Shifting the Australian Paradigm from the Management to the Development of People

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Abstract

This paper presents a viewpoint adopting a practice-focused approach. The mind-shift argued here is one from *management* of people to the *development* of people in organizations. The new environment of innovation and fluid intelligence is explored where people may prefer not to be managed so much as to develop themselves. The paper examines the applications and relevance of the new anthropology of organizational community-building, and strategies for planned repositioning of European nations to the Australian situation such as enhancing a mobile and responsive workforce, capitalizing on the nano-age and active engagement with emerging economic superpowers. The relevance of changing industries and economic activities such as the nature of goods exchanged and global ways of doing business are explored, as well as business models for enhancing collaborative endeavors. Models and lessons for human resources and organizational leaders are presented that should add value to global business approaches.

Keywords: Human resource development, People development, Culture change, Business model, Learning, Adaptive organizations

1. The new anthropology

The old anthropology was typically focused on functionalism and had its limitations couched in positivism. There are several key dimensions of the new anthropology. The first aspect subsumes functionalism but, like a new ethnography, engages in the philosophy of science's intellectual struggles and postmodernism embracing field work, phenomenology and breakthroughs in sensemaking. Klein and his associates refer to sensemaking as

> the deliberate effort to understand events, triggered by unexpected changes or other surprises that make people doubt their prior understanding. It is different from situation awareness (a state of knowledge) and situation assessment (making inferences from data). It is the process of constructing data, as well as constructing meaning (Klein, Phillips, Rall & Peluso, 2007, p. 113).

This definition is consistent with the classical conception by Weick (1995; 2001) in that sensemaking is about creating, interpreting, and discovering meanings to comprehend organizational, community and other contexts. Although making effective decisions is an important outcome of sensemaking, it is not necessarily about generating understanding in order to make rational decisions (Nathan, 2004*)*. Sensemaking is about enabling people to integrate what is known and what is conjectured, to connect what is observed with what is inferred, to explain and to diagnose, to guide action before routines emerge from performing tasks, and to enrich existing routines (Klein et al., 2007). In short, sensemaking helps people identify and understand decision problems. Sensemaking informs whether there are decisions to be made and what those decisions might consist of (Weick, 2001).

The second aspect of the new anthropology is a focus as a new science of human development. Thakadipuram (2010) calls for a deeper quest for meaning from different perspectives and wholeness in human resource development (HRD) proposing a leadership wholeness model especially in organizational leadership. Valentin (2006) also promotes new ways of doing and thinking, a critical approach to HRD which can provide new frameworks with which to analyze organizations and stimulate creativity. Within this contextual background the new anthropology or the new HRD refers to a new social science of human development, understanding and appreciating where sensemaking is central.

A third major aspect to the sensemaking aspect of the new anthropology relates to the recent Australian trends in HRD which are now explicit about the performance versus learning dichotomy. This dichotomy creates an imperative for urgent change to the existing dominant management mindset. Kuchinke (2010) emphasizes this need by promoting human development, specifically caring and compassion in organizations as a central goal for HRD. Alam, Khan and Dost (2011) illustrate that HRD is dependent on organizational learning and that knowledge creation processes strengthen this relationship. Peretz and McGraw's (2011) analysis of Australian trends in HRD practice from 1996 to 2009 reveals an aggregate decrease in HRD sophistication across all organizational types with a decrease in 'learning' oriented practices and an increase in 'performance' oriented practices. There is an increasing recognition of the potential of the HRD function in particular for positive long-term impact on organizational effectiveness. The new anthropology is therefore about new sensemaking and realizations such as the need for HRD to promote performance from a learning perspective to capitalize on its role since learning and performance are inextricably linked.

1.1 Development and learning: integral keys to HR

HRD in the shape of a new anthropology has potential to take leadership to the next level to leverage strategic capabilities (Holland, Sheehan & De Cieri, 2007) since HRD is a combination of structured and unstructured learning and performance based activities which develop individual and organizational capability and their capacity to successfully manage change (Simmonds & Pedersen, 2006). The new environment of globalization, changing economies, new technology, increased competition, new products and services and emerging and interacting disciplines demands new knowledge, worldviews and sensemaking (van der Sluis, 2007). HRD is already viewed as a major contributor to the strategic scene because of its potential to maximize the motivations and capabilities of the workforce (Gray & McGregor, 2003).

