

HUMAN RESOURCES

OUR EVOLVING WORKPLACE

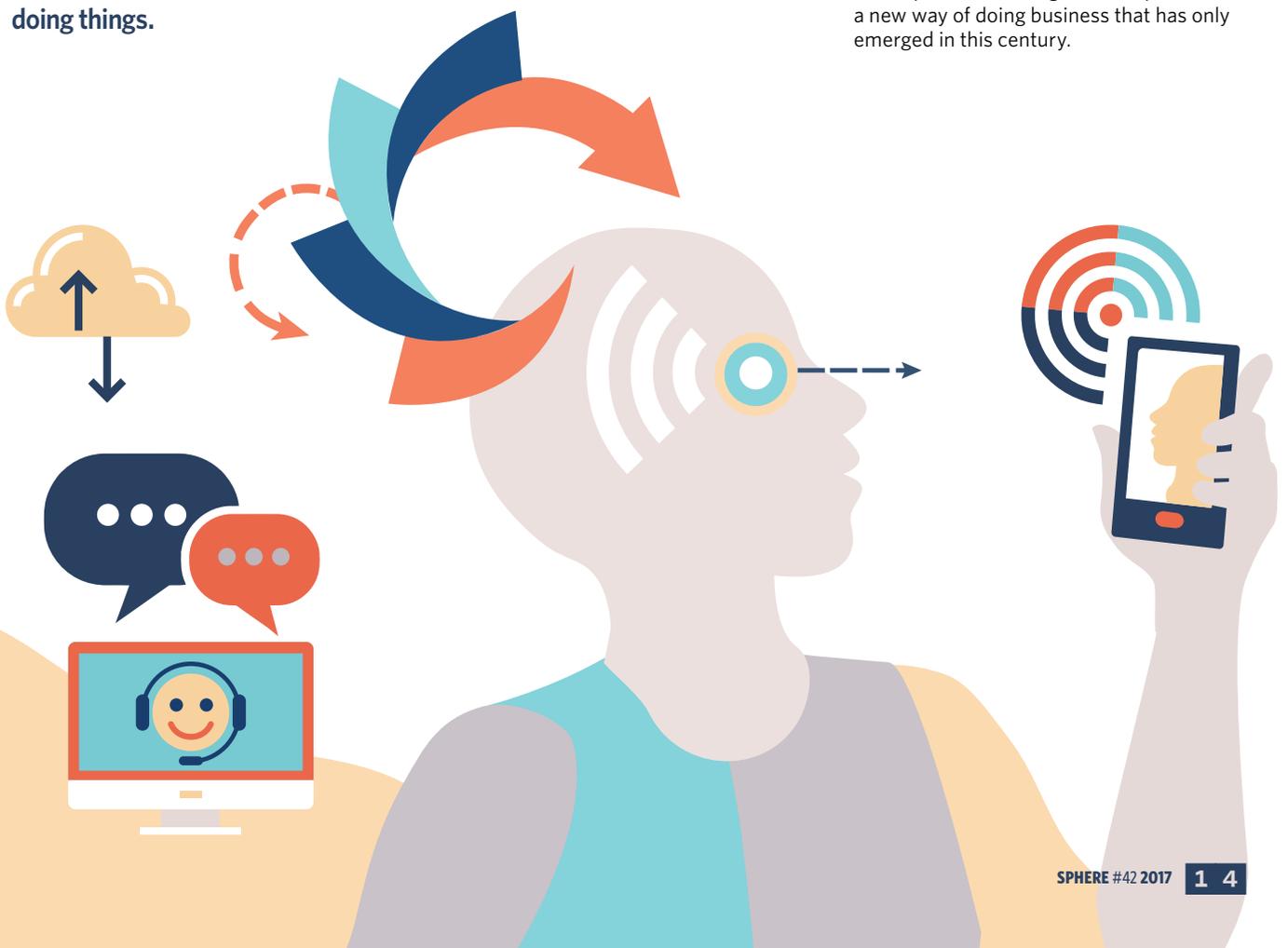
The secret to longevity doesn't come out of a fountain of youth or a sip from the Holy Grail. In our working world, it comes from a commitment to constant reinvention, a healthy fear of falling behind and a willingness to take calculated risks on new ways of doing things.

