

PERSONNEL AND ORGANISATIONAL DEVELOPMENT IN SWEDISH FORESTRY

Klas Norin
Skogsarbeten
Sweden

BACKGROUND

There were several reasons why we, at the Forest Operations Institute of Sweden, became involved in the development of people and organisations in forestry. The main aim, of course, was to make better use of the competence and commitment of the employees. In the early 1980s however, this did not appear on the list of objectives of many forestry managers. Since most of these managers hailed from the period of rapid mechanisation that took place during the 1970s, the idea that the people within an organisation are its most valuable resource was not something that they could readily understand.

The change in attitudes towards work and bosses that has taken place can probably be traced back to the student demonstrations in Stockholm in 1968. Work was no longer regarded merely as a means of earning a living but was just as important an element as leisure time and family life. These student demonstrations also marked the end of authoritarian management, under which employees had been accustomed to bowing and scraping to their bosses.

The mid-1970s was also a watershed for forest workers. Following strike action, piecework in forestry was abolished, which meant that the main job done by the supervisors also essentially disappeared overnight. In the days before the strike, the chief task of a supervisor was to set the piecework rates. But now that the employees were all salaried, nobody could say what role the supervisors would play in the future. The supervisors felt that they had lost their influence over the employees and, in consequence, were at a loss to know how the employees could be made to work.

As a result of the reforms implemented in the training of forestry personnel during

the 1960s and 1970s, forest workers and supervisors at the beginning of the 1980s were a highly skilled body of people. Yet, despite this, their areas of responsibility were extremely narrow and carefully defined, which meant that most employees felt that many of their abilities were being wasted.

In the late 1970s a working group was formed at the Institute, consisting of researchers interested in people and their potential. Their interest partly sprang from the work they had done on enhancing safety in forestry. Slowly but surely they established a dialogue with the industry on the subjects of work organisation and management techniques. At the same time, somewhat unfortunately, they also acted as management consultants at the top level in forestry, although they did not have the necessary skills or experience for such work.

As could be expected, people started to question what was happening, claiming that the Institute should not involve itself with people but should stick to what it knew best, namely research and development in forest technology. So the working group withdrew and started to work at the other end of the line, out in the woods. Its first major success was an analysis of an inefficient seedling-distribution system. The study work was done by a female forest researcher with a keen interest in the human element. The recommendations put forward were adopted and the new system was found to work well - which it still does, in fact.

From that moment onwards, the forestry organisations have shown a steadily increasing interest and today our phones are constantly ringing. And, most important of all, we can now get the funding we need to continue the work.

Several factors contributed to the Institute's success in opening up this new field: changing attitudes in society, the forest-worker's strike of 1975, greater competence among forest workers and supervisors, and the enthusiasm of a small group of researchers at the Institute.

Back in the early 1980s, the Institute's advisory groups were made up of technically qualified people, who were low on humanistic psychology but high on common sense. But despite their technical learning, they allowed us to carry on and thus increase our competence and come good.

To start with we looked for good examples of particular types, along the lines of "Sweden's top planters - what makes them go?" We also tried to establish a common language in forestry, so that we could put these concepts to other people and be understood.

After a couple of years of much talking and numerous studies, our first commissions started to come in. A typical assignment would be a company looking to help its supervisors assign priorities to tasks when under increasing pressure, or to introduce a new production system for seedlings.

MANAGEMENT AND GUIDELINES FOR THE 1990S

Work on this project started in 1983 by drawing up a list of expectations and wishes that forestry people had in respect of the way in which forestry work should be organised in the future. A questionnaire was sent to 500 forest workers and 350 supervisors. We also interviewed 20 district managers, most of whom belonged to senior management.

The results of this survey identified six main areas for us to concentrate on.

A New Model for Change **(Development Model)**

What we needed was a model for organisational development in which change could

be regarded as an opportunity rather than as a threat to employees.

Changes can only be introduced successfully if those affected by them are encouraged to be involved in the process. This means, of course, that the necessary information must be distributed and time be allocated for discussion. Such additional time spent preparing the way will be more than repaid when the new procedures are implemented, since not only will the changes be accepted but the employees will actively be working to see that the decisions taken are put into effect.

