



Healthy Work for Whole People

Are you Maximising the Use of your Most Important Asset?

'People are our Most Important Asset' – Why the Cynicism?

Declaring that 'People are our Most Important Asset' invites cynicism. It is over-used as a phrase but under-used to drive specific action. We know what the phrase is getting at; we know in our heart it has basic truth in it. When the technology and products are becoming old hat and the customers are wavering it is the accumulated knowledge, the web of relationships, the creativity, spirit and passion of our people that will enable us to survive in the long-term and is what ultimately makes us successful. Why then the wry smiles?

Most companies wish to put their people first and develop their staff to meet their full potential and publish this in their mission statements. However, doing business requires us to balance the needs of staff with those of the customers, shareholders, general public and the environment. We have to do all this through the internal complexity of our organisation's systems, politics and culture. It's never simple and we often end up repeating the slogan, trying certain initiatives, and carrying on as best we can.



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When we look around there are some pretty basic questions. What does come first around here? Do factory operators run their machines, or do their machines run them? In our staff offices and customer service centres, are our people using the technology to best serve customers or are they themselves being controlled by their computerised systems? Are people motivated by performance measures or are they constrained and frustrated by the measures game? Are our senior staff the leaders of our people or are they managing people as mere resources?

The Manager's Dilemma – How to make a Fundamental Difference?



The truth is that we are all working in complex, dynamic, organisational systems. They are systems every bit as complex as any ecosystem in the natural world. Our businesses have to survive in the competitive 'dog-eat-dog' marketplace. There are constant internal shifts in relationships and power with losers and winners. It's all in flux; order on the edge of chaos. Somehow the harmony is retained sufficiently for the organisation to hold together and keep moving forward; well, for most of the time.

When there's a crisis the reality of what matters for an organisation can be seen; the true bottom line is survival. It matters more than this year's profit, more than the environment, more than the good of customers, and more than its people and their development. It's as if the organisation has a life of its own. Like each of us, organisations have a deep, urgent will to survive and to be successful.

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It is true that people are the most important asset, but what can we actively do about it when in the end it's survival that really matters? What is the way forward then if we want to treat people as we would want to be treated ourselves? How do we hold the line and avoid the frustration? Well, we need to get the right perspective first. We need to recognise the reality and understand our organisation in the round, as a complex, evolving social and technical system bent on survival, and then ask questions about how to improve the whole as if people matter. We will then act in ways that are not seemingly naïve and can better ask what we can do to make a lasting difference for both our staff and for the survival and long-term success of the business.

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The Healthiest Organisations Provide the Healthiest Jobs

The sort of initiatives that HR departments use to promote staff well-being are often the likes of personal development programmes, career mentoring, stress reduction programmes, reward and recognition schemes, promoting community involvement, improving the work environment, reviewing work-life balance and investing in health promotion. These may all be helpful but in some sense they are working around the edges or only addressing the symptoms. They are not making the work itself less stressful or more fulfilling. They don't make bad jobs good.

Tricordant's experience is that the organisations that are the 'healthiest' as a whole system not only perform sustainably and significantly better over the long-term, but provide the healthiest and most fulfilling jobs for their employees. Top-performing organisations are great places in which to work. They are where people are treated as a living asset to be nurtured and cultivated so their creativity and passion can help improve and grow the business. Healthy businesses are great for the holistic health and well-being of their people in that they draw on the full potential a person can bring to their work.

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That the 'healthiest organisations provide healthiest jobs' is a radical idea. It provides the key to solving the dilemma of the manager who believes in treating people as the company's most important asset but who is left frustrated and with only component level and functional actions to take. If we can understand what makes a company truly fit and healthy as a 'whole system' then directly working on that first is the route to both driving for sustainable business success as well as creating interesting, empowering and stretching job roles in which staff can thrive. HR managers can then also make a fundamental difference to the whole rather than merely supporting functionally from the side or patching up the symptoms and IR fallout from organisational dysfunction.

What is the Research Showing?

1) The Gurus' Research on the Healthiest Businesses

In recent years the business gurus have been studying the system-wide health of organisations: Jim Collins, Jerry Porras, Peter Senge, John Kotter, James Heskett, Nitin Nohria, Arie De Geus, to name but a few. They have been looking at what gives certain outstanding companies the ability to outperform their rivals on average by 10-fold over a decade. They have studied what enables them to



survive long-term (50 to 100 years or more), to keep evolving through waves of technology change and over several economic cycles and to continue to prosper over the decades. Business excellence is seen as getting a whole range of things right at once. The successful organisations are each a ‘living company’; that is fit, lean and healthy as a whole¹. Long-term survival comes from being a healthy ‘complex, adaptive system’ in tune with your environment, serving the market flexibly, and constantly evolving, learning and aspiring to new achievements. These companies’ identity and core values are held steady, but their strategy, plans, processes, systems, teamwork and culture align and realign in changing patterns to serve the needs of the time and to ensure the survival of the whole.