This paper advocates a further bold step forward from this position already evident in Australia where HRD has made major shifts, but where the benefits are not evident in Australian industry. Peretz and McGraw (2011) found an overall shift in HRD focus towards performance which provides clear justification for what is proposed in this paper. What is argued here is a move from incremental, conservative change towards a radical shift in the HRD paradigm since the work of Peretz and McGraw (2011) shows an overall decreasing level of HRD sophistication in Australian organizations (with no significant pattern of difference between public and private companies) over a 13 year period. These findings provide fundamental support for a need for an archetype shift to embed processes that value learning as a key driver, rather than relying heavily on management since "Australia is placing less emphasis on training employees than on appraising their performance and managing their careers" (Peretz & McGraw, 2011, p. 52).There is a new attention required to embed learning in performance, to develop people, diversity, vitality, professionalism, innovativeness and new worldviews on all levels (van der Sluis, 2007).

The paper examines the applications and relevance of the new anthropology of organizational community-building (Rullani, 2010) and strategies for planned repositioning of European nations to the Australian situation. Strategies examined include enhancing a mobile and responsive workforce, capitalizing on the nano-age and proactive engagement with emerging economic superpowers such as China. This type of engagement refers to initiating dialogue, collaborative projects and setting mutually agreed performance outcomes. Other areas explored include changing industries and economic activities, ways of working and engaging globally as well as business models for enhancing collaborative endeavors. The paper builds a business case to HR and organizational leaders for a shift in culture and philosophy of the management of their human resources within Australia. Australia is worth understanding more deeply because it is unique in many respects such as location, size, composition, cultures and has on occasions been shielded to some extent from European, Asian and American global events such as the deleterious effects of the recent global financial crisis.

1.2 Australia's position and challenges

Based on our ability to continually learn over the years, Australian governments and organizations have spent the post-war period transforming Australia from a primary-industries economy to one which makes more effective use of its unique position geographically and of its competitive advantages within a modern global economy. The Venetian academic, Rullani (2010) outlined the strategic re-positioning of European nations in response not only to short-term economic downturn but also to long-term transformations in global trade and models of production. For Australia, such repositioning has also been occurring over the last twenty years, but its strategies are tempered by particular circumstances, as an island continent with a small population, isolated from the major economic centres of Europe and the US but close to Asia and south-east Asia. Three aspects of change are considered briefly here.

First, while Australia's strategies must be those of a small-population economy (22 million people on a land mass the same size as the continental United States), it is a small population with one of the world's highest standards of

education. Australia's best workers are increasingly mobile and responsive to opportunity and change. Second, Australia has had a long resources boom which is still continuing (Robertson, 2008), and although its industry strategy is still reliant on shipping the 'tonnage' of our primary industries (wool, wheat, iron, coal) as it was fifty years ago, it is now taking up the opportunities of the 'nano-age', of knowledge-based economic activity, of innovative thinking about products, processes and business models and of the enormous opportunities of the service-delivery sector (particularly in education). "Despite their dominating position in exports, primary products (including agriculture as well as mining) are no longer the major drivers in an (Australian) economy that is much larger and more diverse than in the past" (Robertson, 2008, p. 2). Third, Australia is remote from the economic markets of Europe on which it once relied, but it is now reaping the benefit of years of relationship-building in its own region of Asia and south-east Asia. As a result, Australia's response to the emergence of new economic super-powers in the Asian region is not one of defensive re-positioning, but of proactive engagement and opportunity-seeking.

> The Australian economy is resource blessed, but it is no longer resource based in the sense discussed by traditional staple theorists…the economy is now driven primarily by an internal dynamic…Australia does not possess one or two stellar industries – as, say, Finland does – but because of the broad spread of activities undertaken here, the Australian economy is also much less vulnerable in the short to medium runs to external changes in fashions or to technological obsolescence' (Robertson, 2008, p.22).

