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Fast HR—Enhancing service excellence

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INTRODUCTION

We are a people who love speed. From the *Inc 500* that extols the virtues of fast-growth firms to sports, where a record number of more than 100 million people are fans of NASCAR, speed is important. Going fast is not just a USA phenomenon; consider the numbers of BMW and Porsche owners (and others) who flock to the Autobahn to “put the pedal to the metal,” as they say, in an effort to experience the thrill of high-speed driving.

Fast also characterizes the business environment most firms work in today. The pace of change is escalating, the speed at which new products are brought to market is faster, and the adoption of new technologies have led to breakthrough ways of communicating and doing work. Globalization and technology have contributed to speeding up almost everything we do. The Blackberry, iPhone, iPad, laptop computers, batteries that last much longer than in the past, smaller handheld units and fast airplane travel all contribute to business and people going faster.

What about the human resource (HR) function? Is it fast? Type in the term “fast HR” into your favorite browser, and you will find many articles and references to fast heart rate. You will be lucky to find anything that puts the words “fast” and “human resources” together, because in general, high speed is not a term that is married to the HR function. In this paper, two studies of fast HR will be reported. The first one is a survey of executives; in this piece of work, we found that about 62% of the respondents said their HR functions were slow; more telling are the comments these executives wrote. Even worse was some of the feedback from HR executives, claiming they want to leave their own jobs and companies because the slowness at which they respond to the business’s needs is demoralizing and is leading them to rethink careers in HR.

In the second study reported in this paper, I briefly review a body of findings from firm-level studies of fast-growth firms

showing the impact of HR on firm performance using metrics like earnings and stock price growth. Both the fast HR survey findings and the firm-level research studies tell a story about the way in which HR helps firms when the organization is going fast. However, when business slows down, something happens, and HR has a negative effect on the company’s performance. The remainder of the paper discusses a solution to the “something” about HR that leads to negative outcomes in an organization. That something is big, bulky HR tools and systems that slow down managers and business process.

The two research studies discussed demonstrate that speed is important for HR, and in order to help HR take action and go faster, in this paper, I review a body of learning from extreme and agile programming. This work is being used by software developers to speed up and improve the delivery of their programming code. There are lessons learned from the discipline and process used in both agile and extreme programming that companies like Telefónica, American Express, and the Knowland Group are using to improve how HR services are delivered to their internal stakeholders.

STOCK-PRICE GROWTH MAKES THE CASE FOR HR GOING FAST

My research stream, which led to the work in fast HR, started with large-scale studies of initial public offerings (IPOs). In several studies, one in particular that was published in the *Academy of Management Journal*, data showed that when predicting short and long-term firm performance (e.g. stock price growth, earnings growth), there existed significant interaction effects involving HR-related variables. There were examples of HR being effective when the rate of change was high and negative when the rate of change was low. For example, in a 1999 research paper, Welbourne and Cyr showed that having a

senior HR executive reporting to the CEO, or chief executive officer, (a signal of strategic HRM or more influential HRM) had a positive effect on stock price three years after the initial public offering (IPO) in fast-growth firms, while in slow-growth firms this more strategic HR role resulted in lower stock-price growth (negative effect). The finding led our research team to conduct case studies with firms going through high levels of change in order to understand what HR could be doing well during high-change conditions and poorly under low-change situations.

The case study data led our team to the conclusion that when firms grow quickly, HR is more creative, innovative and responsive to the organization's needs. One of the HR senior executives at Amazon.com told us, during one of our earlier interviews, that the company went quickly from managing by walking around to management by running, to managing on motorcycles, and lastly to a situation where HR had to invent new and creative ways to help leaders manage. The HR function did not have time to develop slow, bureaucratic and formal programs and/or policies and procedures; the HR team worked closely with senior executives and line managers on the key tactical priorities. HR in many of these fast-growth firms left "best" practices behind and by doing so reinvented their own processes. The firms that continued to grow and/or change at a fast pace were more likely to retain their creative, innovative approaches to HR work. The fast pace of growth led to high synergy between HR and the rest of the organization.

However, when the firm's growth rate started to slow down, the way HR work was done in the case-study organizations changed. Having more money to spend on HR systems and processes, along with hiring people who had the time to do what was deemed "best practice," led many HR executives down the path of what they would call professionalizing the function. However, line managers told our research team that HR was "slowing down" the company. Implementing detailed job descriptions, formal performance management systems, time-consuming hiring practices, self-service for managers, and other tools, in the opinion of many non-HR executives, led to less responsive and slower HR functions. Of course, this is not the case in all organizations, but it was this finding through numerous conversations with start-up, high-growth firms that led to the discovery that something happens to HR when the organization's growth slows down, and this change is not necessarily good for the business or for the HR team.

After reviewing both the empirical data and the case studies, we began to recommend that if HR wants to help organizations be successful, at both fast and slower rates of growth, it has to speed up how HR is done. That led to a number of conversations with HR executives, presentations with large groups of HR professionals, and to learning from their perspectives.