It means new ways of using your head, your muscles and even your heart to work with technology, people and your community. Across CK Hutchison's family, new ways of thinking, planning, acting and even caring are changing how the Group does business. Reinventing a healthy body corporate is the key.

THE PLASTIC BRAIN

For decades, neurobiology held that the structure of the brain was fixed after the high-growth phase of puberty. But recent research has shown the brain has more plasticity than previously expected. It can change. And so can companies.

Christoph Berndt is the Senior Corporate Change Manager, Business Development and Project Office within 3 Austria's Agile development team. Agile development is a new way of doing business that has only emerged in this century.



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Like evolution, Agile thinking emphasises a rapid run of trial and error with careful pruning to promote promising ideas and quickly kill off less fruitful efforts. A 1998 Harvard study showing the failings of pre-planned software design and rollouts led to the publishing of the Agile Manifesto in 2001. From software, the concept spread into other areas of technology development - including telecommunications.

Mr Berndt explains, "With Agile methods you opt for adaptation rather than prediction. For short iterations rather than lengthy planned phases. For short feedback loops and direct communication rather than communication through documents and waiting for a project to finish to show the outcome." While this may sound alien to many used to long, drawn-out, document-driven planning, it would sound familiar to evolutionary biologists and those who study learning at the level of the neuron.

Successfully implementing Agile development requires a shift in corporate structure, understanding of job roles and recruitment. One branch of Agile philosophy uses Scrum - an iterative and incremental framework of development that allows developers to change their desired outcomes and targets. This goes against the grain of traditional project management. But it allows for fast development of robust technology solutions, rather than commitment to a plan that doesn't allow for correcting hidden flaws or response to a changing environment.

The leader of such a team isn't tracking traditional progress and ensuring compliance, but rather is coaching team members to excel in their areas of

expertise. Mr Berndt outlines the role of this special leader - The Scrum Master.

"The Scrum Master is not the manager of a team or the chief. The Scrum Master is making sure that the Scrum methods are applied correctly. They are coaching the team and removing any impediments to raise the team's performance."

Finding people to work in these new ways is not easy. Mr Berndt emphasises that the old "pick and train" for skills doesn't quite fit in this scenario. "In a change like this, it is actually more important to manage emotional rather than cognitive factors."

But with fluid targets, the question arises of how the firm can ensure anything of value comes of employing these valuable and expensive assets. Mr Berndt has to keep one important target in mind when he hires: the customer.

"If we have to hire staff, we make sure that it's a cultural fit and that even if it's a role in software development, the person has a focus on providing value to the customer."

This way of working started at **3** Austria with 60 people split across four teams. Mr Berndt explains it normally takes two to four years to "really become agile". However, the team is successfully implementing a new CRM system (a process fraught with difficulty in many companies), has changed how star programmers collaborate, and has reduced the documentation needed in Business Requirement Specifications with clients. All in all, a promising start.

3 Austria isn't the only team that has had to change its thinking. A S Watson Group (ASW), now comprising over 13,000 stores, has mastered the O2O world of retail - online to offline. While the stores are a crucial part of its business, many customers are shopping online. With over 65 million customers a week, many of them rarely set foot in the stores.

O2O
Dan Jarvis is the General Manager, Group eCommerce for ASW Europe. In late 2014, the retail group set up their eLab to drive innovation in e-commerce. Since then, they have grown, hiring professionals skilled in digital marketing, including design, graphics, coding and user experience analytics. They work not only to drive online shopping, but to understand the whole consumer user experience.

Again, it is about learning and sharing to change the way ASW's "corporate brain" thinks. Mr Jarvis explains, "Each business unit has its own analytics account, but eLab can see the total view. So we can make a comparison, say, of why the time spent on the website for Kruidvat in The Netherlands is different from the time onsite for Superdrug.com. And then we can dig into the real details underneath that are causing that. We can take that learning and spread it across our business units."

The way in which the team works is different as well. Walls were physically removed from the eLab area to promote cross-functional thinking. And their methodology looks suspiciously agile. Mr Jarvis describes it as a "test-and-learn process".