Arising from these three changes are three messages for international HR leaders and organizational strategists. First, in Australia, organizations are learning that their most competitive industries and firms need to achieve profound culture change: they must aim for a culture of flexibility: enabling timely and flexible response to opportunity, de-emphasizing hierarchy and enabling mobility, creativity and speed. Second, to achieve a lean, responsive workforce Australia needs to co-invest, with their respective employees, in continuous learning / skilling, building transferable skills and reducing resistance to change. Third, to build teamwork and a sense of 'community' between geographically (or even globally) dispersed workers, and to reduce talent-snatching of the increasingly mobile workers, organizations need new HR skills and tools. These include the new anthropology of organizational community-building; new discipline in the operation of virtual teams; and new skills in the design and use of 'teamware' to support online learning.

2. Changing industries, ways of working and culture

The nature of economic activity between countries has transformed during our own lifetimes, in two ways that are important for the industry and HR strategies internationally and of a country like Australia. The first transformation is in the *nature of goods* exchanged around the world. It is sometimes said that global trade and innovation have moved from 'tonnage'—goods like our raw materials of iron, steel, coal and wool—to the 'kiloage' and 'grammage' of manufactured and electronic goods, and more recently to the 'nano-age' of micro industries including genomic innovation. These changes are profound: Teresko (2003) predicted that 'the Nanotechnology Age [will be] an epoch more significant than any preceding age identified by any one material such as stone, bronze, iron or silicon'.

Australia is also recognising the growing opportunities of the service sector. While our distance from markets adds cost to any products that must be shipped, we have an educated population that can do very well in what is referred to as the 'weightless', 'immaterial' or even 'vacuum age' of information transfer and service delivery. Education has become our third-largest-earning export and is delivered onshore, offshore and on line to international students. The Australian University sector is being reformed. Currently around 30% of Australians have Bachelors degrees and the aim is to get this to 40%. Greater equity in higher education is desired to be on a par with Sweden and Britain (around 50%). Another aim of the Australian government is to enrol a higher percentage of low socio-economic students, shifting the current rates from 15% to 20% within 10 years. The key will be in flexibility and diversity at different levels such as access criteria, course offerings and delivery to include online and blended learning.

However, operating within innovative industries and virtual markets brings its own challenges and requires new skills and forms of discipline. Teresko (2003) predicted that the shift from primary production and manufacturing to nanotechnology will increase the *speed* with which change occurs and our basic assumptions about research, skilling and task design. As analyst Satish Nair at Frost & Sullivan's Technical Insights Division, New York (cited in Teresko, 2003, para. 10) says, "the time-to-market for commercial applications of nanoelectronic-based devices is shrinking with the years".

Two paradoxically contradictory processes are *competition* which brings out the *beast* in people (as the famous philosopher Hobbes believed that humans are locked in deadly competition for survival) and *cooperation* which evokes the *best*, or in Rousseau's terms, the *noble savage*. Freud's firm position was that competition (that is, rivaling others to achieve objectives faster and smarter) is the royal road to success. It is difficult for HR leaders to

encourage competition without neglecting the power of cooperation. The challenges for HR leaders and organizational change strategists therefore lie in the organizational and cultural changes that will be required for organizations to simultaneously engage in cooperative behaviors and remain competitive in these new industries. The cooperative behaviors refer to cooperation among organizations within an industry such as engaging actively with one's professional body nationally and internationally. It is reasonable to expect CEOs, strategic corporate leaders and HR leaders to engage externally since all are involved cooperatively in joint strategic decision making. HR leaders must become part of this larger scene and dynamic in order to better contribute to their own workforce and fulfill their ethical responsibility more broadly. The Australian Human Resource Institute, a professional body embracing all HR related workforce personnel encourages such cooperation through its national events and professional development programs. Cooperation could indeed be the new mood in industry rather than competition. As Uzi Landman, director of the Center for Computational Materials Science and a professor of physics at the Georgia Institute of Technology in Atlanta, warns "Things have to be approached differently. It's not only the facts, the thinking has to be different…[We should] expect a prolonged period without standardization of processes" (cited in Teresko, 2003, para. 42).