TAKING THE MESSAGE OF FAST AND SLOW HR TO HR PROFESSIONALS

As we started to share the results of the research and case studies, we often asked HR professionals whether they thought their HR processes should go faster. This discussion yielded mixed results. Half the groups were excited about the

prospect of HR going faster, and they welcomed the opportunity to speed up their own work. They hoped to be more responsive to the employees and managers they supported, who also were being compelled to move at a faster pace. The other half of the groups responded with quizzical expressions.

The big question on the minds of those who were unsure was whether going fast would result in errors. HR is a function that often is focused on avoiding lawsuits and making sure data are accurate, and therefore the notion of going faster worried many. In a recent presentation on fast HRM, someone in the audience (with arms crossed) spoke and said she was certain that if the notion of fast HRM were introduced in her company, managers would take it to mean they should spend less time in their interviews. Less time, to this individual, meant that the interview would be less valid and cause a list of problems for the company, and she was sure lawsuits would increase.

The concern is valid; however, it is important to keep in mind that "going fast does not mean making mistakes." HRM tends to create big, heavy, hard-to-use systems and processes that are built to manage the deviant. HRM professionals often worry about the one case that may happen (e.g. the one person who will think he or she can skip proper interview protocol, for example). When HRM builds for the deviant, it slows everyone else and the organization.

NORTH AMERICAN STOCK CAR (NASCAR) EXAMPLE

Think of HR as the pit crew in a NASCAR race event. The driver comes into the pit, and the team supporting the driver has very little time to do the work needed to get the driver back in the race. Time is of the essence because the goal is winning the race — being first. The pit crew could be really careful, and check every part of the automobile. By doing so, the crew would guarantee its driver would come in last place in the race. In fact, odds are the driver would never leave the pit, thus not even getting a chance to compete, much less win. The alternative is for the pit crew to be strategic and fast, to focus on what is essential and get the driver back out to the race faster so that he/she has a good chance of winning.

HR team members need to be like the pit crew that works to help the drivers win; they need to be focused and fast. If HR waits and makes sure everything is done exactly right, the function delivers too much too late. The racecar driver cannot wait around; he or she has to get what is needed quickly and keep going forward. Waiting and delivering late HR work means managers do not get what they need in the time they need it. The result is frustration, lost productivity and avoiding HR at all cost the next time a similar piece of work is needed. Fast is critical in today's business world. Taking a risk and delivering on time may be more important than delivering late. In the work done at eePulse, we were asked to host a delegation of senior executives from a *Fortune 100* company. Their goal was to meet and strategize ways to work around their HR team to motivate their employees to drive forward several change initiatives. The group of executives included very senior vice presidents (VPs) from manufacturing, quality and

customer service. Their internal efforts to effect change or speed up HR were unsuccessful. Should it have to come to this? I do not think any HR executive wants his or her senior line executives going through this much effort to work around them, but that is what is happening today in a number of organizations.

During a trip to Brazil, I met with several CEOs. During one visit, which went particularly well, I asked a CEO if I could then meet with his HR team to discuss the work we were doing in more detail. He abruptly said no. Of course, I thought it was due to something that I did; however, he followed up by saying "you can't talk to the HR team because I fired all of them." In this company, the CEO was so frustrated with HR's lack of business sense and inability to keep up with the rest of the organization that he fired everyone on the HR team. In their place, he hired a team of M.B.A.s to do "real work" and take on the HR responsibilities. In his mind, the younger, newly graduated M.B.A.s, who also appreciated the needs of the business, would result in better, streamlined, and faster HR deliverables. Fortunately, this experience is not one that I have had in other organizations. However, I have seen HR departments start to lose projects because they were not fast enough to react to today's business needs. They may not be losing the work to a new group of M.B.A.s, but they are giving up opportunities to members of their communications departments, consultants, coaches and to marketing professionals.

The risk for HR is in not going fast and then not being able to deliver in time for the business and its stakeholders. Karen, in one of the fast-HR LinkedIn discussions taking place in May 2011, noted that in her organization not going fast is resulting in other parts of the business taking over the HR work. She wrote that in her organization the business development and communications teams are using tactics such as "speed planning and immediate data," and, as a result, are increasingly being given projects that are people focused. This is leaving HR behind.

This phenomenon can be seen in a number of companies where communications professionals are taking on employee engagement, quality professionals are focusing on employee metrics, and consultants are being brought in to work directly with leaders in change or turnaround situations. For example, in a project that I was directly involved in, a business unit president contacted our team to help change a manufacturing site. This president had only seven months to dramatically improve the performance of the site. Significant and positive changes in quality and production were needed for the board of directors to approve budget needed to update the plant and allow it to continue to operate. The site was at risk of going idle and eventually being sold. The president knew employees were the key to fast success, so this individual engaged in an intensive intervention that involved monthly pulse dialogues (short surveys and fast meetings on key monthly objectives). The process worked, and in seven months the president had buy-in from employees and the union, dramatically changed processes and behaviors, and improved quality and production. Funding was approved, and the jobs and plant were saved. That's the good news; the bad news was that no one from HR was invited to the party. The president personally was involved and had help from the internal communications team and external con-

sultants. HR was not part of a critical human resource intervention because HR was perceived to be the group that would get in the way and slow things down.