2) The Medical Research on Healthy Jobs

Does the way in which work is organised affect our health and do unfit organisations even make us ill? We probably have all experienced stressful times in our working lives when that has probably felt true. But there is now properly researched medical evidence that unhealthy organisations are bad for their people’s health and that disempowered work reduces life expectancy.

Studies by Professor Sir Michael Marmot of University College London Hospitals, which followed cohorts of workers over many years, discovered that there is a ‘health gradient’ in the British working population. Jobs that are a) insecure, b) monotonous, c) lack autonomy, control and self-direction, d) have an imbalance between effort and reward and e) suffer a deficit in procedural justice, have a strong correlation with staff ill health. The people who do these jobs are more likely to have higher cholesterol levels and worse cardiovascular outcomes than those in more self-directing jobs, even if these appear to be fast-moving and high-pressured.

‘Treating people like machines in the workplace measurably reduces life expectancy.’

Over 35 years of studies have led Professor Marmot to the conclusion that poor health amongst workers is driven by badly-designed jobs which cause disease in the same way as smoking, lack of exercise and poor diet. His work is summarised in several of his books, his latest being *Status Syndrome – How Your Social Standing Directly Affects Your Health*, Michael Marmot, Bloomsbury 2005. Treating people like machines in the workplace measurably reduces life expectancy. Persisting with unempowered jobs for our staff and fractured, dysfunctional structures within our organisations is a health hazard. This knowledge places a significant duty on those who determine the way in which other people are expected to work.

What Makes Work Truly Healthy for People?

Let’s consider more deeply what it means to design jobs that treat people as fully valued assets. We would want to cherish and develop those assets to their full potential. We would want to create ‘healthy jobs’ in the widest sense; that is jobs that nurture people in all their human complexity and ability. Personal health in this sense is not just an absence of a specific illness, injury or disease. It is about overall well-being, fitness and life-enhancement. There are different aspects to personal health: mental health, physical health and spiritual health. When all these aspects are individually ‘well’ and aligned then the human being will be healthy as a whole.

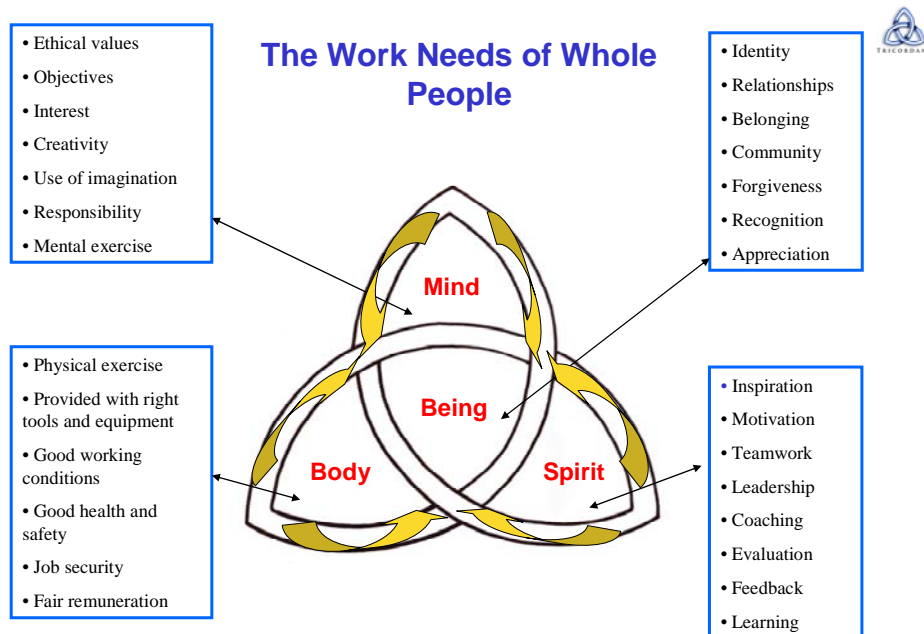
¹ J. Kotter and J.L. Heskett, *Corporate Culture and Performance*, Free Press, New York, 1992

J. Collins, J. Porras, *Built to Last*, Century, Random House, 1995

Arie de Geus, *The Living Company*, Nicholas Brealey Publishing, 1999

J. Collins, *Good To Great*, Random House, 2001

Nohria, Joyce and Robertson, *What Really Works*, HBR, July 2003



To be fully ‘healthy’ work must meet people’s full range of human needs in a balanced way. These mental, physical, spiritual and ‘being’ or identity needs are listed in the diagram above.

