

**PEOPLE MANAGEMENT ISSUES IN 2010**



**A SHORT REPORT BASED ON A SURVEY OF AUSTRALIAN MANAGERS AND HR PROFESSIONALS**

| Prepared by Rachel Collis, Trisha Kendall and Joan Wilson-Jones

## Introduction

This piece of research was prompted by our interest in gaining a better understanding of the major issues currently impacting on Australian managers and human resource professionals. We the authors – Rachel Collis, Trisha Kendall and Joan Wilson-Jones – all operate as organisational consultants in Brisbane and work across Australia. We all have prior experience as people managers ourselves. In recent years, the focus of many of our clients, and thus our focus, has been on attracting, retaining and developing staff. With the recent global crises, we wondered to what extent the Australian landscape had presented new and different challenges for people managers and human resource professionals within organisations.

This report outlines and discusses the main findings of our research.

## Survey participants

The survey was sent to approximately 100 participants. Requests for assistance were sent to clients or contacts of the three authors. These were primarily made up of people managers and HR professionals, and were all based within Australian organisations. The majority of the respondents were based in public sector organisations, although there was a small group of private sector people who also took part (just over 15% of respondents indicated that they were based in the private sector).

Figure One shows a breakdown of the roles of respondents. More than 70% of respondents indicated that they had the responsibility for directly managing people. An additional 20% were responsible for HR functions but did not have people reporting to them. Therefore, the group of respondents is in a very strong position to comment on people management issues that they directly experience in their organisation.

*Figure One: Roles of Respondents*



## Key People Management Issues

The survey asked people to indicate the key people management issues currently facing their workplace. They were able to select from a list developed by the authors and add additional items if needed. Those issues most often selected from the list are given in order in table one.

*Table One: Key People Management Issues*

Key People Management Issues	Percentage of respondents selecting this issue
Managing change	69.4%
Managing performance	61.1%
Employee motivation and engagement	58.3%
Ensuring staff are sufficiently skilled	58.3%
Attraction of suitable employees	52.8%
Recruitment and selection	47.2%
Managing staff interactions (e.g. conflict, gossip, issues in working as a team)	47.2%

One clear issue that was important to many was related to change. Additionally change fatigue and other issues related to change were included in the comments section.

Issues relating to managing performance were also reported by many, with just over sixty percent of respondents selecting this from the list. More than half of the respondents indicated that employee motivation and engagement, staff skilling and attraction were key issues.

A full list of ratings and respondents' comments is given in the appendices.

## Issues Directly Affecting People Managers and HR Professionals

Respondents were asked to select the top three issues (from the previous list and any of their own additions) that were affecting them directly – such as taking up a lot of their own time dealing with the issue or impacting on their ability to achieve results. Responses indicated that the following areas were all of particular concern to them –

- Attraction of suitable employees
- Managing staff interactions (e.g. conflict, gossip, issues in working as a team)
- Managing change, and,
- Managing performance

The table below provides a summary of responses, with each column giving the number of participants that selected this issue.