LESSONS FROM BILL CUSHARD AT THE KNOWLAND GROUP

Bill Cushard is the chief learning officer at the Knowland Group; he came to this position after working for firms such as E-Trade Financial, Accenture and Time Warner. He was trained to be successful in larger firms, and with the move to the Knowland Group, he joined a fast-growth company in the global hospitality industry. In his new role, he sought out innovative ways to deliver learning and training because he realized that traditional methods of rolling out training and development programs would not work in this new environment. He is quoted in *Workforce* as saying: "the traditional approach of defining requirements, developing a comprehensive instructional module, and then proof-reading course materials takes too long in today's fast-paced business climate . . . if you do it the right way, it's practically outdated (by the time you deliver)."

Instead, Bill focuses on close interaction with his leaders to understand what they need immediately so he can create short, fast learning modules and get them out to the people who are customer facing. One of his earliest experiences using fast HR methodologies was with sales training for a new product. Bill claims that if he had used his traditional process to uncover the training requirements, the sales team would not have been able to deliver the sales it did. Instead of seeking out detailed information and doing thorough requirements gathering, Bill focused on a few key messages the sales team needed to learn in order to get out the door and sell. He worked on streamlined documentation and trained the team so they could start working with the initial sales materials. Although incomplete in many ways, his fast-training process got the sales team out the door quickly, so that team members could meet with sales prospects. As a result, team members sold, brought in revenue, were thankful for Bill's "incomplete" help, and then continued to work with him as a trusted colleague to add new modules as they all learned together.

Sales training for the Knowland Group became a team sport, constantly morphing as the sales team came back with new information. The iterative, ongoing, continuous improvement processes are elements of what fast HR can bring not only to training but to other areas of HR work as well.

Even though the sales knowledge provided to the team was not comprehensive, Bill found that by delivering learning in small chunks, quickly putting people in the field, and then continuing to work with them on next steps, sales are increasing because the employees are more effective. This cycle of real-time learning is helping his organization continue to grow.

FAST AND ACCURATE: CAN THE TWO LIVE TOGETHER?

Although numerous examples of Fast HR can be found in organizations that are growing quickly, there remains skepticism, because fast HR means a lot of what is "correct" HRM

work will be short cut. Does fast HR then lead to less accurate HR? In order to learn more about this issue, the summer 2010 Leadership Pulse™ survey included two questions on speed and accuracy of HRM (see www.leadershippulse.com). The leadership work involves short, quarterly pulse surveys going out to a large sample of leaders. The topics change, and this particular version focused on both leadership confidence and fast HRM.

The questions asked in the Leadership Pulse were framed as follows:

Introduction to the Section:

We are doing quite a bit of work on what we call Fast HRM. It is about fast and agile human resource management (HRM). Below are three questions about this topic.

1. Please tell us how you would rate the speed at which your human resources function (if you are a small firm and do not have a department, please think about the way HR services are delivered to you personally) provides HR services to you.
Response scale is 1–7, where 1 = painfully slow; 2 = very slow; 3 = slow; 4 = average; 5 = fast; 6 = very fast; 7 = incredibly fast.
2. Next, please tell us how well those same services are provided in terms of accuracy.
Response scale is 1–7, where 1 = always inaccurate; 2 = very inaccurate; 3 = inaccurate; 4 = average; 5 = accurate; 6 = very accurate; 7 = incredibly high accuracy.
3. Please take a few minutes to tell us what HR process or tool you would suggest speeding up in your organization. Assume for the sake of this question that speeding up the process will not diminish the quality or accuracy of the end product that you need. Thank you for your help in this work.

A total of 677 people participated in this Leadership Pulse. The sample is a broad representation of executives around the world from multiple job disciplines, levels and industries. Below are sample and representative comments from one of the open-ended questions.

SAMPLE COMMENTS (RESPONDENTS WERE ASKED TO COMMENT ON THE HR PROCESSES OR TOOLS THEY WOULD LIKE TO SEE GO FASTER)

“The organization works in a totally fragmented way, leaving room for favoritism. HR focuses mainly on admin and does not look to add value (I should know, I’m in the team).”

“Process clarity – why do we do certain steps, does data flow logically through the steps, what steps can be eliminated, what data is unnecessary, who does what.”

“A more well-defined and LEAN process, supported by systematic and coherent management choices and frameworks would probably “solve” the issues I see with the HR processes.”

“We have needed a relevant performance management process and development tool for years – we are challenged with increasing (low) morale and related people issues due to the lack of a clear vision and strategy from HR.”

“HR reacts slow and indecisive most of the time, leaving our review process and reward system problematic.”

