Addressing the Productivity Challenge and Ensuring a Future for Management Services^

Prof. Colin Coulson-Thomas*

In 2016 the Institute of Management Services celebrated its 75th year. The management services profession has had a long involvement with work study, efficiency, the improvement of productivity, change management and transformation.

The work studied by generations of members of this institute has been that performed by people and often undertaken in a manufacturing or public sector context. Within the economy generally, ever more production and other repetitive tasks are being undertaken by machines, and creative industries and services have accounted for a growing proportion of economic activity. Should we shift our focus from productivity to creativity? Can we improve productivty and enable creativity?

Accelerating Developments

Certain trends are accelerating. Advances in automation, artificial intelligence, robotics and disruptive technologies from drones and driver-less cars to 3D printing threaten employment and job prospects. Both "blue collar" and "white collar" work is being impacted.

Applications of AI could take out much of the initial and basic work undertaken by knowledge workers and professionals. Rather than use their services, clients may increasingly cut out human intermediaries by accessing an ap or resorting to a software package.

There are also consequences of online transactions, the sharing economy and new business models to address. These developments raise questions about what it is to be human and who or what many of you will be competing with in your lifetimes.

Will we be the last generation of management services practitioners in sufficient numbers to justify the existence of a separate professional institute? As markets fragment and new options and choices emerge, will the lifespans of management approaches, tools and techniques shorten? This has already happened to many technologies.

We are witnessing a greater diversity of organisational models and different ways of operating, working and learning. More customers look for a bespoke response that addresses particular aspirations, contexts, priorities, requirements and situations.

Requirements for New Approaches

Given the increasing variety of needs and siutations, does it make sense to develop standard tools, even if there were time to include them within a syllabus and then teach them to students? Might needs mutate, fragment or move on long before competent practitioners emerge?

Should our focus shift from standard tools to creative problem solving? Would it make more sense for people who are affected by uncertainty and the unexpected to use a combination of bespoke support and social networking to bring together task, problem or project specific teams to address issues and opportunities as and when they arise?

Such approaches and networks can bring together interested and relevant people to quickly explore possibilities and develop new options. In some cases, solutions can be rolled out worldwide to problems that people did not know existed when they had breakfast earlier in the day.

Success can require collaboration with available people and relevant support, AI and other environments. More activities, operations and responses involve automatically updated and learning systems. They can be almost entirely automated. Importantly for us, they need to be designed.

Should we continue to mandate or recommend particular approaches, tools, operating models, structures, technologies and ways of working? Should more organisations allow people to select and bring together whatever people, approaches and support is relevant to addressing issues and problems as and when they arise?

Should a willingness to challenge, think and be a creative problem solver, using whatever means and disciplines are felt to be relevant, become the sought after requirement? Might openness and the confidence to have a go become more important than evidence that in the past one mastered a particular and relatively narrow knowledge set?

Will periodic meetings, annual reviews and corporate planning be replaced by continuous monitoring and intelligent steering? Will inter-organisational, multi-location and virtual team working continue to spread? Will the ability to collaborate and network, while at the same time exercising independent judgement, be highly prized?

Will inter-disciplinary approaches and the ability to identify links, patterns and relationships across different situations and data sets become more important? Do our clients need community, network, creative and entrepreneurial services rather than management services? Do we need to re-group, re-position or re-invent?

There ought to be a huge demand for management services practitioners who can help people and organisations to address contemporary challenges and opportunities. There are challenges that we should be uniquely equipped to tackle. Today there are probably more opportunities to have an impact and make a difference than at any time in history.

Stagnating Productivity

25 years ago my book *Transforming the Company* put the case for flexible, adaptable and networked organisations that develop and expand or contract organically (Coulson-Thomas, 1992). At the time, there was an expectation that improvements in productivity would continue to occur.

In 1994 I became the world's first Professor of Corporate Transformation. I was hoping for step changes as new technologies were adopted and more flexible ways of working, learning and organising were introduced. Historically, UK labour productivity has grown by 2% per annum. However, since the 2008/9 financial crisis and economic recession it has stagnated (Harari, 2017).

Views differ as to the cause or causes. Is it a lack of investment or a slowing of innovation? Is labour being hoarded? Is increased functionality - such as that of contempoary mobile devices - not being recorded as additional output or value because many prices have fallen, been static. or have only recently increased? Are traditional productivity tools and approaches no longer working?

Is the management services community loosing its touch? Is improving productivity no longer seen as an exciting area in which to work? Are we failing to develop, employ, motivate and support a

new generation of management services practioners? Alternatively, are we being frustrated by vested interests, supporters of the status-quo and resistance to change?