The second transformation is in the global nature of *the way we do business*—necessitating an internationally mobile workforce and accompanying HR approach. This is a particularly important for an island continent isolated from the major economic centres of Europe and the US. Australia needs to create teams that can be geographically (or even globally) dispersed but still function effectively and share information as teams.

Jean-Pierre Lehmann, Professor of International Political Economy observed in 1999 that changes in the base of economic activity, and the increased speed of change, dictate a profound cultural shift from the certainties of 'hard work' and 'discipline' to an organizational culture that enables creativity, speed and mobility. This is a shift that not all countries readily make, as he illustrates with reference to Japan:

> Japanese companies … have been remarkably successful in the tonnage, kiloage, and gramage. And there, a lot of the qualities of discipline, hard work, and so on and so forth apply. Now you are in this new age, the vacuum age, where the emphasis is on creativity, in the absence of hierarchy and so on, and where the significant challenges lie.

> [However] many Japanese companies in the course of this last decade have not necessarily been that successful because they have failed to react to these three external shocks, which are globalization, the move from manufacturing to services, and the Internet. The point being made here is in many respects the same as the issue of the tonnage to the kiloage. (Lehmann, 1999)

Organizations in the twenty-first century must be capable of reinventing themselves, of anticipating and responding to challenges, and learning to manage discontinuous (Sofo, 1999).

3. Australia's strategy

Australia's long term strategy has emphasized the following direction which could easily be applied internationally:

- improving market orientation and reducing protectionism;
- engaging in the Australian region;
- marketing 'brand Australia';
- business models that include offshore production and delivery, and
- building a skilled, mobile population.

3.1 Improving market orientation and reducing protectionism

Australia has been an active advocate for the reduction of tariff protection in world markets, particularly in agriculture, with governments of both persuasions pursuing an open market, no-subsidy approach domestically and in international forums. Skill-building is an essential enabler for this policy because one of the greatest barriers to industry adjustment is an unskilled workforce which is unable to adapt or move on, resulting in sticky labor markets, business failure and welfare dependency. Since 1991, for example, the policy goal in agriculture has aimed at improving business skills, efficiency and market-orientation and reducing dependency on support. Incentives and skill-development have also been available for small to medium-sized enterprises in other sectors.

3.2 Engaging in the Australian region

In the last twenty years Australia has increasingly worked to build trade and cultural relationships in the south-east Asian and Pacific region, which is important not only to its economy but also to regional stability and security. Both

aid and education have been important in this strategy: many of the regions' leaders in government, defence, policing and business have gained secondary or tertiary qualifications through Australia's domestic education institutions or through its thriving export education industry. Australia has engaged vigorously offering educational pursuits to the international community:

> International education activity contributed $11.7 billion in export income to the Australian economy in 2006-07. This is a rise of 16 per cent from the previous financial year, compared with 11 per cent growth across all services exports. Over the 10 years to 2006-07, education exports grew at an average annual rate of 15 per cent, compared with an average annual rate of 6 per cent across all services exports. (Australian Government, 2008)

This strategy does not reduce the importance of Australia's relationship with the UK and the EU. As a member of the Commonwealth Australia still maintains close cultural, security and trade links with the UK, which is Australia's leading EU trade partner, Australia's sixth-largest merchandize export market and Australia's second-largest services export market. The UK is also the largest source of total foreign investment in Australia (Department of Foreign Affairs and Trade, 2010).

