Conflict is often destructive and referred elsewhere for resolution, and those resolutions are imposed.