Most current models of ‘health’ at work only relate to some of these aspects. Tricordant believes in a wide, ‘whole systems’ view of a healthy job. If work can better meet people’s full human needs then it must engage with them as a whole. We may not be able to get it 100% right all the time, but if we are improving working lives across the full front then that is much better than improving only a few component aspects. This is truly treating people as our most important asset.

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What’s the Current State of Health of our Organisations?

Understanding the fitness of our organisations and how to perform a health check on them is another subject in itself, but two recent reports give a representative indication of their current state:

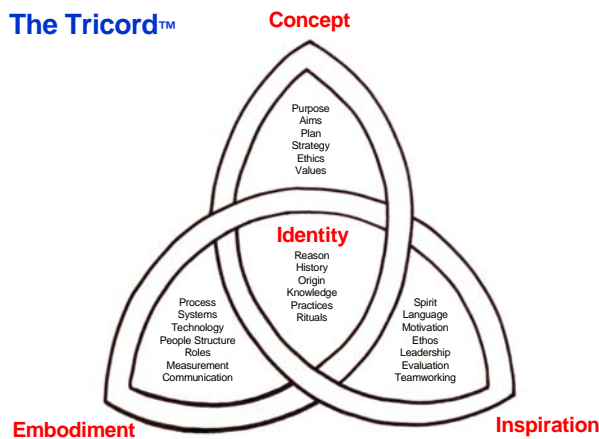
- According to the Hay Group’s *What’s My Motivation?* report (October 2006) a worrying finding for the UK is that poor staff motivation is cutting productivity by close to half. Just a fifth (21%) of British workers consider themselves ‘very effective’ in their current job role. Employees believe that they would be 28% more productive with better training, and if they were doing a job they loved as much as 45% more productive. A 28% increase in employee productivity could be worth up to £212bn added output per year to the UK service sector alone, with a 45% increase worth some £340 billion.
- According to Vodafone UK’s latest *Working Nation* report (July 2006), a UK-wide study into identity in the workplace, workers are routinely changing their identity when they clock on. This tendency towards ‘Jekyll and Hyde’ behaviour is having a damaging impact on careers and social lives. The survey of over 2500 workers, employers and entrepreneurs found that 58% of people change their personality and identity to fit in at work. Around 16 million (64%) employees don’t believe in what their company stands for.



A Way Forward – Tricordant’s Approach to Organisational Health

Tricordant is passionate about ‘whole and healthy organisations’ and ‘whole and healthy work’ for people. This is our focus and purpose. We help dysfunctional businesses to simplify and sort themselves out and underperforming businesses to get fit again. Our directors have built up over 25 years’ experience in this field, helping organisations across many sectors including manufacturing, service industries, government organisations and the health sector.

‘Tricordant has developed an approach to both improving organisational health and creating healthy work for whole people.’



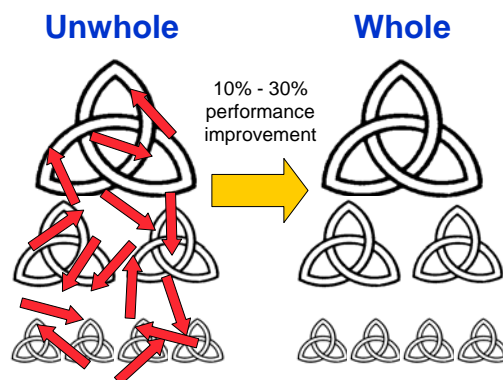
Tricordant has developed an approach to both improving organisational health and creating healthy work for whole people. The approach and supporting tools are based on the Tricord™ in the diagram on the left, which provides a way of mapping this healthy organisational balance.

It is the alignment of the three outer dimensions of the Tricord™, acting in balance around the central core that creates the whole and healthy organisational unit. When one part of the Tricord™ is incomplete or unaligned then an organisation will tend to be dysfunctional, under-producing, cost-

adding, de-motivated and incapable. If all dimensions of the Tricord are present and aligned with each other, then the organisation will be whole, productive, vibrant, capable, competitive and successful. The Tricord™ therefore provides a diagnostic tool for assessing ‘wholeness’ and health.

The same pattern of tricordant alignment needs to be true at every level of the organisation; the company as a whole, its sub-systems (i.e. divisions, sites, functions) and its sub-sub-systems (i.e. shop-floor lines and cells, and front-line departments and teams), down to the design of individual jobs. The Tricord™ can be used to check that the units at all levels align to work together as a whole organisation.