*Table 2: Issues Directly Affecting Respondents*

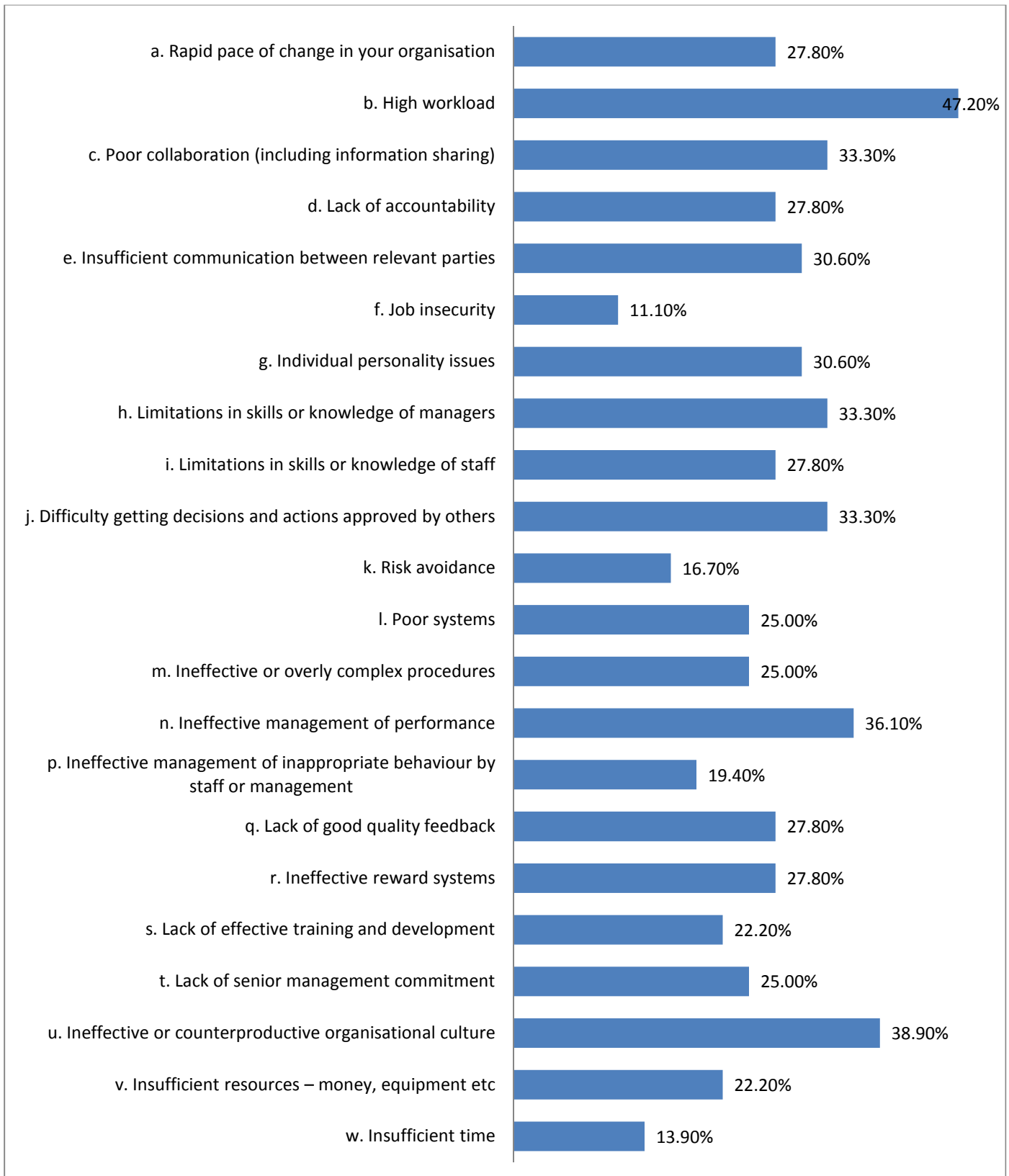
Issue	Number of respondents selecting this issue as number 1	Number of respondents selecting this issue as number 2	Number of respondents selecting this issue as number 3
A. Attraction of suitable employees	8	1	2
B. Recruitment and selection	1	2	2
C. Time management	3		2
D. Employee motivation and engagement		5	3
E. Health and wellbeing	1	1	
F. Managing staff interactions (e.g. conflict, gossip, issues in working as a team)	6	1	3
G. Ensuring staff are sufficiently skilled	3	3	2
H. Managing change	5	7	3
I. Managing performance	2	4	5
J. Managing grievances/dealing with bullying and harassment		2	
K. Managing leave/flexible working arrangements			2
L. Managing diversity (cultural and generational)	1		1
M. Staff retention		1	3
N. Absence management		2	1
P. Succession management	1	1	1
Other issues listed by participants:			
Administrivia	1		
Managing the relationship between different organisations	1		
Strategic leadership	1		
Skills shortage	1		
Lack of delegation/trust & thus succession management		1	
Managing incompetent people who you cannot performance manage		1	
getting staff that are up to date with legislative changes		1	
Permanent v temporary		1	
Bureaucracy			1
Motivating people to perform at a high standard not their usual standard			1
Planning and project management			1
Aligned performance			1

## Contributing factors to issues

Respondents were asked to consider the factors that had contributed to their number one issue (Figure two). Of all the factors listed, **high workload** was considered by most to be a contributing factor for people management issues. Other factors listed frequently included:

- ineffective management of performance
- ineffective or counterproductive organisational culture
- limitations in skills or knowledge of managers
- difficulty getting decisions and actions approved by others

**Figure Two: Factors Contributing to People Management Issues**



Respondents were also given the opportunity to list additional contributing factors. A number of these responses pointed at inability of managers to manage and also ineffective or counterproductive culture.