“We need to speed up hiring. Very cumbersome for the hiring manager.”

“No foreseeable hope for them.”

“Reviews take too long because we have multiple tools that we need to interface throughout the process.”

“Compensation – especially job evaluations, promotions, adjustments – takes 3–6 weeks to have a job evaluated and a promotion approved or denied. Line management finds this unacceptable!”

“Be willing to institute the necessary changes to make the organization more effective, productive and engaging.”

“Maybe it’s a communication issue, but it just feels like things that are worked on by HR are just very slow processes.”

“I would like the HR generalists to be more conversant with and capable of using the human resource management system to access data and produce reports. That would enhance both speed and accuracy.”

“I think we tend to be too reactive rather than setting the pace. Taking a step back to really understand the business and how we can support it for 1–3 and 5 years will really help us.”

The comments tell a compelling story of the need for HR to speed up. In fact, many of the more brutal comments come from people who work in the HR function. These data are very consistent with interviews and case study data that we have collected on this topic. Next, the empirical data are reviewed.

WHAT DO THE EMPIRICAL DATA TELL US?

In order to evaluate the results of the quantitative questions, we ran several statistical models (e.g. regression models with interaction effects) and then represented the results of the data analysis by creating a 2 × 2 more descriptive view with the two questions on fast and accurate HRM. Answers were coded “low” on both scales if the respondent answered from 1 to 4 on the question (slow and inaccurate answers or neutral), and “high” if the individual provided a score of 5–7 (fast and accurate responses). The plot showing the percent of people in each quadrant is in Fig. 1.

Fig. 1 shows the percentage of the overall survey respondent population that is in each quadrant. Note that 62% (combine the 27% and 35% buckets) report slow HRM, while 38% (combine the 33% and 5% groups) report fast HRM. Only one third of the sample, 33%, reports an HR group that is both

		Speed	
		Slow	Fast
Accuracy	High	27%	33%
	Low	35%	5%

Figure 1 Distribution of Respondents According to their Answers on Speed and Accuracy of HRM.

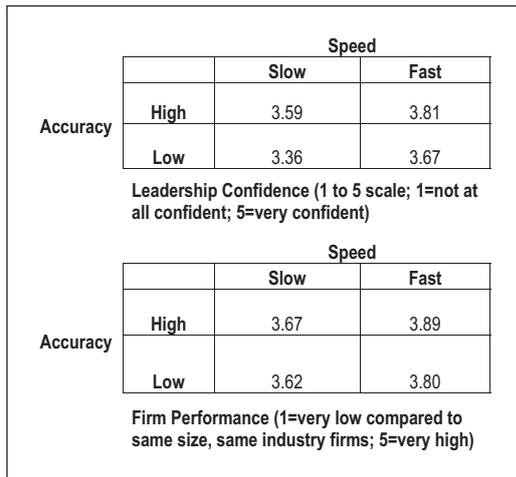


Figure 2 Confidence and Firm Performance for the Speed and Accuracy Quadrants.

fast and accurate. Fig. 2 shows the plots for two other variables studied in the survey, using the four boxes or quadrants representing high and low levels of both HR speed and HR accuracy. This analysis tells us a bit more about the people who think their HR functions are fast and/or accurate. The first 2 × 2 set of scores plots the results for leadership confidence; thus, 3.81 is the score for the people who scored high on both speed and accuracy, while 3.36 is the score for the group of people who scored low on both speed and accuracy. The second graph plots firm performance, with 3.89 being the overall firm performance score for people who report fast and accurate HR while 3.62 is the score for those who report slow and less accurate HR.

In both sets of results in Fig. 2, the highest scores (on leadership confidence and firm performance) are attributed to those who say their HR groups are both fast and accurate. However, the second highest scores (in the red box in both) indicate that speed is more important than accuracy. This finding suggests that respondents are willing to give up accuracy in lieu of fast HR. What may be even more interesting is what happens when we examine the sample of respondents who are working in HR (vs. in other functional areas). Fig. 3 shows the same results for subset of respondents who are employed in the HR function.

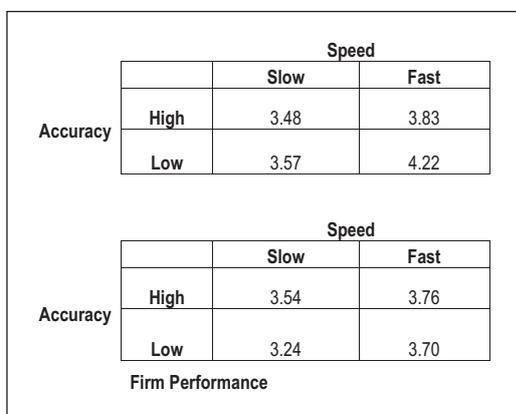


Figure 3 Leadership Confidence and Performance for Subset of HR Respondents Only.