The eLab section quickly began to get results, with 2016 e-commerce sales growing by 47 per cent and with over 200 million smartphone app downloads. In two years, the team has grown from 60 people to more than 200 worldwide, based in Hong Kong, London and Milan. New people, new jobs and new thinking are paying off.

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SOCIALISED

If online marketing was the first wave of promoting online sales, it now incorporates the next wave: social media, a hotbed of jobs in the new economy. Vodafone Hutchison Australia (VHA) has invested heavily in people that can help it to succeed in "new media".

The process begins with recruitment. If you're going to find social media experts, what better place to recruit them from than social media? Traditional channels,

such as recruiting out of universities, are more challenging as education has not normally trained people for social media marketing. VHA does see some providers dipping their toe in the market and starting to supply training for some needed skills, but has developed its own recruitment techniques.

Gray Wilson, Talent Acquisition Business Partner at VHA, explains how they look at hiring in this space. "It's qualification by experience. This is still a new skill set

and has become an extension to roles such as digital marketers or brand marketers." In lieu of formal training, "Assessment of candidate knowledge and capability has been done through behavioural-based interviewing where we seek examples of innovative ideas and knowledge of best practice social media at an enterprise level."

It is, in many ways, a young person's game. Mr Wilson says that "Senior Leaders have an understanding of this space and the benefits/impacts it can have on a business, although may not be avid users of social platforms in their personal lives." He suggests, "With social media only really erupting in the last 10 years, it's naturally a very attractive industry for younger men and women, particularly within customer service where social media chat positions continue to open."

Keeping the brain limber and up to snuff is important, but a strong body is needed to carry out the heavy lifting. The body corporate also needs to flex its muscles from time to time - even when those muscles are powered by steam.

UNDER PRESSURE

The energy business requires the application of big brains, but also sees PhD graduates getting their hands dirty. Husky Energy Inc employs engineers at thermal plants across Canada's prairies, and their work is changing with the times. Power engineering has become more demanding and sophisticated and now engineers must be licensed for steam work. Four levels of licensing exist, leading to 1st Class Power Chief Engineer - Unlimited.

Each level is defined by the amount of (real) pressure an engineer is licensed to work with. 1st Class Chief Engineers can command a whole plant with a wide range of high pressure. As Mel Duvall, Manager, Media and Issues of Husky Energy, explains, "High pressure equipment is inherently dangerous." Hence the need for extensive training as responsibility grows.

It's not always easy to find qualified people, especially to work in remote areas. Husky Energy has responded by investing in local, high-quality technical colleges to bring local graduates up to par in this niche area of work (see *Sphere* 37). Scholarships and internships will ideally lead to full-time work and a long-term commitment that sees them grow with the company, while settled in the local community.





HEALTHY DIET, CLEAN ENERGY

Muscles without power lie limp. Mitochondria fuel our cells with energy, and utilities power our cities and our countryside with electricity. The sources of that energy are on the mind of Northern Gas Networks and its Special Adviser to the CEO and H21 Programme Director, Dan Sadler. Mr Sadler was formerly the Head of Investment Planning and Major Projects, mostly concerned with business plans and satisfying regulatory requirements. The old role, while critical to the business, had a shorter-term outlook, ticking the boxes for regulatory requirements and short-term planning.

But there is a new reality that Northern Gas Networks – and energy firms around the world – are facing. Governments are leaning on energy providers to help them achieve goals set in supranational bodies, with planetary objectives in mind. In Britain, the national government has reacted by creating successive agencies to connect international counterparts, domestic businesses, municipal governments, local non-governmental organisations (NGOs) and community groups to each other. Mr Sadler has worked in these agencies, at the centre of a broad and complex dialogue.

