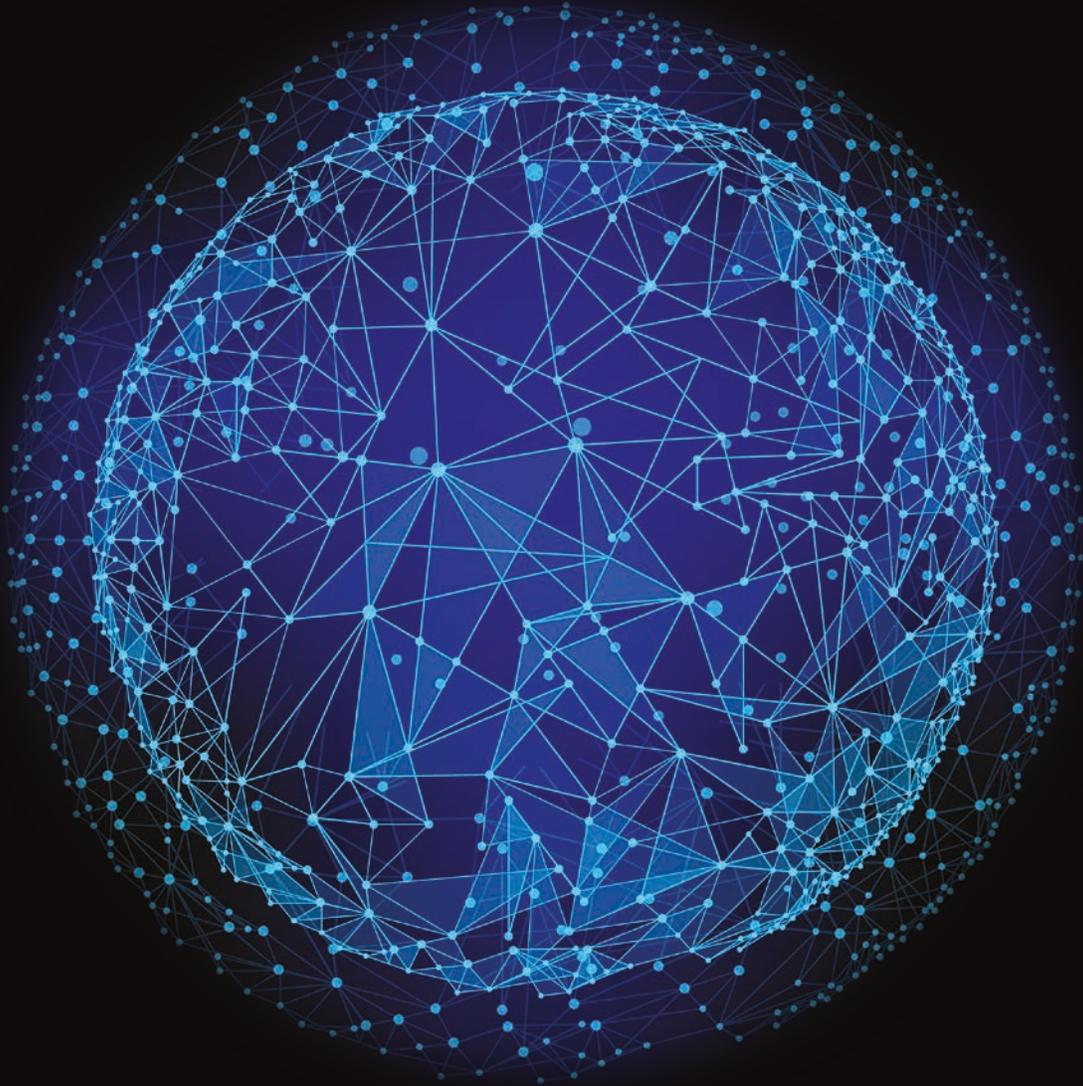


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The Adaptable Organization
Harnessing a networked
enterprise of human resilience

The Adaptable Organization

is a fundamental shift in operating and management philosophy that enables large-scale global organizations to operate with a start-up mindset and drive modern people practices that enable enterprise agility through empowered networks of teams

The individual

The traditional view of the employee assumes people inherently resist change and talent programs provide stability. In Adaptable Organizations, resilience and accepting change becomes part of the organization's DNA and talent programs exist to enable that resilience.

Adaptable is not something you do, it is something you become.

If an organization successfully aligns ecosystem, organizational structure, team environment and leadership, it's likely to quickly realize that it should also nurture resilience in its people in the face of constant change.

Successful leaders understand the unsettling impact that change can bring. They also recognize that the success of their Adaptable Organization depends greatly on people being comfortable with the unknown and accepting new ways of working. Focusing on constant change, disruption and adaptability can make leaders forget that humans are fundamentally nervous about uncertainty, and they may forget the consequences of not helping their employees become accustomed to new ways of working.

To this end, it's important for leaders to coach their people. An adaptive individual thinks with a:

- **Global Mindset:** Openness to and awareness of diversity across cultures with a propensity to leverage differences and find common ground
- **Growth Mindset:** Thriving on challenge and seeing failure as a springboard for growth and stretching existing abilities
- **Design Thinking Mindset:** Using logic, imagination, intuition and systemic reasoning to explore possibilities and design outcomes that benefit customers
- **Diversity of Thinking Mindset:** Looking for and leveraging different perspectives and approaches to solve problems and seize opportunities

Talent programs must work in concert to deliver an integrated employee experience that can build resilience and unlock individual potential.