An examination of the data in Fig. 3, from the HR respondents only, shows that there is a different pattern for leadership confidence only. These individuals are most confident when HR is fast but at the lower accuracy levels. This is in contrast to the entire sample, where the highest confidence levels are found when HR is both fast and accurate; in other words, people who work in HR seem to think that speed is even more important than do their non-HR counterparts. The pattern for firm performance is the same for the HR subsample as it is for the overall group. In summary, the data from the leadership pulse survey show that executives are most confident when their HR group is fast and accurate; however, if they have to give up one of the two, the preference is for fast HR. Also, in terms of firm performance we see the same pattern. Speed and accuracy are best, but if you can only have one, higher performance is associated with fast HR. And when it comes to what HR thinks about speed, they take fast HR over even fast and accurate. Speed seems critical for the professionals in the HR field; thus, it is not a mandate from outside the department but from within.

EXTREME AND AGILE PROGRAMMING: AN INTRODUCTION

Software developers were in the same situation that many HR professionals face today. They delivered a critical service to the firm, in some cases as the backbone of the business; however, the process was too slow, often ridden with errors, and out of touch with the customers' needs due to the length of time it took to develop and deliver. In many cases developers were viewed as getting in the way of success. Thus, the extreme-programming movement began, and later agile-programming methods followed.

Extreme programming is a disciplined approach to change how programming is done by dividing the work up into defined and small chunks of work, collaborating closely with the customer, and delivering smaller pieces of work quickly. In reading the literature one finds as much information about the "social movement" of extreme programming as the process, tools and systems used to get the work done. The founders of extreme programming knew that change in their discipline would be difficult, so they started their process with a lot of work on the "how" or people-management side of extreme programming. For those in the human resources field, extreme programming's mindset will be more welcome than one might think. That is because a key part of both agile and extreme programming is the way that work is done through people. Thus, to motivate people to change, the extreme- or agile-programming movement started out by inspiring people that change was needed; it was a human resource initiative first.

THE TWO FACES OF AGILE AND EXTREME PROGRAMMING: SOCIAL MOVEMENT AND DISCIPLINE

There are two distinct, but related paths that this work has followed. The first sounds like a social movement, as expressed in the quote above. As the work in agile and

extreme programming moved forward, the founders recruited groups of users to talk about the “how” of making the change from slower and big development to fast and nimble. In the process they created things like the agile manifesto and the extreme programming (XP) principles. For example, the agile manifesto (www.agilemanifesto.org) suggests the following:

1. Individuals and interactions over processes and tools.
Agile programmers focus on the importance of people and the value of the individual employee, suggesting high-quality people are needed for superior results.
2. Working software over comprehensive documentation.
The emphasis is on getting the work done vs. crossing the t's and dotting the i's. The goal is to get product quickly to the people who need it.
3. Customer collaboration over contract negotiation.
Being close to the customer is a key part of both agile and extreme programming, and this involves not just a one-time event, but continuing to exchange information with the client and improving the product through collaboration and understanding of the client's needs.
4. Responding to change over following a plan.

The fact that requirements change is important, and both agile and extreme programming models focus on collaboration and understanding of client needs. Programming should respond to the actual environment vs. what the plan called for the environment to be when it was written.

While agile programmers have their agile manifesto, the supporters of extreme programming follow what they call their values. Kent Beck, in his book on extreme programming, reviews in detail the four values that extreme programmers must adhere to for success. These are:

1. Simplicity
The goal in extreme programming is to break down complex systems into smaller, simpler pieces and then to make the simple pieces work for the customer.
2. Feedback
Extreme programming models assume that change is a constant and frequent occurrence; therefore, communication with the customer and feedback from clients are critical for success.
3. Courage
Courage was included as a core value because the founders of extreme programming felt that the opposite of courage, fear, often dictated how work was being done. Fear can result in a bias for action that is incorrect and inconsistent with what the customer needs. They claim that it takes courage to ask questions, to admit when you do not know something, and to work with a team to find a solution together.
4. Respect
Team members must respect each other and work together to solve problems. The value of individuality comes through in any reading of extreme programming work and process.

The handbook of extreme programming goes from values to principles, primary practices and corollary practices. The

information one reads on both agile and extreme programming is as much about how to work together as it is about technical process. The call to action is focused on what one may label human resource practices. As a discipline, the people who adopted agile or extreme programming had to change the way they worked; they were called to create a unique and new model of interacting with clients. This process alone took courage, and in order to help each other, the move to the agile manifesto and the extreme programming values brought people together.

The same type of shared mindset, or need for change, that will then build courage is most likely needed in the HR profession if it is to change. Toward that goal, a team of people has been using social media to recruit members to the fast-HR movement. Via several articles and virtual conversations (see LinkedIn and TLNT (an on-line HR magazine, www.tlnt.com)), in addition to presentations at professional association meetings, a group of individuals are starting to examine what the fast-HR principles should be and then discover what can be done to improve HR work through faster processes. As more people become interested in the fast-HR work, the same type of energy and social movement will be needed to produce the type of radical change needed for HR to embrace speed and new ways of working.