One participant commented: '*general culture of no-accountability - no consequences for getting it wrong*'.

It is clear that a culture that promotes accountability, and managers who are able to follow through with the management of performance of others, might alleviate some of the people management issues experienced.

## Preventing and Solving People Management Issues

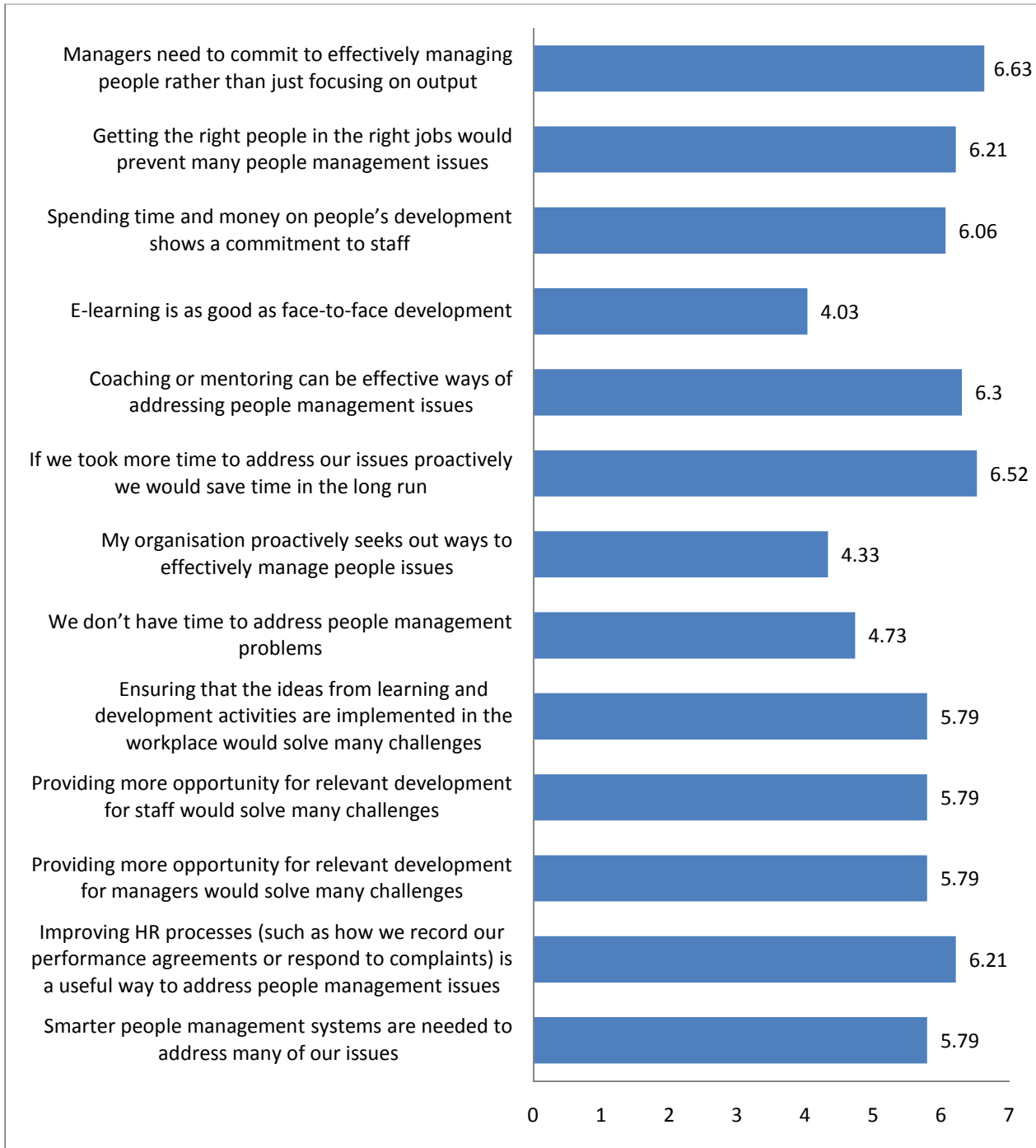
This section of the survey provided a list of statements related to preventing and solving people management issues and asked respondents to indicate their agreement with the statement on a 7-point scale (where 1=strongly disagree and 7= strongly agree).

