

THE WORLD NEEDS MORE SAGES

WRITER: JANN FREED



Many people follow celebrities. I follow leadership and management gurus. Our field lost a guru, Charles Handy, a true sage, in December 2024. Handy and Peter Drucker were both known for opining on the future of organizations and how employees would work in the future.

In previous “Leading Edge” columns, I’ve written about how soft skills are now the core competencies and how leaders need to create a culture where people want to work. Some of the themes emphasized include the significance of developing leaders, building trust, addressing loneliness in the workplace, and allowing hybrid work, which is here to stay.

Handy’s 1989 book, “The Age of Unreason,” elevated him to become a well-respected management expert. He forecast a world where employees work remotely and have “portfolio careers” in which they work for themselves and contract out their skills to companies—a precursor to the current gig economy.

Employee Empowerment

I admired Handy most for his emphasis on creating humane workplaces. He advocated empowerment whereby employees closest to the customer have the authority to make the best decisions to satisfy customers. In his memoir, “Myself and Other More Important Matters,” Handy wrote, “Organizations are not machines. They are living communities of individuals. The essential task of leadership is to combine the aspirations and needs of the individuals with the purposes of the larger community to which they all belong.”

Handy’s obituary in The New York Times noted that he often said, “I would urge you to remember the three different activities of organizing, leading, and managing, and to apply them appropriately, because I truly believe that managing people, instead of leading them, is wrong and has resulted in too many dysfunctional and unhappy workplaces. People are more than a human resource.”

Human Resources at Risk

Corporate leaders often say: “Human resources are our most important asset.” Yet, when costs must be cut, those human resources often are at risk. Research indicates that laying off employees can be a short-term fix, but it has a negative impact on employee engagement, morale, and loyalty. It is also difficult to determine how long the impact can last. Remaining

employees also experience emotions that affect their productivity and satisfaction, which is referred to as survivor syndrome. It is critical to support employees by being transparent in communicating and by providing time and space for them to process their emotions.

A Different Approach to Culture

The cover story of the Harvard Business Review (November-December, 2024) by Constance Hadley and Sarah Wright, was titled "We're Still Lonely at Work: It's time for companies to take a different approach to culture." Based on what we know about Handy and the conclusions from the article, I believe he would say, "Pay attention to employees by helping them make connections. Plan regular social activities and personalize the outreach. Lead, don't manage." Research by Hadley and Wright indicates that if leaders take these actions, "the result will be a happier, healthier, more productive workforce."

Again, as Handy said, "People are more than a human resource."