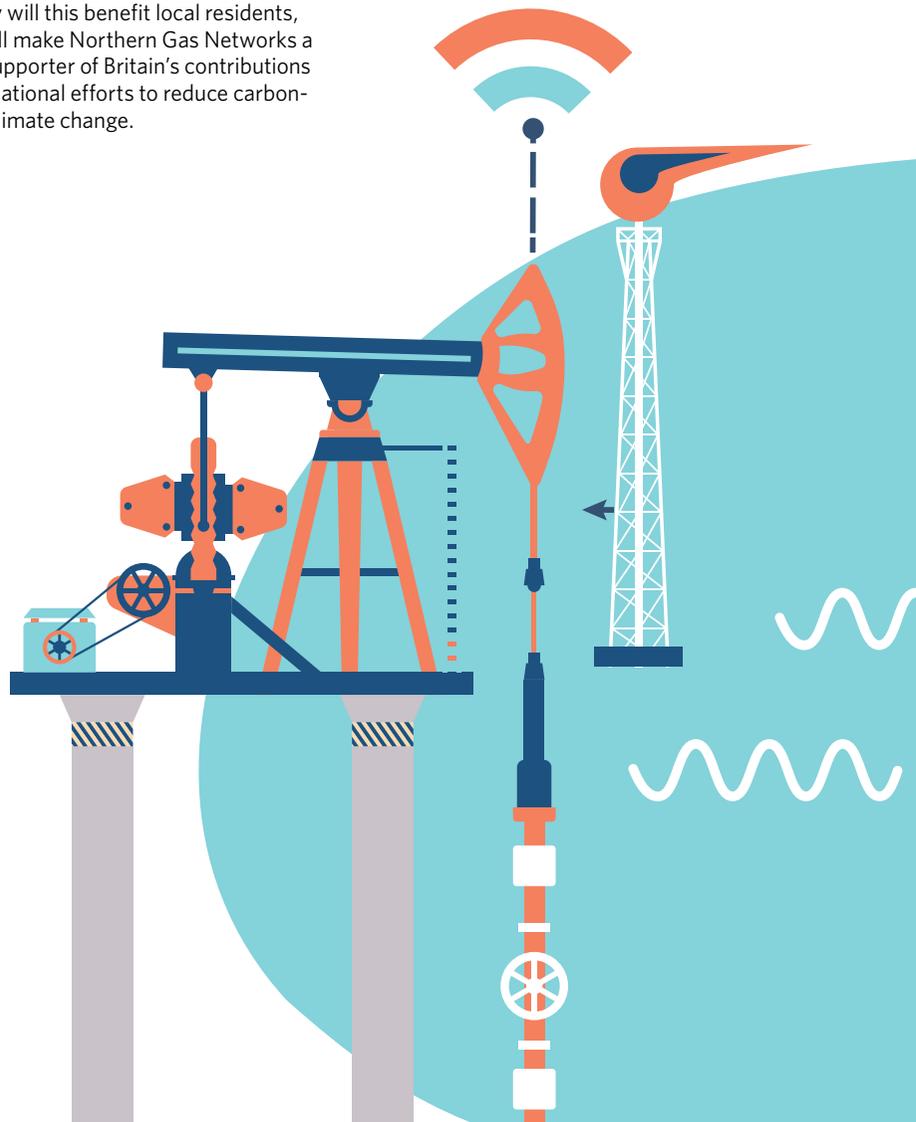
His expertise in this area is now critical to providing partnership-oriented solutions in this new era, going beyond the traditional utility providers' role of delivering safe, reliable and cheap energy.

One clear example of this kind of work is the H21 project in Leeds, an important city with a population of around 660,000 (including surrounding areas) in Northern Gas Networks' area. This city, as envisioned in the H21 report, will see its gas network being converted to hydrogen – its solution for a carbon-free future.

Hydrogen will be provided via steam methane reforming (combining methane with steam to break the methane down to produce hydrogen) and salt cavern storage would play a part. The H21 authors believe “the availability of low-cost bulk hydrogen in a gas network could revolutionise the potential for hydrogen vehicles and, via fuel cells, support a decentralised model of combined heat and power and localised power generation”.

Northern Gas Networks has become a key player working with local and national governments, using the skill sets of people like Mr Sadler, to create plans for cleaner energy source adoption in the future. While it is likely that numerous forms of energy will play a role in the future of heat in the UK, moving to a hydrogen network presents an affordable energy option with minimal impact on customers. The gas networks company is looking to the future and investing in resources and people to ensure Northern England's energy is secure, affordable and environmentally friendly. Not only will this benefit local residents, but it will make Northern Gas Networks a major supporter of Britain's contributions to international efforts to reduce carbon-driven climate change.