Respondents noted that their major barrier is around management's capacity to focus on people rather than output (an issue rating an average 6.3 out of a possible 7 in terms of agreement). The value in time spent proactively managing people issues was also indicated, as was the need for better HR systems. There was lukewarm response to the statement that the respondents' respective organisation was proactively seeking out ways to effectively manage people issues. The graph below shows mean responses for each statement.

When prompted for further comments or opinions about presenting and solving people management issues, respondents were insightful and offered a range of valuable thoughts. These comments are given in the appendices. A number of comments pointed out the need for managers to take a different focus to the one that they currently adopt:

- *Managers should have 2 big things on their mind all the time - output and people - and if they ensure they look after their people then output should follow*
- *Listening and responding appropriately to people is a fundamental skill in managing people*
- *Not enough information being provided on change process occurring currently. Management have been indecisive and as a result people are frustrated.*
- *Senior Leadership walking the talk*

*Figure 3: Preventing and Solving People Management Issues*



## Conclusion

It is clear that people managers and HR professionals are able to see some significant areas for improvement within their organisations. Participants in this short piece of research have been able to offer an insight into both the challenges facing them and their organisations and ways of dealing with these challenges. While organisations no doubt differ, there were some patterns that emerged from this research. In particular, it seems that there is a widespread concern with managing change, performance, engagement and motivation, and staff interactions. Also, the ability to attract and then develop suitable employees is of concern for many.

Clearly issues facing leaders and managers at this time are impacting enormously on perception of their ability (in terms of time, skills and resources) to proactively build a responsive, successful workforce. In short, managers (and team members) feel so overwhelmed by the constantly changing environment and ever increasing workloads that time isn't being devoted to foundation people management and support tasks.

Thank you to all that responded to the survey. Your insight has been invaluable. It is clear that you have a passion for improving people management in your organisation. We share that passion and welcome the opportunity to improve what we deliver to our clients.

We wish you well in your people management endeavours and look forward to assisting you in any matters in the future.

Many thanks

Rachel, Joan and Trisha

*Rachel will be addressing some of the issues raised by this survey in her free e-newsletter. You can sign up for it and see back copies at*

[http://www.rjc-consulting.com.au/RJC\\_Consulting/News\\_Letter/News\\_Letter.html](http://www.rjc-consulting.com.au/RJC_Consulting/News_Letter/News_Letter.html)

or simply email Rachel at [Rachel@rjc-consulting.com.au](mailto:Rachel@rjc-consulting.com.au)

# Appendices

**Responses to Question: What are the key people management issues in your workplace at present? Please tick all that apply.**

Key People Management Issues	Percentage of respondents selecting this issue
A. Attraction of suitable employees	52.8%
B. Recruitment and selection	47.2%
C. Time management	25.0%
D. Employee motivation and engagement	58.3%
E. Health and wellbeing	16.7%
F. Managing staff interactions (e.g. conflict, gossip, issues in working as a team)	47.2%
G. Ensuring staff are sufficiently skilled	58.3%
H. Managing change	69.4%
I. Managing performance	61.1%
J. Managing grievances/dealing with bullying and harassment	30.6%
K. Managing leave/flexible working arrangements	22.2%
L. Managing diversity (cultural and generational)	8.3%
M. Staff retention	30.6%
N. Absence management	27.8%
P. Succession management	38.9%

## Other people management issues listed by participants

Change fatigue

Organisational communication is an issue as a major reform program is in place more targetted information needs to be communicated at appropriate levels in appropriate time frames.