3.3 Marketing 'brand Australia'

Australia consciously cultivates a reputation as a safe, tolerant society with a stable economy and a sound regulatory environment: a place that can attract international investment and a safe place for international students to live and study. Australian Education International, the international arm of the Australian Government's Department of Education, Employment and Workplace Relations (DEEWR), advertises that it:

> …supports the sustainable development of a world-class and globally connected international education and training system in Australia [and is] well placed to work with governments and industry to realise for Australia the intellectual, cultural, economic and security benefits of internationalisation. (DEEWR, 2010)

Brand management is therefore important not only for the country's AUS$15 billion education export market but for its wider regional goals. The Australian government works with the export education industry to protect the Australian 'brand' by reducing the risks of collapse by individual providers and improving the security of international student investment in its education products. Recent incidents of violence towards Indian students studying in Australia (including one death) caused consternation and are expected to result in a 20 per cent reduction in the number of Indians applying for student visas for Australia. As a measure of the seriousness of these trends for such a major industry, in September 2009 Australia's then Deputy Prime Minister Julia Gillard met in New Delhi with the Prime Minister of India, Dr. Manmohan Singh, to provide assurances of Australian good will towards Indian students; and the Victorian state government staged a good-will function in Melbourne in March 2010 featuring cricket leg-spinner Shane Warne.

The important lesson from this for HR and for broader organizational strategy is that in a dynamic onshore/offshore industry, an organization's success may rely as much on building or repairing relationships and trust, while simultaneously overcoming language and cultural barriers, as it does on the production or service delivery model. These are capabilities that must be developed and/or recruited for, and which must be understood and valued by an organization's leaders. *Relational resources* need to be part of the larger investment strategy, occupying a level of importance alongside physical infrastructure.

3.4 Business models that include offshore production, delivery and partnership

Australia has long taken advantage of the 'value multiplier' of offshore production, because of its proximity to large and increasingly skilled labor markets in the Asian and south-east Asian region. But cost is not the only factor for companies making this decision: the onshore/offshore relationship can provide improved leverage in a number of other ways. Manufacturing overseas may overcome rigid compliance regulations and avoid high tariffs in the target country. For some countries a mixed approach best suits the business model: for example, some companies continue to manufacture in Australia for the domestic market but choose to manufacture in China as part of their longer-term strategy to expand their market.

The more organizations and nations think and operate globally, the more they build skill, cooperation, confidence and trust. We are learning that competitive organizations are adept at identifying multiple benefits from the decision to go offshore, linked to the organization's broader global market strategy and to relationship-building and cooperation (beyond the ranks of the upper strata of organizations) rather than focusing simply on cost –exploitation is the downside to this.

Thus, the organization's HR strategy must include the ability to form culturally-appropriate relationships and networks in both the home country and partner countries. We need a workforce, particularly at the most senior levels, that is capable of responding nimbly to emerging opportunities and finding new, often inter-dependent, ways of working. To do this we need to become more tolerant of instability or fluidity in our current structures and hierarchies. As Jean-Pierre Lehmann argues (1999), the four 'C's' for future competitiveness should include **c**ollegiality or **c**ooperation (a non-hierarchical way of working), together with "**c**osmopolitanism, i.e. internationalism, with many people from different backgrounds providing different perspectives, a great deal of **c**ross fertilization, and obviously in this age also a great deal of emphasis on **c**reativity".

This cosmopolitanism requires workers to be competent to work in an international environment, including foreign language skills, awareness of different cultural values and paradigms, and an understanding of other countries' policy systems and frameworks (Sofo, 1999).

Australia's vibrant mix of home-grown business people and researchers, and the inflow of skilled people from overseas, is an important (but still under-realized) asset in building networks and developing markets in our region. Compared with the United States and a number of European countries, Australians have always had a strong orientation to international travel, and this has also stood us in good stead as we develop networks and joint ventures in our region and beyond. For example, the number of international departures of Australians in 2003 was about 3 million and this figure climbed steadily almost doubling to 5.8 million in 2008 (Australian Bureau of Statistics, 2010).