Is labour productivity no longer an issue where tasks are automated? Human work is still important in the National Health Service and other parts of the public sector. Is stagnant productivity within the NHS the result of increased funding of unreformed processes, unionised activities and/or opposition to knowledge based systems, new models of operation and disruptive technologies?

In parts of the public sector, and perhaps elsewhere, are people objecting to changes that would increase labour productivity and raise living standards in order to maintain barriers to entry and other restrictive practices that will allow them to retain their jobs? Is the problem management and leadership generally rather than the management services profession specifically?

Widening Perspectives

Many practitioners have extensive experience of how to improve the productivity of work-groups and teams in certain situations. Increasingly, the challenge is to examine how people, machines and digital technologies can best work together in new contexts and as business models change.

Our assessments and deliberations need to be undertaken against a background of uncertainty. They should reflect and accommodate particular and changing requirements, priorities, situations and contexts, Our focus may need to shift from compliance, predictability and reliability to flexibility, learning and resilience.

Instead of concentrating upon the distinct contribution of their own experience and skill set, management services practitioners will increasingly be required to collaborate with people who bring different but complementary contributions to the table.

Analogies are sometimes made with the role of the conductor of an orchestra. These can be misleading. While conductors and players may all be working to a particular score, albeit with differing emphasies and interpretations, in many other contexts creativity, innovation and entrepreneurship are more important.

New Priorities

An acid test for our profession is how and to what extent we can encourage creativity, enable innovation and support entrepreneurship. Becoming more effective and productive at undertaking current activities will not necessarily give us the degree of change we need to cope with many of the challenges we face in areas such as climate change and sustainability.

We need to transform or replace many practices, operations and organisations rather than reform or improve them. We need to explore and pioneer. We need to discover or create better models rather than just tinker with existing ones. We need to inspire such searches.

We need to turn our investigations into causes that will engage and motivate a younger generation. Key skills for our management services community will be how to foster the openness, diversity and curiosity that may be required to create and deliver new options and choices.

We must strive to get more out of combinations of people, technology, available resources and relevant support. Most capabilities involve costs. There is little point having them if they cannot be quickly accessed and used. For many and perhaps most organisations, current capabilities may be less important than the ability to access relevant help and support as and when it is required.

We need to consider affordability. In general, customers seek to meet their requirements at the lowest possible price. Some may be concerned about a strategic supplier's ability to remain current and to invest in relevant new technologies. However, most customers are reluctant to pay an extra amount to enable other organisations to have extensive capabilities and to be excellent in all areas.

Required Responses

I suspect many management services practitioners are aware of changes that are occuring in the business, market and public environments and alert to many of the issues arising. Some may have already made many of the shifts of approach and perspective required to remain current and vital. There may be others who are yet to review, rethink or reinvent their roles.

We should be alert and sensitive to what is happening around us. We should identify and prioritise external trends and developments, assess their impacts upon our practices, upon our organisations and, importantly, upon our customers, clients and the public. We need to think through what we should do in response and how we might be able to help our clients, customers and others to cope.

As practitioners we need to be open to new approaches. At the same time, we should be wary of fashionable fads that promise much but deliver little. Behaviours can be quickly changed by support tools and/or by modifying reward and remuneration practices. The perenially fashionable flirtation with changing corporate cultures seems a distraction and a case of clutching at straws.

Contemporary corporations and their stakeholders are often culturally diverse and such diversity can be conducive of creativity and innovation. Culture change and seeking to introduce a common set of corporate attitudes, beliefs and values can be time consuming, expensive and problematic. If it worked it might result in a dull uniformity and produce unthinking corporate clones.

Introducing Performance Support

There are much quicker, more affordable and less disruptive routes to high performance organisations than the approaches which many organisations adopt. They can simultaneously deliver multiple objectives. Importantly, they can work with whatever people, corporate cultures, and organisational structures we already have. They can be unaffected by legacy systems.

I have set out in three evidence based research reports with case study examples how applications of performance support in different organisations and sectors can rapidly transform performance, ensure compliance. reduce costs, contain risks and deliver a variety of other improvements (Coulson-Thomas, 2012a & b, 2013). They can benefit people, organisations and the environment.

Too many organisations restructure and adopt programmes that are expensive and time consuming. For example, traditional approaches to compliance and risk management can increase overhead costs, cause delays and result in key work groups focusing upon compliance rather than customers.