The following procedure has proved to be appropriate, regardless of the type of change planned:

Creating a picture or vision of the ideal situation (AFTERWARDS).

This is the really challenging part. Working together in a group to create a vision of the future, without becoming caught up with current problems and difficulties. At this point, we are not interested in realities but in agreeing how we would really like things to be.

Specifying the current situation (NOW).

What we need here is a true picture of the current situation - the reality with all its flaws. This is not always as easy as it sounds.

Defining what needs to be done (ACTION).

So how do we get from NOW to AFTERWARDS? Which forces are working on the desired direction and which ones against it? Note that no action can be taken until the present NOW and future AFTERWARDS conditions have been defined. The necessary action will often then be in the form of a project.

So using the above model we have the chance to shape our own future.

There are three other ways of viewing the future:

- The passive approach - "It'll take care of itself".
- The remedial or reactive approach - "We'll cross those bridges when we come to them".
- The contingency approach - "We like to prepare ourselves for what the future holds in store".

The difference between these three approaches and the creative approach is that in the latter we are taking positive steps to shape our own future, whereas in the three passive approaches it is other people who determine the future.

Management By Objectives - The New Management Philosophy for Forestry

After the forest-workers' strike in 1975, which seemingly rendered the role of supervisor redundant, there was an obvious need for a management policy that would put the expertise and commitment of the supervisors to best use.

Yet in spite of this obvious need for a new management policy, particularly towards supervisors, there was surprisingly strong opposition to these "new-fangled" ideas such as management by objectives. Fortunately, however, senior management quickly saw the potential of management by objectives in organisations that were both decentralised and geographically widely scattered. The biggest problem was how to explain the benefits to the supervisors in terms they could understand.

We therefore produced a film which showed a supervisor using management by objectives to guide the work of a gang of cutters in thinning. Just two years after the idea of management by objectives had been presented to the delegates at one of our major conferences, the new policy had become accepted almost everywhere.

The theory is simple . . .

In management by objectives, the manager agrees objectives with the workforce and is then responsible for seeing that the work is followed up and that the necessary remedial steps are taken if objectives are not being met. But it is left to the workforce themselves to decide how the objectives are to be met.

But more difficult in practice . . .

Leaving the workforce to get on with the job and trusting them to do it properly was not something that came easily to supervisors in Sweden. It could largely be explained by the generation gap. This new approach came quite naturally to the younger supervisors, whereas the older ones found it difficult not to get involved with the details and to delegate the responsibility at everyday decisions to others.

Another major problem is that of defining the objectives. How should they be expressed? For instance, for harvester-based systems, should they be defined in terms of cubic metres per hour or in profit per cubic metre? There is obviously a vast difference between the two.

People Just Poor Machines?

There was no doubt that the attitudes of many managers towards their employees would have to change, to meet the expectations of the younger generation.

At the beginning of the last decade, many supervisors had been promoted because of their technical expertise. Indeed, sometimes you felt that they regarded their fellow workers not so much as human beings but more as rather poor substitutes for machines. So a great deal of the work we have done on the project has been directed to bringing about a shift in attitudes. We can probably claim a measure of success with this work, too, bearing in mind that our current project, which is also the Institute's largest, is involved with creating more attractive workplaces in forestry.

How To Reward High Productivity?

One of the main questions we had to find an answer to was how can you get the same level of commitment and involvement from workers when they are salaried as opposed to being paid piecework rates?

When monthly salaries were introduced, productivity fell sharply. Many supervisors felt powerless and thought that a return to piecework would solve everything. They seemed to be forgetting that they themselves were salaried, certainly committed to their jobs and often worked extra hours.

To get to grips with the problem, we carried out a project on the subject of remuneration systems. Although we did not come up with any patent remedy, the work did contribute towards a greater understanding of what motivates people to go to work to do a good job.

New Role Fore Staff Specialists

Another group of employees whose jobs looked in danger of disappearing were the technical staff specialists.

Swedish forestry was now moving away from the earlier functional organisation, in which the technical staff were responsible for the machine side of operations, towards a geographically structured organisation in which the responsibility for machine operations was given to the individual supervisors and their teams. This process created a great deal of conflict between the staff specialists and supervisors. But although decentralisation put new responsibilities on the staff, it also provided opportunities in terms of new tasks and new methods of working. In the nineties, the staff at forest enterprises function as internal consultants rather than as experts with operational responsibilities.

