



Creating and leading an **INTELLECTUAL** company

BY DR. GANESH SHERMON

“**W**hat makes great software companies great? Great software! And who makes great software? Great people! At OpenText, our employees are our greatest strategic assets. Every day, our talented staff work to create innovative solutions that have the power to redefine the way companies do business and reshape the collective future”, says Mark Barrenechea, CEO of OpenText, Canada's iconic software giant. For Mark, the need to attract and work with top talent to make their enterprise innovation led is a no

brainer. That is their DNA. No choice. Mark speaks of his belief in creating a unique, inspiring, and dynamic work environment- one that is conducive to foster innovation, creativity, and thinking 'outside-the-box'. OpenText strategically focuses their investments in recruiting and retaining top talent within the technology industry, while being a desirable workplace where people feel empowered to thrive, learn, and grow their careers.

Sarah Tattersall's of 3M Canada had stated, "3M recognizes that millennial want to be engaged in the workforce. They want to see a clear career path in front of them and understand what they need to do to get there. The emerging leaders program gives them the leadership skills that are beyond what they would be learning at their career level. It pushes the employees out of their comfort zone and forces them to look at and work on their leadership skills".

Are organizations intelligent?
Organizations are products of the

ways that people in them think and interact in different situations, exploit the opportunities provided to them like the 3M program and actively engage and manage themselves in management dynamics. People in turn become products of experiences, interactions, connections and collaborations in such organizations. Experiences and connections are made possible by the processes deployed by organizations.

"Organizations are webs of participation", said an automation company (Xerox) CEO a while ago. "Change the participation and you change the organization". Change this mix of the human capital affecting the organization and we change the way we do things. Informal networks turn into superior forms of channelizing the organizational intellectual energies into productive efforts. The information transmission becomes credible as it goes from the rank and file of grass root managers and not a corporate HQ chief with gross lack of credibility. When people talk of the new that they are experimenting with, people listen, as they are initially curious and later attentive to learn. For Janette, 3M Canada, 3Mers are constantly on the pursuit of discovering the next innovation and solving the next big problem for the industries that matter most to us Canadians.

People are bound together by a common sense of purpose and a real need to know what each other knows. Years ago, Seely Brown of Xerox called this "the critical building block of a knowledge-based company".

Proliferating the intellect

Change reflects intellectualization of the corporation. Making the organization energized with people, process where the intellect turns into the dominant force in the management process. In all change management efforts, current business scenario, strategic positioning of the organization, structure, managerial values, corporate philosophy, the managerial styles and practices,

impacted players become relevant for consideration of the facilitator.

Peter Aceto, CEO of ING Direct, Canada, speaks with absolute clarity on what can cultures do to make smart people work well. "CEOs can't lead from ivory towers, disconnected physically and emotionally from their teams. To lead today, you need to be a man/woman of the people. Leaders need to be relatable, real, fallible - human! People are too smart to actually believe that their leaders are perfect. So demonstrating who you are is fundamental. This is not something you haven't heard from

Can we systemically make it happen?

Several intermittent steps are necessary to make this adaptation process real and on line.

- Intellectual stereotypes should be managed across the corporate population. An added element of predictability and behavioural understanding should be brought in while dealing on any people issue.
- A detailed start up workshop on transformation and the creation of the Intellectual Corporation should be a curtain raiser. The entire effort

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me before. I bring it up again in this context because who you are as a leader is of the utmost importance in leading - and succeeding," he affirmed.

Institutionalizing learning intellect

Intellectual corporations prosper in making learning happen realistically. It, to our mind, only demonstrates a further application of mind to make the change permanent and effective. Typically the corporation operates through identification of relevant systems, models, people to the change process, bringing their values and identity together, network with relevant cross-team players at a systemic level, assess their intellectual compatibility, bring in commitment, define business goals and results and charges the team to move forward. There is a transparent and open communication involving review and feedback including action-oriented goals.

Critically the differentiating factor is that change is directed, conceptualized and delivered by the top management.

should be fancy free and should mean business with people as the drivers. That the program is eminently capable of being dropped half way through if the concerned people do not want it. No jobs will be lost. The question does not arise either.

- Thinkers-doer's distinction should be eliminated in policy, spirit and in action.
- The change effort should commence in a small, measurable way and should escalate in intensity logically.
- Individuals cannot be subjugated to staid forms and methods outdated in content and spirit while intellectualization efforts are on in an organization.
- Barriers of an intellectual nature describing organization in pockets, creating functional silos, taking positions on right and wrong are all avoidable completely.
- The change envisaged is not a quick fix problem solving initiative. There is an assumed level of intellectual rigor expected of the organizational members and the organizing actors to make the change real to all people.



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- People encountering change should understand that this is not a yet another corporate HQ driven program with a fix all perspective and that this initiative has come bottom up.
- Top management should know by knowledge and experience when to get off the back of the individual.
- Leadership is a critical factor in managing intellectual company employees. Often the deal breaker would be leaders who micro manages without understanding the implication of their peering over their employees shoulder and stifling the creativity, enterprise and performance.

Is there a missing link?

Often the missing link in helping intellectual companies from performing to their potential is either the absence of a smart process driven HCM system that connects the various people processes with business systems or a half-baked system that is a mix and match of processes that lacks an integrated view. This is often topped by implementers of processes who lack the intellect to connect people with processes in a way that works well for employees to perform and be productive. Poorly implemented HCM systems that lack integration with vision and strategy convey serious negative signals to employees who experience an intensive process experience & scrutinization that lacks a combination of sense and sensibilities. Best of HCM systems are often the product of leadership vision that attempts to achieve a culture in which people engage to contribute without the burden of disjointed functional modules, inane non value adding meetings, agenda less group processes, leaders who like control as against vision or administrators performing the role of leaders.