The Lowy Institute's Michael Fullilove argues that Australia needs to engage more actively with its expatriate community to capitalize on the goodwill they create with foreign countries (Shaw, 2004). As well, the number of Australian students who continue with second-language learning (particularly in Asian languages) into the later years of schooling remains disappointingly low and needs to be a focus of government action. In the case study of cooperation between the Chinese Academy of Sciences and Australia's equivalent, CSIRO, Sofo, Leong and Sofo (2012) report that the international partners adopted key roles in leading, managing and sustaining the partnership during the various stages. Several critical success factors emerged from the analysis in the paper: funding, government support, institutional support, complementary technology and expertise, mutual respect and strong commitment from leadership. One additional critical success factor included a soft but crucial ingredient, the bilingual expertise of facilitators who manage to bridge the gaps between both intellectual capital (technical expertise) and cultural differences.

3.5 Building a skilled, mobile population

On measures of literacy and numeracy and school completion, Australia already stands high on international rankings and its universities have strong international standing (with the Australian National University ranked 16th in the world in Times Higher Education rankings in 2009, ahead of Stanford and Michigan and the best universities of France, Germany and China). The importance of strong educational outcomes was recognized by the incoming Labor government in 2008, with an 'Education Revolution' amongst its highest-priority policy platforms. This has included investment in high-speed broadband, computers for all students and an ambitious program to ensure universal access to early childhood educators, by university-trained educators, for all Australian four-year-olds. A key focus in Australia is lifelong learning and the imperative of teaching beyond technical competence to appreciate learning as an intrinsic activity as well as the importance of interpersonal skills that highlight and value diversity and equity.

The size of Australia's economy has meant that it is difficult to provide opportunities for its science graduates and other researchers to work in world-class research laboratories within Australia, and for many years there have been concerns about a 'brain drain'. However, there is growing recognition that Australia should take a life-stage view of this migration, as many of its graduates work overseas in the early stages of their research careers and bring valuable international experience when they return to Australia in later years. Even amongst those intending to move overseas permanently, over a quarter return to Australia and inwards migration of skilled people appears to outstrip the numbers heading outwards. As there is very little research about those leaving Australia compared to those returning it might be an idea to expect 'exit' interviews to be conducted as a research project.

4. The lessons for HR and organizational leaders

4.1 The most competitive industries and firms must work deliberately to achieve profound culture change

Australia should aim for a *culture of flexibility*: enabling timely and flexible response to opportunity, de-emphasising hierarchy and enabling mobility, creativity and speed. In the traditional model, the role of HRD has focused on

equipping employees to perform better within known contexts. However, within a dynamic global environment of continually changing expectations and opportunities, the role of HRD is to interrupt old thinking: to question critically, encourage different perspectives, and implement creative solutions (Sofo, 2007). The study by Song and Kolb (2009) confirmed the positive influence of learning organization cultures, characterized by adaptability and flexibility on the overall process of knowledge conversion. Learning organization cultures are consonant with 'ba' (Nonaka, Toyama & Byoiere, 2001) which refers to adaptive cultures that share, create and utilize knowledge in three types of spaces: real physical spaces, virtual spaces and ideational spaces of minds where creativity occurs.

Song and Kolb (2009) provide convincing empirical evidence of the significant contribution of knowledge creation practices as potential factors for improving performance and mediating learning organization cultures. Their analysis enhances the argument for a paradigm and practice shift from managing people to developing people since HR leaders, CEOs and HRD practitioners need to design organizational cultures that are supportive and dynamic where continuous learning and applicable knowledge creation are commonplace (Song & Kolb, 2009). These authors suggest that the leaders needed to build these types of human interaction-based knowledge management systems could be HRD professionals. Their argument for a restructuring approach to incorporate a learning organization cultural mental model is a convincing case for instigating profound culture change. There seem to be many good reasons for shifting the focus to development and learning. Learning has a generative impat and if properly harnessed creates new skills, attitudes and knowledge relevant at individual, organizational and broader levels (Sessa & London, 2006). Also, knowledge based organizations allow people to amalgamate different learning conceptions and approaches into common usable processes that focus on incidental and action-driven aspects of organizational learning (Tsoukas & Mylonopoulos, 2004).