Tricordant has also developed supporting whole systems aids and tools. Once trained, a multi-disciplined team drawn from across the organisation can use these aids and tools to identify the system gaps and ‘red arrows’ (points of non-alignment, ‘disease’ and hidden cost in the whole system) and then create solutions to remove these barriers. The tools enable them to ensure that the right work is done in the right place and at the right level. It enables value-adding jobs to be designed, which motivate and enable people to use their full capability. People can then work in motivated teams. These teams can be logically grouped into the right sections, divisions and business units.





How is this consistent with treating people as our most important asset? Well, the Tricord™ model has been developed over the years from a few fundamental roots, one of which is the model of the aspects of a whole and healthy person in the earlier section. After all, healthy people are the basic ‘unit’ of a healthy and fit organisation. You will notice that there is a correlation between the domains of the Tricord™ and the different aspects of human needs in the workplace.

With this approach a ‘whole systems’ transformation in organisational fitness can be achieved by a business, giving an initial 10% to 30% improvement across a range of key performance measures and then setting it on the path to a healthier and longer life.

Case Study

A number of years ago one of the Tricordant directors was then the site manager of a UK automotive components factory employing 1500 people. The factory was an Anglo-Japanese joint venture and supplied high-value items ‘just-in-time’, several times a day, direct to the line-side to both a Western- and a Japanese-owned car plant. Under the threat of moving production to low-cost countries in Eastern Europe, and knowing that the plant had state-of-the-art technology and was already fully applying best practice Lean Manufacturing processes and quality improvement techniques, the site embarked on a programme of improving the wholeness of work for the people on the site.

The first phase of initiatives focused on the business process side by clarifying the organisational structure and teams’ targets, delegating responsibility and ownership of problems, building quality into the production process and embracing kaizen (continuous improvement). The second phase of initiatives focused on people’s whole work needs by clarifying teams’ purposes and goals, working on recognition and celebrations, teambuilding workshops, further kaizen initiatives, family and community involvement, the improvement of the working environment, on-site health promotion, and the funding of personal development training.

Achievements of the site over that period are given below, and the site was voted ‘Most Improved Supplier of the Year’ by one of the car producers.

Profitability: 4% to 17%

Customer quality: 200ppm to 18ppm

Delivery error: 10% to 0.16%

Kaizen ideas per month: 800 to 1300

Efficiency: 85% to 100.4%

Stock accuracy: unmeasured to 98.5%

Does it all make Business Sense?

The above case study shows that it makes sound business sense to focus on improving organisational fitness and on creating healthy work for whole people. Below are further examples of change projects in which the directors of Tricordant were personally involved prior to and since establishing the company. They represent the scale of benefits achievable in major organisations from different sectors.



Example Business Benefits from making Organisations Healthier

Household Product Supply Chain	Clarified how forecasting processes aligned with manufacturing structures and the true aims and purposes of logistics. Delegation to the right level brought motivation.	Reduced warehousing from over 10 to 2. Focused on key areas of customer service. Saved £10million.
Pharmaceuticals Manufacturer	Restored whole systems balance for 700 staff across all organisational levels.	Initial savings of £1million p.a. even before efficiency, quality and service benefits started to emerge.
Government Organisation	10,000 people across 26 regional sites. Clarified purpose for people and aligned responsibility with the means to deliver.	£40 million savings p.a. identified.
Large Acute Hospital	A strategic review of operating theatres led to the implementation of collaborative management processes across surgery, anaesthetics and theatres.	Helped the Trust ensure that immediate financial savings and efficiency improvements of about £1.5m could be implemented sustainably.

Next Steps

At this stage we need to ask if any of this has struck a chord with you. The Tricordant approach to ‘organisational health’ and ‘healthy work for whole people’ provides a way in which to treat people as a company’s most important asset that is neither naïve nor simplistic. The approach provides a strategy to improve business performance, long-term survival and prosperity. It does not treat the symptoms, but rather treats the causes, and is a way in which to make a real, lasting difference.

Is your organisation grappling with how to improve competitive performance whilst treating people as your most important asset? If it is, Tricordant would love to talk to you.

We can offer you a wealth of experience, together with a logical stepwise approach, supported by effective aids and tools that will enable you and your organisation to embrace whole and healthy work. We can help you and your staff to transform your organisation, delivering an initial 10% to 30% of improvements across a wide range of business measures and setting the company and your staff on the path to a much healthier future. See www.tricordant.com for more details.

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Our preferred next step is a meeting to discuss the issues you are facing and to explore how our approach fits your challenges. This is always without obligation. Beyond this we can offer whole work audits. These are one-day visits to do a health check of your organisation, which then enable us to scope the issues and propose how to move forward with a tailored programme to engage your managers and equip them to transform the health of your organisation.

To make the next step and to put a date in the diary please contact Simon Thane, Director, Tricordant Ltd., Tel: 01558 823927, Mob: 07989 112062, E-mail simon@tricordant.com .