An internal consultant must have not only the right technical qualifications but also the skills required of a consultant. The technical expertise usually presents no problems, as consultants will work within their own fields of specialisation. There are still problems, however, associated with

personal and management development. But the main challenge facing these staff specialists is in developing the skills required of internal consultants:

- Establishing good relations, being a good listener and good communicator.
- Ability to create good forms of co-operation.
- Project work and drawing up suitable terms of reference with line functions.
- Ability to handle change and to deal effectively with conflicts and opposition.

After some searching, we found a good training programme for consultants, which had been developed in the USA by Peter Block and went under the name of Staff Consulting Skills. The programme was favourably received in Sweden and helped to find a new professional role for the staff specialists.

Developing Competence

New skills or competence needs to be acquired at all levels: Managers need to acquire skills in managing people; and forest workers the skills required to handle increasingly complex machine systems.

Competence can be defined as "the ability to cope with a situation" and consists of a variety of elements. We have defined six elements as follows:

- Knowledge
- Special skills
- Experience
- Contacts
- Values
- Mental and physical energy

Clearly, then, competence is more than just facts, knowledge and training.

Developing the level of competence is an important part of the strategic development of an organisation. Although every company must find its own way, one way could be as follows:

- Start from a vision of how you would like things to be.
- On the basis of this vision, define the competence required of the employees.
- Identify the existing level of competence among the employees.
- Draw up a programme for developing the necessary level of competence.

For some years now we have been working on helping to develop the level of competence among employees in a number of forest districts. One thing we have found is that the work often takes much longer than you would expect. One of the stumbling blocks is in specifying how one would like to see things in the future. Many people are inhibited by the need to be realistic and have too little confidence in their own ability to realise their aspirations.

INVESTING IN PEOPLE AS A RESOURCE

The main objective of the work done by the Institute is to make forestry in Sweden more efficient, using whatever means are available. In more tangible terms, this means that we are trying to ensure that the industry gets the wood raw materials of the quality it needs at the lowest possible cost, at the right time and at the right place. Resources that can be used more efficiently include the capital tied up in forest land, machinery, stocks of wood, roads, etc, but also, of course, people and work organisation.

The areas that we have traditionally been involved with at the Institute are the capital investment in forest land, machine resources and roads. Nowadays, we have a well-developed road network, our machines are among the most efficient in the world and to achieve an annual increment in our forests of more than three of four cubic metres - which is the average today - is very much hampered by the environment and climate in Sweden. Many people are therefore of the opinion that there is only one resource left with great potential for investment - people. By that I do not mean that we need to make them

sweat more; what we are interested in is making fuller use of their competence and commitment.

When we are considering investment in one resource of another, we can usually do a pay-off analysis to assess its potential value. When it comes to people, though, conventional analysis methods are either difficult to apply or cannot be used at all. This means that the managers responsible for investment decisions often do not feel inclined to allocate the often large amounts of money needed for personnel development. It is far safer to invest in something that will give a tangible return.

So if a manager is to take the decision to invest in people as a resource, he must not only hold the conviction that the employees have a lot more to give, but he must also have a cool head. What we are asking of him is to invest a large amount of money without being able to produce a costing to justify it - which is no doubt asking a lot for many managers.

Yet the forestry sector in Sweden in recent years has given the Institute large amounts of money for the purpose of raising the level of competence, through personnel and organisational development, without any certainty that it would ever secure a return on the investment. Today, though, they are glad they did. For what lies ahead is not a time when people will be begging for work but a time when companies will have to make every effort to provide jobs and workplaces that are attractive enough to interest suitably qualified people. Indeed, developing attractive workplaces in forestry is what our next major project will be directed at. But more about that in my next address.

To work on personnel and organisational development in a research institute certainly means that you have to take the rough with the smooth, but I trust that what I have had to say will not discourage you from concentrating your efforts on your human resources. On the subject of personnel development, a senior manager recently declared that "It was easier years ago but it's more fun now" - a sentiment I am sure many in the Swedish forestry sector would heartily agree with.

Knowledge
skills
experience
contacts
values

Energy

competence

stuff connecting
skills - Peter Block
u.s.