Old paradigms of supervision and hierarchy will also become redundant. Knowledge workers (particularly within virtual and creative teams) "cannot be supervised—they are autonomous, talented, independent and interdependent workers" (Sofo, 1999, p. 18). Managers must learn to manage in a way that deliberately breaks down hierarchy and encourages cross-communication and collaboration. Twenty years ago Beer, Eisenstat and Spector (1990) predicted that autonomous business units would need to work independently and collaboratively on projects, depending on the skills and resources needed to complete a task. This would represent "a significant shift from the traditional segmentation of skills and knowledge into discrete departments in which (often selected) information was challenged up and down the hierarchical funnel but rarely shared sideways across the organizational deck" (Sofo, 1999, p. 95).

The new organizational model would be one in which the boundaries would be 'fluid and permeable' (Kanter, Stein & Jick, 1992). While the hierarchy of *responsibility* might still exist, the unidirectional, top down, 'chain of command' would be replaced by influences from a variety of sources and levels (Sofo, 1995). In order for the organization to adapt and succeed in a turbulent, ever-changing environment, their HR and organizational strategy would need to facilitate a culture change from command-and-control to involvement, mutual responsibility and fluid sharing of knowledge. The role of managers and HR professionals would involve providing information so that knowledge workers can integrate the information into their work projects which in turn impacts on their work productivity and learning effectiveness (Gherardi, 2006). All of these authors support the significance of providing and assimilating information into knowledge workers' projects. This means that the management role adopts a significant 'development' focus so it empowers not only knowledge workers but others to persistently upgrade their performance potential (Driscoll, 2005).

Involving employees as well as managers in direction-setting and problem solving has been shown to have two benefits: increased commitment throughout the organization and the identification of future opportunities. A study of the Gasco company by Tom Bartridge (2006) showed that

> …by empowering the workforce, the company's overall performance rose by more than 20 per cent during the first three years of the journey … The journey has become a vehicle that is moving Gasco forward as a larger, stronger and more effective organization by leveraging the strength of its people. By creating a culture that supports performance-centered improvement through the development of its workforce, the company has benefited in a number of ways. (para. 20).

As change agents, HR leaders must therefore help the organization build the capacity for change, by stimulating reflection and questioning about the organization's future and its way of doing business, and through 'shaping' processes that improve the whole organization's capacity for change (Ulrich, 1998, p.125). In addition to involving employees, nations at a global level need to cooperatively pursue workforce management since there has been slower growth and tighter labor markets internationally and strong supplies of low-cost labor in the emerging markets (Hansen, 2006).

4.2 Australia needs to co-invest, with its employees, in continuous skilling and learning

Continuous skilling helps to create transferable skills and reduce resistance to change. Within the new paradigm Rullani (2010) poses, the least-skilled workers are at the highest risk – a risk that neither companies nor governments can protect them against. In the last ten years, Australia has already seen a significant degree of increased casualization of its labor market, and a severe shrinkage of the unskilled job market. Unskilled workers are most likely to lose employment in economic downturn, are most readily replaced by other workers, and spend the most time cycling through short-term employment and job-placement services when they find themselves unemployment. Unskilled workers also cost employers money in industrial accidents, quality assurance and lost opportunities to respond to change.

Rullani (2010) proposes a new relationship of mutual risk and mutual investment, in which an organization may invest in skill development for a worker, while both the worker and the organization know that their relationship may be short-lived. The more skills workers gain, the more readily they can find new opportunities within the organization as it responds to market signals; if workers lose employment they will be more readily able to transfer their skills to a new organization or sector in the economy. A priority for the HR strategy of an organization – or a nation – is to encourage this mutual investment, the continual gaining of skills and confidence.

4.3 Australia needs new HR skills and tools to create community and team effectiveness for spatially dispersed and highly mobile workers

Because the investment that is made in an employee can readily be lost, the parallel task is to build a sense of community within which the employee develops strong networks, a sense of community, trust and mutual dependence. Paradoxically, therefore, as Australia builds the workers' *skills, transferability and mobility*, it also needs to build their sense of *attachment* to the team and organization for which they are working. Australia needs to renew its thinking about the things that motivate high-skill, high-value workers to stay. The 'golden handcuffs' (superannuation, income maintenance, retention bonuses and insurance) need to be supplemented or replaced by an appreciation of the importance of job satisfaction and the quality of human experience in the workplace. Social as well as intellectual capital must be skillfully developed.