TELEFÓNICA O2: EUROPE'S HR TEAM MAKES CHANGE MANAGEMENT FAST

Due to the high change being experienced by Telefónica, which is a major global telecommunications firm, HR team members were in search of new and faster processes. They were responsible for supporting several major transformation efforts that were critical for the business's success. As part of the larger-scale transformation work, the HR team rolled out what it called employee journeys, which specifically spelled out the individual process for employees being affected by the transformation (e.g. mergers, downsizing events, restructuring). Each employee journey was mapped along a specific timeline. Managers and employees received training about the journeys; communication plans were put in place, documents prioritized, and leadership messaging lined up. The HR team members realized fairly quickly that in order to meet the needs of the organization they not only needed to implement the employee-journey projects, but also needed to measure ongoing success. They also anticipated a high level of the “unknown” in implementing the employee journey work; therefore, they wanted their measurement process to be fast and agile so they could use the input and make changes to the aspects of the employee journeys as needed.

In addition, O2 had taken a somewhat different approach to change. In addition to the employee-journey work, it employed aggressive marketing messaging to help employees see the vision of the change and how the overall strategy would be positive in the longer run. In town-hall meetings and other communication venues, employees were kept abreast of the changing business environment. The business conditions were communicated to all employees in language that people understood. The transformation message was one that was positive and upbeat, explaining ways that O2 was working to assure the business remained competitive in the

future. In order to help the managers take advantage of the employee-journey work, the overall marketing messages and the day-to-day challenges they were facing with real people rolling out the change, the HR team had to innovate and do so quickly.

BACKGROUND: O2'S REBEL ROOTS

Before going into more detail about the HR challenge, it is useful to know a bit about the context of this organization. O2, as they say, de-merged from British Telecom (BT). O2 was the young, rebel mobile phone division within BT, and when the business broke away, it built a start-up, fast-moving culture. The team at O2 has been proud of its rebel roots. That is why the HR team, too, is in a position where it is expected to go beyond the status quo. In 2006 O2's European operation was acquired by Telefónica, and then this smaller, rebel company became part of a Spain-based, global, 250,000 employee organization. O2 UK has retained much of its unique culture, but it also has had to blend into the larger organization

SPEEDING UP TO GET BETTER HR DATA FOR CHANGE

In order to be faster and help the leaders with their transformation efforts, the HR team determined that it needed data to enhance manager – employee conversations. It did not have time to conduct numerous focus groups and interviews; therefore, it collected survey data. However, as is the case with many large organizations, the feedback and attitude data were primarily in the form of the annual employee-engagement survey. While providing useful information for scorecards and end-of-year results, the annual event was not going to help the HR team quickly aid the managers and leaders in dealing with unexpected results from the transformation work.

HR moved toward development of a faster, agile, and interactive survey methodology. Its more traditional approach to survey work was via the annual employee-engagement survey, which the HR department was responsible for administering. The annual survey event is run for all of Telefónica, and the core questions are not something that one part of the organization can change (they are used for organization-wide comparisons and trends). However, doing the work led to the HR transformation team understanding the value of more rigorous survey data in moving the organization forward.

The goal of the transformation team was to take what it learned from doing the annual employee-engagement survey and transform it into a faster, real-time data-gathering process that allowed team members to coach managers with data. The result of their innovative work was something they called "survey in a box." Although the term may not sound groundbreaking, for their organization, being able to go out to smaller groups of managers, ask questions that were not part of the employee-engagement survey, customize as they learned, and then go out again to the employees in followup data-collection efforts, was a unique, faster, and innovative process.

With each wave of data collection and analysis, the process changed and improved. Team members learned what questions to ask under what conditions; they provided managers with input on the question strategy, and they learned more about their change effort so that they also could start to tweak the journey process to accommodate employee and manager needs better. The team also learned a few new things about how employees responded to change, and these data led to new thinking about which change-management models may work better under various conditions.

For example, contrary to what you might expect from the change-management field, the data showed that employees in the O2 UK team were most engaged (those with the highest employee-engagement scores) when at higher vs. lower levels of change. This finding bucks what conventional knowledge suggests about change management. Digging into the data, the team learned that the overall big strategy of O2 UK to prepare the business for change using marketing approaches to messaging was working.

Employees, in general, were excited about the change, anticipating new opportunities for them even though they were realistically concerned about personal job loss. Employees had a positive vision of what would happen after the transformational changes took place. Overall, change was depicted as a positive event, and no one wanted to be "left behind" in the change effort.

The HR team started with the idea of using metrics to help aid the manager–employee conversation, and what it learned through its survey-in-the-box work was that the conversation HR had with managers also evolved as both parties co-invented the process. The HR team's ability to be responsive and move quickly to help managers, customize the work being done, and team up for continuous improvement led HR members to be even more involved in subsequent projects as the organization rolled out new and faster initiatives.