Incorporating checks and blockers into support tools can enable responsible risk taking, bespoke responses and the creation of new solutions. They can prevent outputs that would represent commercial, quality, legal or regulatory risks. Personalised and relevant support can be made available 24/7, wherever and whenever needed, including when people are on the move.

Support tools can make it much easier for people to behave in preferred ways. They can make it very difficult or impossible for them to behave in undesired ways. The support provided can be continually updated. It can be interactive and can incorporate and facilitate social networking.

Evidence and Benefits

I have led over twenty investigations leading to research reports that set out critical success factors for activities that are crucial for continuing corporate success, such as winning business, building customer relationships, purchasing, pricing, corporate learning and managing intellectual property. Over 2,000 companies and over 500 professional firms have participated in the studies.

My book *Winning Companies; Winning People* summarises what top performers do differently in these and other areas (Coulson-Thomas, 2007). Even top quartile performers are only very effective at half of the identified critical success factors for an activity such as competitive bidding. The evidence assembled suggests the performance of most companies could be quickly improved.

Support tools can capture and share what top performers do differently. They can enable average performers to adopt the winning ways of these higher performing super-stars. They can be bespoke and personalised. The support they provide can reflect our individual understanding. They can learn and be continually updated, for example as offerings and regulations change. They can evolve to match the changing requirements and competences of users.

Performance support tools can quickly deliver large multiple returns on the cost of developing them. They can also address traditional trade offs such as that between risk and return by both reducing risk and increasing return. At the same time, because checks and balances can built into them, support tools can set people free to be creative, innovative and entrepreneurial.

More flexible tools and adaptable approaches could give the management services community a renewed rationale and purpose. They can enable our employers and clients to achieve step changes in performance and productivity. As practitioners we also need to be flexible and adapt if we are to remain current and relevant. If we do so, our institute and our profession will have a bright future.

I would like to conclude by thanking the president, chairman and the council of the Institute of Management Services for presenting me with an Honorary Fellowship at this Annual General Meeting. Is is much appreciated, as is your own contribution and service to our Institute and our professsion.

Further Information

Research reports based upon investigations led by Prof. Colin Coulson-Thomas and setting out critical success factors for key corporate activities and quicker, more affordable and less disruptive routes to high performance organisations are published by Policy Publications and can be obtained from: http://www.policypublications.com/

References

Coulson-Thomas, C (1992), *Transforming the Company, Bridging the Gap between Management Myth & Corporate Reality*, London, Kogan Page

Coulson-Thomas, C (2007), *Winning Companies; Winning People, Making it easy for average performers to adopt winning behaviours*, Peterborough, Policy Publications

Coulson-Thomas, Colin (2012a), *Talent Management 2, A quicker and more cost-effective route to the high performance organisation*, Peterborough, Policy Publications

Coulson-Thomas, Colin (2012b), *Transforming Public Services*, *A quicker and affordable route to the performance public organisations*, Peterborough, Policy Publications

Coulson-Thomas, Colin (2013), *Transforming Knowledge Management, A quicker and affordable route to the high performance organisation*, Peterborough, Policy Publications

Harari, Daniel (2017), *Productivity in the UK,* Briefing Paper Number 06492, London, House of Commons Library, 20th September

^Note

Honorary Fellowship acceptance speech and address by Prof. Colin Coulson-Thomas, delivered on the morning of 20th October, 2017 at the Annual General Meeting of the Institute of Management Services which was held in the Garrick Suite of The George Hotel, Bird Street, Lichfield.

*Speaker

Prof. (Dr) Colin Coulson-Thomas has helped directors and entrepreneurs in over 40 countries to improve director, board and corporate performance. In addition to directorships he leads the International Governance Initiative of the Order of St Lazarus, is Director-General, IOD India, UK and Europe, chair of United Learning's Risk and Audit Committee, Chancellor and a Professorial Fellow at the School for the Creative Arts, Honorary Professor at the Aston India Foundation for Applied Research, a Distinguished Professor at the Sri Sharada Institute of Indian Management-Research and a member of the advisory boards of Bridges of Sports and the Arvind Foundation, and ACCA's Governance, Risk and Performance Global Forum. An experienced chairman of award winning companies and vision holder of successful transformation programmes, he is the author of over 60 books and reports. Colin has held public appointments at local, regional and national level and professorial appointments in Europe, North and South America, Africa, the Middle East, India and China. He was educated at the London School of Economics, London Business School, UNISA and the Universities of Aston, Chicago and Southern California. He is a fellow of seven chartered bodies and obtained first place prizes in the final exams of three professions.