Talent Management evolves to nurture individual resilience and create a learning organization.

People cannot traverse these adaptable systems on their own. Individuals and teams need a guide to help navigate the networked organization and team environment, while providing safe boundaries to explore their own careers. Traditional talent programs should become more flexible and customized to support individual resilience for collective impact. Figure 9 highlights the shifts in talent programs necessary throughout the employee journey to support adaptability.

Even before an employee starts with an organization, it is necessary to build a foundation that supports team-based environments and adaptable work. In order to do so, job descriptions should give way to fluid roles based on competency and potential. People craft their responsibilities to align to the outcomes and mission-focus of the organization. In turn, recruitment shifts from traditional skill matching and HR selection to purpose and cultural fit, with increased involvement from peers. Onboarding is no longer about completing a checklist of tasks, it's about getting a rapid understanding of the organization's culture, purpose, and customer focus. The Adaptable Organization puts the emphasis back on people, not job titles, thus increasing diversity of thought and introducing greater ownership for individuals to strive towards the team's mission.

If individuals cannot shift their own mindset and visible behaviors, the organization will likely struggle to become adaptable.

As compared to a traditional organization, greater flexibility, inclusion, and agility is required of an Adaptable Organization, and should be built into this initial foundation. Recruiters source within the ecosystem to access a broader, more flexible talent pool. Workforce planning should become more strategic to review how work can be automated and who can deliver the work, through identification of new talent sources and the understanding that there is no single, rigid talent profile for each job.

After this foundation has been solidified for the employee experience, talent programs become even more necessary to enable the agile, collaborative, and empowered behaviors of an Adaptable Organization. Previously, career development in many organizations involved bureaucratic annual performance reviews, a misalignment in learning and performance outcomes, and career trajectories that followed a predetermined, inflexible set of tracks. Significant hours are wasted each year on performance reviews, much of it spent on closed-door conversations that did not always result in direct feedback for the individual. Only six percent of organizations

consider their rewards as innovative, flexible, personalized, and aligned to incentivize certain behaviors, though 42 percent believe rewards are a high priority.⁵ Finally, learning activities in many organizations have not been updated to correlate to performance outcomes or to establish enterprise learning strategies that coordinate multiple functions (e.g., L&D, KM, Culture Development, Change Management) around a common purpose and standards. Time spent planning for and delivering classroom style learning doesn't allow an organization to effectively keep up with the external ecosystem around them. Adaptable learning is mission-based and individual learners are connected to a social network of others who have learned or are learning the same mission. This way the informal network in an organization helps nudge knowledge and ideas forward. When an effective and flexible performance management and compensation system is in place, it paves the way for the career development and work experience that

employees expect. While constantly developing new skills and being open to new ideas. One client is testing the idea of a "career passport" that tracks an individual's experiences and capabilities on missions around the organization, focusing careers on learning from missions instead of checking boxes at each level of a hierarchy.

Shifting from a traditional organization to the Adaptable Organization means upending career trajectories and disrupting the stability, a daunting task. Providing belonging through new team dynamics and inclusive leadership behaviors is necessary for an effective transition. The key takeaway: leaders play an ever-more crucial role in understanding work preferences and guiding career development. Real-time feedback and coaching, learning embedded in daily work, and flexible growth opportunities are essential in fast-moving environments.

Learning should be continuous and indistinguishable from daily work and individuals need opportunities to reinvent themselves as the organization adapts.

Several years ago, Deloitte reinvented its performance management after an assessment suggested we trailed in performance management innovation and worker engagement. The solution was a radical shift that focuses on speed, agility, continuous learning and transparency across all layers of the organization enabled by data-driven insights collected throughout the year.¹² A banking client recently took this idea a step further and integrated team performance into an individual's overall performance considerations; the success of the team determines half of the overall outcome, not just the individual.

People shift from fixed individual roles to changing roles, cross-functional expertise, latticed careers and knowing how to activate networks across the organization.

Job Definition	Recruitment	Onboarding	Performance Management	Compensation	Learning	Career Movement
 <p>Job descriptions shift to broader roles not limited to one set of skills, strengths, or capabilities. Employees play a role in crafting their responsibilities based on current behaviors</p>	 <p>Purpose and culture fit is more important than job description alignment. Diversity of thought and experience is a key consideration</p>	 <p>Focused on Purpose, Culture and Customer Orientation. Rapid job rotations to understand how the organization works</p>	 <p>Team performance, peer reviews, ongoing career discussion and individual strengths replace traditional once a year conversations based on past performance</p>	 <p>Bonuses are more in the moment motivated by purpose and mission outcome. Salary decisions have more input from peers and less from superiors</p>	 <p>Learning is continuous, built into day to day work and changes based on the needs of the individual instead of formal classroom learning rolled out programmatically</p>	 <p>Less focus on hierarchy ladder climbing and more focus on fluid rearrangement and "horizontal" career paths</p>

End notes

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