FAST HRM THINKING TO SPEED UP PERFORMANCE CONVERSATIONS

Steve Bianchi, director of organization effectiveness at Unilever, is quick to say that his fast HR story is one that is about his own management style vs. a formal company process. However, his organization's former CHRO, Sandy Ogg, who was at Unilever at the time, presented at the 2010 HRPS (now Human Resources People and Strategy) meeting, and his entire talk was about transforming and speeding up the HR team. Therefore, although Steven's story is about his own journey, it is told in the context of an organization that has been on a journey to improve, speed up, and change.

The impetus for going fast in performance management and professional development came from Steve's experience with HR data. He realized that having many different types of HR data from the information system database did not necessarily equal being productive with that vast amount of information. In his overall quest to streamline and utilize the right metrics at the right time, he decided to run an experiment designed to improve the professional-development process for his team of employees (the people who report to him). The traditional model that he observed was a lot of inactivity in managing performance right up until the

point where something was due. The month before the annual review and the mid-year review was, as they say, “where all the action was.” In order to curb this hurry-up and rush to the deadline process, he introduced a blog-based, simple communication technology and process to his team.

In the spirit of fast HR and agile or extreme programming, Steve’s process involves short communications frequently with his employees. Rather than waiting for the once-a-year or mid-term event, employees report their activities using short twitter-like communications (limited to 140 characters per comment). According to Steve, “every other week, the employee will post a comment on what’s happening; they update their business and personal objectives, tell me if they progressed, hit a snag, and then I respond.” He goes on to say “we use the data to have a dialogue, just like commenting on a blog.” The dialogue tends to be more informal because Steve and his team have a running log of events; it is not the big conversation with a lot of emotion. The shorter comments lead to fact-based feedback that is easily digested and discussed. Some of the comments are public, and some are private; this evolution of the process led to the added advantage of keeping the entire team informed. In addition, if employees are not updating their posts, they are encouraged by their peers to catch up.

There are a number of things about this experiment that make it a good example of what fast HR can be. The scope was kept small to start, with Steve working only with his own team. In this case, the customers are Steve’s employees; he is using fast feedback not just to implement his process, but also to improve it over time. The number one commonality of all agile and extreme programming implementations is communication, which is fast and frequent. The communications done as one rolls out a product lead to incremental improvements. Eventually, I expect that Steve will roll out the performance development and management process to others in the organization, and through that process continue to refine what he has learned. If the process remains true to the Fast-HR methodology, then even if a “grown-up” version of the system, with bigger technology and full process, were used for the entire company, it would continue to be agile. Steve’s users should be working with him to continually improve the performance management process and perhaps customize it for the many regions around the world where it would be utilized.

RANDOM ACTS OF FAST HRM

Diversity and inclusion teams are often underfunded and run by very small teams of HR professionals. In many organizations, in addition to their “regular job” as they say, they also are responsible for an organization’s affinity groups or employee-resource networks. These are groups of employees banded together based on some common identity (e.g. women’s group, Asian Americans group, persons with disabilities, Hispanic, etc.). The expense and time to teach the rest of the organization about these affinity groups, what they accomplish and learn to honor the uniqueness of individuals, is overwhelming for the smaller teams responsible for achieving these goals. In an effort to speed up the learning process, a senior executive working with one of Detroit’s automobile companies used the speed-dating model to transform what was a multiple-day

event into a short, fast process that caught the attention of many people in a short period of time.

In another example of learning, a technology medical-supply firm needed to develop a new training program for its engineers. The engineers were working on a unique delivery system that paralleled the experience drivers of automobiles have. Rather than inventing a new training program, the HR team in this fast-growth firm opted to contact a few of the auto companies and set up meetings between their engineers and those working in the big auto companies. The learning experience benefited both teams, with the automobile-company engineers getting insights from people in a very different field, and the members of the technology firm’s team getting what they needed faster with perhaps higher quality content.

American Express is another firm embracing fast HR ideas in its application of new employee surveys and in revamping its on-boarding system. In terms of the survey work, Tom Leitko led the effort to move from the annual, slow, and in-depth survey with many, many questions to a process that opted for focused and fewer questions delivered in a timely way. He also focused on accelerating the work in the on-boarding process so new employees are more productive quickly. As Tom reflected on his efforts in an interview with *Workforce*, he noted, “the trust bar between management and employees goes up” when you raise expectations with faster HR processes.

These examples required HR professionals who were willing to take risks and who trusted that the people with whom they work would help them vs. ridicule their efforts. These HR team members went against tried and true methods, and, as they say “put themselves out there” clearly in the light where criticism could have prevailed. Their ability to use fast HRM concepts led to greater manager acceptance and improved usage by their stakeholders. By focusing and going fast, these HR leaders were able to assure people used the tools and processes they developed when they were needed, leading to achievement of business goals.

