

People make integrated business planning

Dave Manning discusses why companies should recognise the significant strategic importance of integrating the workforce into their management process.



It has long been understood that people are the most important asset in business and that behaviour is the key to change management. Many companies have said these things; they have defined visions that emphasise the importance of people and created people-focused values. However, few companies live those values or have an execution process to ensure that the vision is continuously executed and not just reviewed at the annual strategic review away-day. There are, of course, exceptions to this somewhat cynical view.

One of the greatest leaders that I ever had the pleasure to work with was Gottfried Thoma who was the CEO of a tobacco company. He used to say: 'I know nothing about the tobacco industry [not true]. All I do is surround myself with great people and inspire them to do great things.' In fact, he changed his title from CEO to CIO, Chief Inspiration Officer. The difference with him was that he lived by this statement.

^ People are the most important asset in business

v CEOs list the attraction, retention and development of talent as one of their top three strategic business imperatives



I recently listened to a TV programme in which it was said: 'It's human nature to fear change,' which of course I have heard many times before. I fundamentally disagree with this point of view; the world and people have been changing for thousands of years. It is not change that people fear, it is not understanding the why that people fear, and it is education and leadership that clearly execute the vision and values that provide the why. People are not looking for management or bosses, they are looking for leadership and the opportunity for development.

The sales and operations planning/ integrated business planning (IBP) process that we see as the primary business management process, not as a traditional supply chain process, has always been about people and leadership, but sadly is often viewed just as a process to balance supply and demand. A few years ago while working on the development of this process at Mars in Dubai, the HR Manager asked me a very interesting question: 'You keep saying that people are an important part of the IBP process, so where do HR and organisational development fit into the cycle?'

It was a great question and I was not sure how to answer, so as a good consultant I bought some thinking time and said: 'Everywhere!' Unsurprisingly, she

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Six-step model

Figure 1

responded with: 'That's not good enough. You have to do better than that.' This retort led to a discussion out of which emerged a review in the monthly cycle that specifically covered people development that ultimately has led us to develop the traditional five-step IBP process into the latest DMI IBP six-step model – see Figure 1.

There have been previous developments of the IBP model that have tried to embrace the integration of HR into the IBP process. One of those models refers to this as the support review, which was a sort of catchall for support processes such as Finance, IT and HR. However, that did not enable the critical focus of people and organisational development that is increasingly being recognised as vital business processes that are fundamental to future business growth and success. In fact, in a recent global survey of 500 of the top CEOs they listed the attraction, retention and development of talent as one of their top three strategic business imperatives.

Young people today are not only driven by salary, but also want to work in businesses that offer personal development opportunities that are inspirational and have highly developed emotional intelligence. They are also perfectly willing to move to find what they are looking for; the days of a job for life have long gone. Do not confuse this with a lack of loyalty; they are simply being authentic and loyal to their beliefs and values. The job of the company is to create an environment that is congruent with those beliefs and values.

If we believe IBP is the primary strategic and business management process, then clearly people development must be integrated within the IBP process. This has led us to the development of the DMI model with a separate integrated people development review. This review is not about hiring and firing. It covers a much broader people and cultural agenda that includes:

√ People are looking for leadership and the opportunity for development

- The development of distributed or secure based leadership
- The development of people through education, training and coaching
- The balance of future resources and capability to meet future requirements
- Personal development and emotional intelligence
- Cultural development
- Health, safety and environment and corporate responsibility
- Living the values
- Attractive business conditions and work packets
- Communication employee feedback
- Work/life balance
- Reward and recognition
- Empowerment and continuous improvement
- Change management



^ People are an important part of the integrated business planning process

The head of HR at one of my clients, Xtrac has just received group recognition from its Human Capital Committee for the content and effectiveness of its IBP people development review. It is great to see more companies recognising the significant strategic importance of integrating people into their IBP business management process. At last, the old saying – that people are our most important asset – seems to be developing into actions and not just words. ☹

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