Towards building an intellectual corporation

Do you have an organizational purpose and strategy that binds employees to your vision? Is that vision shared?

Laura Croucher, Country Head of People & Change Practice with KPMG Canada, speaks of the need for leaders to drive inspiration by walking the talk. To her organizational purpose is about leaders who drive a message not only through a powerfully established variety of channels but also those who convey messages that have a strong and consistent storyline spread over time, geographies and cultures. For Laura, employees bind, share and perform, when they see an unadulterated environment in which people can engage without the trials and tribulations of justifying their everyday existence. Laura again is a proponent of the freedom ethic. Leaders fail at critical intervals to demonstrate that their chase for revenue targets is built around a strong strategy, supportive processes, performing culture, world class products and services and finally meaningful metrics that would help their people work towards achievement of their vision. For many of Laura's clients, her value adding questions have been simple and straight. Have you established a culture of change and performance that can sustain over time enhancing shareholder value? Are your people sufficiently trained, competent and ready to roll out to new engagements as when required? Are you using sufficient big data, analytics to challenge people? For Laura, answers to these are but a starting point to build a freedom loving intellectual enterprise.

Do you have a target operating model that necessitates building an integrated organization?

Richard Rekhy, of the many things done soon after taking over as the CEO of KPMG LLP was to focus on establishing an ethos for people - client - vendor management triangle. Establishing role holders for various hierarchical - demographic levels of the employees and business partners dedicated to various generational segments Richard demonstrated the need to help understand what drives a 22 year old professional accountant or a consultant to perform and



stretch differentiated from that of what inspires a 50 year old partner (rich and famous) to build world class solutions and client relationships. If money and fame cannot stretch you what else can!

The old adage that one size fits all was the first hurdle Richard Rekyh dismantled. His leadership style to lead from the front demonstrated to his direct reports the changed style that appeared to work in a large global consulting world, which works fundamentally on the basis of long-term client relationships and satisfaction. He set an uncompromising tone at the top. To support diversity overtly, establish integrity in practice, ensure shared values or dynamic connect with smart people lost in projects a 1000 miles away or to share messages of what vision is he aspiring to reach in five years' time. Every aspect of partnership management and its intricacies that makes the consulting world so complex and challenging was demystified to that lonely intellectual worker.

Do you have a culture that trusts people and a company that conveys its message of mutual trust and collaboration to its people?

"Often you discover that the employees you are slamming are perhaps working more rationally than you are", says, Frances Frei in the Conference Review issue of summer 2010 (Conference Board, Canada). Frei says how, "Leaders often deride their employees on how lazy, uncommitted, distracted, risks averse and lacking focus. And the same leader is in trouble when asked why a smart, motivated, well intentioned employee should work against the system." Akhilesh Tripathi, TCS Canada Country Head, refers to this as the "need for active engagement" as the Canadian way! People have to be dealt with as complete individuals and have to be managed beyond the contract. He speaks of the need for leaders to not just be well intentioned and passionate but show such overt behaviours consistently in all of their actions. Consultation must be

continuous since change itself is continuous. To Akhilesh, the challenge lies in the leader's courage to bring the devil into the board room and discuss transparently aspects of the culture that facilitates or hinders trust. Tough, he says, trust is not easy to implement unless you believe in it yourself and willing to go the extra mile. He laughs at the joke, Trust in God but for all others bring data! Kris Dunn, VP (People) of DAXKO, a US based technology company, says, ask people to bring documentation where consistent bad behaviour breaking trust is evident. In his view human nature exists, and HR pros get to see the downside in employee relations issues that involve anger, ambition, lust, lies, etc.

Do you offer an inclusive environment that provides absolute and non-negotiable respect for your people, devoid of leadership bullying, peer level harassment, discrimination or other menial forms of putting down people? Is each of your business led by leaders who not only bring in passion and intellect but have a generous dose of emotional connect?

As Peter Aceto, and concurred by Akhilesh Tripathi, says, "Your willingness to show vulnerability, emotion and weakness, yet being human and connected is of course ingratiating to your team. But what are your intentions? This must be crystal clear. If you were undergoing

a transformation, if you were asking your teams to push the envelope and take giant leaps of change, would they do it? Why would they believe you? Why would they follow you?"

Gregersen, Morrison, Black, in the 1998 SMR issue, through Developing Leaders for the Global Frontier spoke of the need for navigating through uncharted waters while they adapt and manage an unknown future.

As Akhilesh Tripathi says, "Respect for the individual is also manifested in the form of dignified work. Each employee is entitled to fair, courteous and respectful treatment by his or her supervisors, subordinates and peers." James Krohe, Jr, in the Conference Review, (2010) has a simple rule. "If you love your people let them free. Winning back disengaged employees will require changing the nature of work itself. Leaders who seek compliance as a form of getting things, did have consistently proven how terrible a way it is to seek engagement". Dan Pink, author of "A Whole New Mind" says, "Management, as we traditionally think of it is a great way to get compliance". Pink, says, "By surrendering many of the decisions about the means of work to the people who do it, new management models promise to liberate the craftsman inside every clerk and thus liberate big business". Down with the bosses - Up with the self-directed intellectual worker: 