THE DISCIPLINE OF FAST HRM

For fast HRM to work well, it not only requires speeding up bigger and more cumbersome pieces of HR work through innovation, it also requires an ongoing, robust and disciplined process that is brought to all HR work. To date, there has been a growing interest in speeding up HR processes, and the examples in this article demonstrate work individuals have done to practice fast HR. However, if fast HR is to become a core part of how things are done in the HR field, and if it is used to deliver better service excellence within the organization, then it needs to move beyond individual acts of innovation. Just like agile and extreme programming progressed, fast HR needs discipline, and it needs to provide the guidelines for the entire HR department, including how the HR department is organized.

Agile and extreme programming started out with the soft side of values and principles in order to align people emotionally with the large organizational change that this movement has introduced. The innovations seen in the HR field will provide practitioners with that type of emotional interest, and the fast HR principles also will align people to understand what is needed to do fast HR successfully; however, the

discipline of the field has to follow right behind the emotional or social side of the movement.

FAST HR PRINCIPLES

Following the process of agile and extreme programming, over the last two years I have been introducing a number of HR audiences to 12 principles for fast HR. My goal was to lead discussions on these principles with numerous organizations and then, through consensus and discussion, reduce the list to half that amount or to six principles. Below is an introduction to the six proposed principles for fast HR.

1. *Innovation through courage.* In order to go fast, HR must be courageous enough to innovate. In all the examples we see of HR meeting business needs in times of fast growth, the HR professionals were willing to question the status quo and try something new. Can courage be taught? We think the answer is yes. In fact, I am now working with an organization to develop an HR boot camp. Modeled after entrepreneur boot camps, that provide an experience to increase courage to support innovative entrepreneurship, our goal is to reinforce and teach courage in the same type of learning environment.
2. *Trust through relational capital.* HR will never go fast if the members of the HR organization question each other and distrust. Going fast requires high and positive relational capital; this is critical to success. One of the questions we are asking in this regard is whether some forms of HR structure build vs. reduce relational capital. There is a growing concern in the field, for example, that the popular model of creating centers of excellence vs. generalists may be backfiring and reducing levels of relational capital among the HR team members. The perceived distance between these roles may be the culprit. Relational capital goes beyond HR; strong and positive relational capital must be built between HR and all other stakeholders within and outside the organization.
3. *Focused HR through strong business acumen.* HR can only go fast and help the business if members of the team thoroughly understand the business. Knowledge of the business comes from relationships with key stakeholders who alert HR professionals when change is pending. By understanding the business and being aware of key changes, HR can focus on the areas within HR that need to be altered to help the business move fast and succeed.
4. *Continuous improvement through people.* Fast HR leads to ongoing improvement, and this type of fast cycle of change only can happen with people. Thus, fast HR is not about cutting staff. In fact, in groups going from slower to faster, we see additional staff vs. reductions in staff.
5. *Data-driven story telling with the right technology.* HR data has helped the department leap forward faster. By

being able to recognize trends and help the business understand the impact of people decisions on the business, HR has taken a leading role in moving the business quickly. However, this data-driven power is not just a technology story. At times, technology can slow down HR's ability to help the business go fast because too much data can lead to what is commonly known as "analysis paralysis." The right data, with or without technology, that tells a story and that drives emotions to take action, are needed to go faster.

6. *Sense of urgency through positive team-member energy.* Going fast requires an internal sense of urgency to keep moving forward. Complacency is the enemy of speed. However, a sense of urgency needs to come from the external environment (e.g. the competition, the need to win) and not from a fear-based leadership or management philosophy. A positive sense of urgency energizes work teams. By fostering positive energy, HR can go fast, learn from each other, innovate and help the business be agile in what is today a fast-paced business environment.

FAST HRM AFFECTS OTHER PIECES OF THE BUSINESS

Tom Grant, in a Forrester report entitled, "From Agile Development to Agile Engagement," discusses how agile programming has affected other parts of the organization. If development work, which is core to much of the business, starts to go faster and deliver differently, then inevitably it will affect marketing, sales, and other parts of the business.

The same will be true for Fast HR. In reality, speeding up the HR department work is only a small part of what Fast HR should be. If done well, Fast HR holds the promise of speeding up any business initiative that involves people, and in most of today's organizations, that is a large part of the business.

The key tenets of agile and extreme programming, as well as Fast HR, are fast and frequent communications as well as responding rapidly to changing conditions. This article discusses Fast HR, which applies those principles to HR service delivery; however, the same benefits should be utilized for the organization to work with its customers, whether the business is in technology, manufacturing, service or any other field. The article started out discussing the pace of business, which is fast. This is not going to change, and in order to succeed, any business needs to speed up and do so in a deliverable vs. reactive way in order to outperform its competition. Fast HR can start in HR, but if done well, because it is all about people, then the work should affect all parts of the organization.



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To learn more about the leadership survey and to see the full report go to www.leadershippulse.com. Navigate to the reports page, and you can download the entire technical report. You also can sign up for an individual or team membership in the leadership pulse project. In addition, you can find detailed discussions of the fast HR 12 principles (that were later consolidated into the six) at www.tlnt.com. Search for "Welbourne" to find the articles.

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