

ACADEMIC APPLICATION IS NOT AN OXYMORON

Commentary on "A Performance-Based, Minimalist Human Resource Management Approach in Business Schools"

DAVE ULRICH

It is almost ironic that the academic world of cloistered hallways, intellectual recluses, and ideas in theory (versus practice) faces the same talent war as other companies. As discussed by Dr. Lorange, universities, one of the last bastions of tradition, face challenges of research, teaching, and citizenship. These challenges resonate with the corporate world, albeit using alternate terminology such as innovation (research), product development (teaching), and citizenship (culture and governance). Given these similarities, rather than isolate academic institutions and their challenges, maybe it is time to learn with and from them.

Dr. Lorange does a wonderful job describing ways to overcome traditional isolationist talent processes. His principles are applied in an academic setting but are relevant elsewhere, including:

1. *Creating cross-functional, collaborative approaches to work.* Just as academics need to explore interdisciplinary approaches to problem solving, corporations must learn to work across boundaries. Working across boundaries means moving information, competence, authority, and rewards across department, product, or geographical boundaries. Collaboration brings individuals together with different skills and focuses them on a common goal (i.e., in academics, writing a book with a collection of essays). The same
2. *Measuring performance with outcomes, not just inputs.* Academics often measure research produced as tracked by publication in leading journals. As Lorange points out, in the diverse academic marketplace, success is not the ideas, but the impact of the ideas. Likewise, companies fall prey to activity measures of what people do, rather than what they deliver. The outcomes or deliverables of work require thinking about users or customers of products or services produced. And just as teaching becomes a two-way process between the teacher (faculty) and learner (student), companies must learn to involve customers in their strategy, product, and administrative processes. When customers are involved directly by participating or indirectly by having their ideas center stage, then organizations focus more on the value they create than the activities they do.
3. *Shifting from events to processes.* Lorange describes an innovative teaching approach where the definitive "beginning" and "ending" of the class are somewhat blurred. As students go from idea to ap-

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- plication to idea to application, they learn more effectively and better see the impact of their learning. Similar learning models readily apply to business settings. Traditional “five-day” leadership programs begin Monday morning and end Friday night, with token prework and little follow-up. These time-bound learning events need to be replaced with learning processes. Before an event, a participant may engage in self-analysis, business audits, or other prework to prepare for the ideas that will be shared in the learning experience. Then, after the learning modules, the participant may participate in peer follow-ups (sharing application with other participants), faculty follow-up (where faculty serve as coaches or advisors), or line manager follow-up (where the participant commits to apply the knowledge learned). We have found that the enormous amount of time and money spent on training has enormous payoff when coupled with a rigorous follow-up process.
4. *Paying attention to citizenship or culture.* The norms that reflect faculty/student interactions become the culture that governs how each group treats each other. These norms used to be parent-child, and hierarchically driven. I often make the joke that teaching used to be easy because when I gave a grade, the student accepted it and moved on. Now, unless students get the grade they think they deserved, they show up on my doorstep and argue with me about my inability to perceive their genius. Power has shifted to a more egalitarian relationship, which is good (for the most part, but we still may yearn for those good old days). In companies, cultures also depend on how information is shared, decisions are made, and people are treated. When information is shared widely, decisions are made according to a set of decision protocols, and people are treated with dignity, a culture of sharing and openness occurs. Just as faculty and students can colearn, so can companies jointly build future talent through their culture.
 5. *Acquiring talent.* In universities, talent drives success. By carefully hiring and promoting faculty who meet the criteria for research, teaching, and citizenship, the university will develop a reputation and achieve success. Likewise, companies who link their hiring and promotion processes to the goals of the enterprise ensure that those in charge not only focus on the right things, but also send a message to everyone inside and outside the organization about what matters most. Talent management is a large part of signal management, since people carefully observe promotion patterns. When hiring and promotion criteria are linked more to strategy than to politics or relationships, the right people are more likely to end up in the right positions.
 6. *Organizing resources.* In a university, if all the faculty share the vision, have commitment to it, and work individually and collectively to achieve it, then the span of control can be very large. Academic department heads can focus on the administrative duties of assigning classes and classrooms rather than on strategic directives. Likewise, in companies, when there is a clear and shared vision or purpose, when employees commit to the vision not just by their words but through their actions, and when the systems are in place to sustain the vision and its subsequent actions, very large spans of control may be created. We have seen in some factories a span of control of 200:1, because the employees shared the vision, knew what was expected of them, and self-monitored to make it happen.
 7. *Managing symbols.* Academic titles are mostly symbolic. To those outside the university, a professor is a professor, and the distinctions between assistant, associate, and full are window dressing. But for those inside the university, these distinctions take on symbolic (and some economic) value. Symbolism exists in all organizations. It may include things such as office location, size, space, and fur-

nishing; it may include perks such as parking or access to resources, or it may include access to key decision makers. And they matter to those inside a firm. Leaders should be sensitive to and aware of the symbols they manage and use to engage and focus employees.

8. *Ensuring performance.* In universities, tenure was the ultimate mark of performance, which assured one the capacity to be creative outside traditional boundaries. But just as tenure is losing its luster, so is guaranteed employment. In a world of competitiveness, transparency, and accountability, individuals who perform well will be duly rewarded and those who do not must face equally severe consequences. It is more difficult than ever to featherbed employees. Leaders must constantly challenge employees to learn and grow. Employees must realize that what they have done counts, but not as much as what they still can do. Equality, where everyone is paid similarly based on seniority and title, is being replaced by equity, where people are paid according to what they produce. Compensation gaps of 2 percent (an average increase of 4 percent with a range from 3–5 percent) are being replaced with wider salary bands. Where much is given, much is expected. The expected returns to employees may be base salary, bonus, and equity. Leaders who learn to differentiate performers based on performance gain credibility both from those who perform and from those who do not.
9. *Maintaining flexibility in HR practices.* In academic settings, the dean is unable to prescribe how people have to be treated in every situation. There are not consistent, clear, and applicable charts to guide how faculty are treated. Given some general principles around research, teaching, and citizenship, deans must have discretion to use HR practices to engage key faculty. Likewise, companies need to customize or personalize the employee deal. While companies used to seek standardization for assessing and measuring employees, they now must recognize individual differences in both contribution and reception. Employees at different life and career stages may have differing needs, and leaders need to learn to adapt organization practices to those needs.

Today, human resources represents the practices that any organization can adapt to link both people and the organization to business requirements. Rather than isolate academic institutions as unique and not bound by the same premises, it is probably better to learn from academic institutions that have found ways to engage and enlist faculty in meeting students, university, and professional purposes. The IMD case is a marvelous example of a high-performing, knowledge-based organization. Lessons can be readily transferred to most business settings. In fact, as knowledge-based organizations become more prevalent, lessons from managing academics will become even more applicable.

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