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PART ONE

Disruption Is The New Normal

Transformation is everywhere: Companies are working to shift to customer-obsessed operations, to transform digitally, to adapt to automation, and to respond to disruptive competitors and business models.

These changes are sensible and necessary. Oftentimes they are disconnected and hard. And certainly, all of these changes deal with the long-standing and enormous challenge of how to mobilize employees and teams — how to unleash the full value of human capital.

Historically, this has triggered change management: putting in place a change management program to move employees from “point A” to “point B.” You’ll often hear this expressed in terms of “Vision 2025,” where 2025 is an endpoint.

The challenge with the traditional model is that change is now constant. Disruption is now normal. There is no “point B.” What we’re talking about is continuous adaptation across a never-ending change curve.

This is no longer about a change management project; it’s about a company’s ability to make adaptability and resilience core competencies. Not a trivial “to-do.” In fact, there are notable headwinds that tell us this step will take time and resources — neither of which is found in abundance.
1. Transformation efforts are failing or stalling. More than 50% of digital transformation efforts failed to meet expectations; CX performance improvement has stalled, creating the combined reality of transformation fatigue and frustration.

2. There is a sizable gap between leaders’ and employees’ understanding of the business rationale for transformation — and how employees sense and understand what they should specifically do during that transformation.

3. Even with a strong economy, employees still fear change and fear being underskilled for what is needed next.

4. Automation and the expected job changes and job losses are increasingly front and center in employees’ sense of security and self — creating a level of anxiety that can paralyze the most talented of people.

Headwinds aside, market pressures are unrelenting and unforgiving. Steps to make adaptability and resilience core and differentiating competencies will bring about a different kind of company: a learning enterprise.
Rethinking Human Change

The speed of an idea is radically fast; the speed of technology evolution is fast and quickening; the speed of human change is relatively and often frustratingly slow.

The reason given is that humans resist change — or, better stated, they are for change as long as they themselves don’t have to change. In that resistance, humans will hang on to old thinking and habits well after they are useful.

But what if that notion is only partly correct? Yes, there is natural resistance to and fear of change, but employees today are bombarded with signals in their private and professional lives that change is afoot. In other words, they have a glimpse into the why — but the combined forces of the barrage of change signals, skill insecurity, and anxiety about automation conspire to create defensiveness. This has less to do with resistance and more to do with a lack of confidence and understanding of how to learn and change.

The challenge is twofold: 1) relearning how to learn and 2) learning the knowledge and skills for what is needed next.

Adaptability and resilience are fast becoming differentiating competencies for both institutions and people. Learning how to learn is the personal articulation of that differentiation. Learning something new to adapt to a specific need is merely a step in an overall career journey.
This is a key lesson from our research: What appears to be change resistance is more of a need for competency building and understanding. This is true for long-tenured and new employees, Millennials and Baby Boomers alike. That means:

1. Clarifying what is happening in the market that is compelling change. And not simply making the case for change, but arming employees with a deeper sense of the what and the why.

2. Establishing an environment that is explicitly safe for change and risk taking.

3. Clearly stating that adaptability and resilience are strategic priorities — for the company as a whole and individual employees.

4. Asserting that adaptability and resilience are career-differentiation competencies, not strictly a corporate mandate.

5. Translating broad-brush learning rhetoric into specific learning efforts so that employees gain real, measurable, and confidence-building traction.

Tapping into and nurturing employees’ acceptance of change will be a powerful tool for leaders.
PART THREE

The Case For The Learning Enterprise

For most companies, employees are the largest investment or cost, and employee productivity has a direct impact on top-line and margin growth. Ready, confident, inspired employees are an economic driver.

Funding that economic driver is a mixed bag. Most companies fund learning and development centrally and/or as part of a loaded cost calculation for employees to spend internally and externally. This kind of “spot” training is useful as a tactic but does not elevate learning to deliver on the strategic need to build adaptability and resilience as differentiating competencies — to build teams of “purpose workers” able to embrace and adapt to change — or better yet, to operate as disruptors to play offense in the market.
Strategic learning is different than tactical learning. Strategic learning has three components:

01

A baseline of employee engagement and readiness.

Employee engagement and readiness provide a robust view of the employee base’s ability to take on change — and a constant view of overall adaptability and resilience. This step is essential, as it tells you how hard you will need to work and where you will need to focus.

02

A curriculum of learning techniques that help employees become more resilient and adaptable, no matter what change comes.

The broad-based learning curriculum can reside in the employee experience function to include a core curriculum (e.g., how to innovate, how to learn) and a specialized curriculum (e.g., readiness for leading in an automated environment and development of the robotics quotient [RQ] to help humans learn how to work alongside robots).
A targeted effort driven end to end that places learning directly within the strategic initiative.

Targeted learning is an accelerant and force multiplier. It addresses the reality that employees’ fear of change is more about competency building than willingness, and it targets learning resources to those efforts most important to the firm. There are two types: 1) skill building for those who do the work and 2) broad-based awareness of new capabilities (e.g., new customer experience design) so the larger enterprise is bought into the vision, understands the purpose, and has the permission to apply the new capability to their everyday roles — or better, can self-initiate how to bring new capabilities to their day-to-day jobs.

Unleashing human capital is a universal goal — but the reality is that the humans in that phrase are being forced to come up to speed with new technologies, models, and ways of thinking at an increasingly fast pace. If adaptability and resilience are competitive differentiators, putting in an organized, focused learning regiment becomes a strategic investment.
PART FOUR

The Path Forward

Thriving in — or simply navigating — this complex, dynamic, and unforgiving market is no small task nor an individual sport. The magnitude and scope of change are startling: technology, labor markets, automation and robotics, disruptors and disruptions, the future of work. If leaders cannot create force multipliers from their teams, they will fail — independent of the strength or cleverness of the strategy. At least for now, wholesale, rapid change-out of teams is virtually impossible, meaning that you are winning or losing mostly with the teams you have.

The reasons for success and failure will, in large part, rest on the ability to make adaptability and resilience differentiating competencies. It’s time move beyond the old adage of “humans resist change” and take on the more nuanced version that most humans will embrace change if they are informed and see themselves in a new way. Leaders have the opportunity to build a learning enterprise to unleash the full potential of human capital as a powerful economic lever.
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