**The energy business requires ...
1st Class Power Chief Engineer -
Unlimited.**



HEARTS OVER HARDWARE

Sometimes, the heart has to be engaged before the muscle can make things happen. Companies find that geniuses and technical experts can find themselves stymied when a community turns against them. While Mr Sadler is addressing community concerns regarding global warming, his colleague Tom Bell, Head of Social Strategy, is dealing with other issues that need their constituents to get their hearts behind gassy issues.

These issues include fuel poverty and carbon monoxide awareness. They can strike hard against a group which Northern Gas Networks particularly cares about: vulnerable customers – the elderly, the poor, and mobility-, vision- and hearing-impaired, as well as those living in remote areas.

Community engagement staff are a new category of worker striving to not only project messages to the community, but actively listen to discover the challenges customers face in their daily lives so that Northern Gas Networks can address those challenges. The staff often share what they learn internally so the company can better help vulnerable customers in conjunction with the government and the UK energy regulator, the Office of Gas and Electricity Markets, “a non-ministerial government department and an independent National Regulatory Authority, recognised by EU Directives”.

Working with these customers means more than simply ensuring that gas gets delivered to homes and businesses safely. Mr Bell explains, “It means making sure that we understand their needs more; making sure that we engage them correctly; making sure that our channels of communication are correct; and making sure that the language that we use is right – so we have the appropriate level of caring in place.”

New types of workers include local community artists, who work with citizens, in particular children, to get messages into households. Northern Gas Networks delivers creative workshops to help explain why the renewal of gas pipes is important in a neighbourhood. A little refrigerator art can go a long way to bringing the message into many homes and reducing resistance down the pipe.

A new job title – Social Strategy Project Manager – was first introduced in January of this year. The company has recognised that traditional skills aren’t always appropriate in dealing with people who may be passionate, self-taught volunteers leading their communities – not paid technocrats. As Mr Bell explains, “We need people who are non-judgemental; we need people to respect and consider things from different perspectives; and we need them to have empathy without being condescending. They need to be socially aware, both ethically and technically.”

Neither these skills nor qualities were on the radar of engineering schools even a decade ago, so new ways of hiring have to be accommodated. Aside from being “Northern”, Husky Energy also has this in common with their colleagues across the Atlantic.

IT'S ABOUT RESPECT

In Canada, the resolution of land treaty rights with First Nations (also known as Aboriginal) peoples and an increasing respect for their traditional and legal rights has inspired Husky Energy to work more closely with these communities, to ensure that projects benefit all people as the company works to develop energy sources across Western Canada.

As Mr Duvall of Husky Energy explains, this is much more than a simple public relations exercise. Deep expertise in legal matters relating to a broad range of rights issues is needed to address the treaty rights of First Nations people, the lease

rights of companies like Husky Energy and the complex web of national, provincial and local laws. Social skills are needed to work in a constructive manner not only with leaders, but with entire communities across a range of valid concerns from community development to environmental matters.

This can require teams of people with technical expertise in economics, geology, anthropology, land and treaty rights, and negotiation. Husky Energy needs to keep a close eye on its staff for those who, through interest or expertise, may show a hidden talent for this type of engagement beyond the technical skills they may have been hired for.

Mr Duvall says they look for, “the ability to listen, deal with many personalities, show a willingness to learn and understand the challenges they are experiencing. The roles will evolve and there will likely always be some people who need to do more harder-edged negotiation as well as those who are better at the softer skills, like building relationships.”

If hearts can’t be won, all the brainpower and brawn that can be mustered will be for naught. But community backing for a big project can clear the way for not only easy implementation, but also new ideas and the development of a better community.

BRAINS, BRAWN AND BIG HEARTS

Building relationships allows companies to develop successful projects that may supply a global market, but also strengthen local communities. Many jobs in the new economy will need big hearts that robots won’t have for many decades to come. Likewise, the body corporate has to keep its muscles strong and its diet clean to keep its energy up! New ways of thinking will mean that the brains of business will require new types of people working in novel job types to keep a firm competitive. Leaders with experience need to look around and see how many people they have working for them in roles, new or evolved, that didn’t exist in 1999. If there are many, that tells them they’re ready for a healthy 21st century! □

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