To build teamwork and sense of 'community' between geographically (or even globally) dispersed workers, and to reduce talent-snatching of Australia's increasingly skilled and mobile workers, it needs *new HR skills and tools*. This includes the new 'anthropology' (to use Rullani's term) of organizational community-building, to apply sensemaking, adopt new discipline in the operation of virtual teams; and new skills in the design and use of 'teamware' to support online learning and collaboration.

As Starke-Meyerring and Andrews argue (2006), it is part of the new fluidity in worker relations everywhere that a dispersed workforce must nevertheless develop a sense of interconnection and belonging:

> This shift has seen changes to the ways in which team work occurs, and the virtual world has emerged as a complex environment where success is dependent on a shared culture that facilitates knowledge creation and the best contributions of all its members. (Sofo, 2009, p. 121)

The manager/employee relationship is thus more complex, involving a tolerance for insecurity and ambiguity on both sides—while simultaneously encouraging trust, teamwork and information exchange within a fluid operating environment. This is, as Rullani (2010) says, an 'anthropological' challenge, requiring culture change as much for the HR manager as for the worker. Even the language of 'managing' is shifting to reflect the more ambiguous locus of power in self-managing and fluid team relationships, replaced by terms like 'harnessing', 'accessing', 'enabling', 'facilitating' and 'activating'.

There is a potential for software solutions to these dilemmas, creating online learning communities and communities of practice through 'team ware' and other internet-based HR strategies in support of the development of virtual teams (Sofo, 2009) – a particularly attractive solution for Australia due to our geographic isolation and economies of scale. The ability of software to facilitate asynchronous learning is also important for workers in different time zones and working on different project timelines.

Skillful use of teamware can assist with the creation of virtual teams who work independently with a shared purpose across space, time, and organizational boundaries (Lipnack & Stamps, 2000). However, to succeed such teams need a leadership culture of learning, trust and openness as success requires "a paradigm shift based on the use of new communication and social interaction technologies. This change relinquishes the physical handshake but enriches past human experience of face-to-face collaboration and community building". (Sofo, 2009, p.130).

5. Conclusion

The paper has suggested applications and relevance of the new anthropology (Rullani, 2010) and approaches for strategic repositioning of European nations to the Australian situation. The conclusion is that Australia is learning much from Europe's response to its own problems of economic downturn and global repositioning. The approaches include enhancing a mobile and responsive workforce, capitalizing on the nano-age and proactive engagement with emerging economic superpowers. Both Australia and Europe need to accelerate their own strategies of embracing cultural tolerance and flexibility, innovative and continuous learning and skilling, and more deeply embracing the new anthropology of organizational community building and sensemaking. Learning and development more than anything else assists people at every level to improve their performance and thus achieve the desired results. This is especially true for organizational leaders who have a duty to create a culture of flexibility and encourage the adoption of multiple perspectives to enhance creativity. This approach achieves the twin purpose of increasing the workforce capacity to innovate and to exercise sound judgment which is based on core skills in thinking critically, in interpreting and analyzing huge amounts of information confronting organizations daily. Cultivating attitudes of openness of mind shifts, the paradigm of supervision and management to that of development, interdependency, self-directed learning and *enlightened* self-interest focused on nations, organizations, communities and teams.

The paper has promoted a 'development-centric' view of organizations which reinterprets management as development and systems focused processes. For over two decades the literature has been hinting at the importance of learning and development in organizations but what needs to be made explicit is the imperative of a development mindset and attitude that supersedes a management mindset. This is the new anthropology, a new focus emphasizing social capital and learning as key drivers of organizations. HR is the key driver to convert knowledge and cement the explicit by exposing tacit learning. Managers, HR and HRD professionals need to invest time together to act as critical catalysts encouraging self-management, individual learning and team development through sharing collaborative experiences.

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