Bureaucratic embuggerances - people can no longer do their true job because for a lack of decision making at higher levels & the lack of government bureaucracy

Managing diverse stakeholders on projects as this increases the tensions of / on any of the above

Lack of delegation skills and trust in other employees to conduct the job as the manager would

We are being asked to deliver too much work in unrealistic timeframes

Managing up

Influencing

Administrivia - too much

Payroll issues in Qld Health

Complacency and performance mediocrity

Indifference to the overall purpose of the agency - just concentrating on their own tasks and not seeing the bigger picture

Machinery of government changes have had a detrimental impact on performance re loss of promotion opportunity and hence job motivation/satisfaction has decreased

Lack of strategic leadership and planning, particularly with realistic measures of business performance targeted at our clients.

Project management needs improvement.

The potential skills drain from the major projects in Queensland ie. Mines, gas link, broad band roll out and power up grades

Building capability

Getting employees on-board with changes and new direction is always challenging. Many businesses in cities have told me that they are struggling to get appropriately qualified staff. This situation is much worse in the regions - in country areas.

Managing aging workforce

Aligning performance to organisational priorities

## Other contributing factors

Uncertainty of future of organisation

Gen Y staff have an entitlement mentality which drives their behaviour. They understand everything in the collective agreement and ensure that they "receive" it. My observation is that they are individually focussed rather than thinking of others or the organisation which makes it very difficult to achieve deliverables as "flex" days and other leave entitlements take priority.

General culture of no-accountability - no consequences for getting it wrong

Absenteeism can have a self generating cycle - high level of absence impacts on the effective delivery of services, increasing pressure in co-workers to complete work, in turn resulting in higher stress levels, which can contribute to more absenteeism.

Senior Management interested in the things that can further their cause rather than thinking of the agency or succession planning

Change is very slow and met with at times extreme resistance from executive management

Organisational structure is a big factor in the issue of career progression within our organisation not a big enough pool of sufficiently experienced people to pick from and/or we are too specialised

Appointment of managers in senior roles is not based on their skills and abilities. The organisation is internally focussed while professing to be client focussed.

Managers unable to manage themselves, overly rigorous legislative requirements

Government legislation creating change on a regular basis.

Lack of job satisfaction and sense of value.

## **Responses to Question: Please include any other thoughts or opinions you have about preventing and solving people management issues.**

Senior Leadership walking the talk

Effective, honest and open two communication would solve a high percentage of issues.

Not enough information being provided on change process occurring currently. Management have been indecisive and as a result people are frustrated.

Managers and HR units benefit from understanding how the core business of each organisation is likely to have differences (as indeed similar) base line in how people work well with one another and their managers.

Listening and responding appropriately to people is a fundamental skill in managing people. Being interested in all team members - personally and professionally is important. Managers have to want to manage people first.

Managers should have 2 big things on their mind all the time - output and people - and if they ensure they look after their people then output should follow

I am of the opinion that the last question does not adequately reflect there are two sides to each problem and one of those sides - i.e. difficult/recalcitrant employees - is not considered.

Implement a genuine client focus within the culture and reward appropriate behaviours.

In this organisation there is a history of promoting great employees, who may not necessarily make good managers. There are now new recruitment measures in place but it will take years to notice a substantial organisational change.

Very difficult to get the right person first time into positions.

Staff development is always worthwhile - provided the course / training is well-run by good trainers. Important to ensure people are made aware of why they are doing the training and what they should look to get from the training. Similarly, a de-brief and review is required after the training, with further regular performance reviews to say - are we using what we have learned.

Having more EQ sessions for staff and very specific team building sessions.

Ensuring that all team members at all levels, feel valued and that they have a say in the service.

## **Other comments**

I do find that Gen Y are quite different to manage than other gens I have managed. They are definitely more difficult and challenging because of their "me" focus.

It is very hard to achieve quality outcomes if you cannot hold individuals accountable for their scope of work.

Mining and metallurgy engineering consultancies are often a unique body of professionals working with

multiple stakeholders, HR systems, management systems (and so forth) and varying bottom-line goals and thus, often attract more complex organizational people management issues compared to other professional workplaces such as a city based mining houses.

Many thanks for this opportunity to review my thoughts on our organisation. I wish you well in how this might be used more broadly.

It seems to me that many employees struggle with life let alone in the workplace. How this "life problem" is resolved or addressed I have no idea as I feel it is just too hard. People seem to think that all of the problems are work whereas many problems seem to come from elsewhere and the workplace is left to sort out. If you don't there is an army of government and unionists ready to have a go at you.