

*What impact does the current financial crisis have on personnel work in organisations?  
What are the contributions, and what are the necessary adaptations?  
How can long-term issues be confronted in a secure and stable context?*

## Financial crisis: HR in difficult times

# Avoid pitfalls, seek prospects!

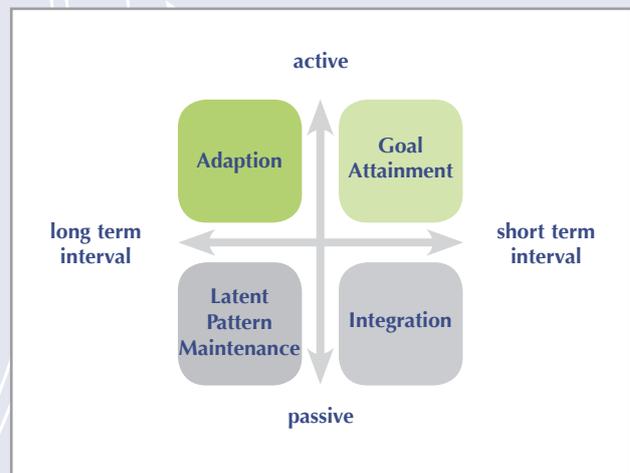
The gale warnings forecasted a hurricane, which will seize the real economy from the financial markets. The spirals of unaffordable investments, forecasted redundancies, insecurity, and sinking purchasing power, which has led to a slump in revenues, have begun to turn. Industries are threatened in logical order. New media reports contribute to the general mood every day.

The political reactions are different now than they were in 1929. The outlook on high market dynamics has plausibly forecasted a quickly diminishing tempest, due to the commitment to national regulations, the relaxing of deficit limits, as well as broad measures that encourage and strengthen investments. Unlike what one may expect of instinctive reactions, companies are also required to react. There is a rare opportunity, which is currently present in this forecasted storm, as well as transformations that must be taken into long-term account.

How many requests for change and re-orientation have been contemplated, prepared, and promoted in the past years? However, due to a lack of noticeable urgency and motivation, these requests have petered out, abated, or at least been temporarily filed away? The spirit – right now! – can be applied to this subject matter. Through emotional intelligence and resonant leadership, the necessary atmosphere can be created within an organisation. This atmosphere is even more necessary during critical times, as a strategic competitive factor. These dynamics seize and utilise the positive aspects of a situation, in order to carry out issues that are long overdue, to sharpen strategic positions, as well as to shape working style and leadership culture.

The danger of these dynamics is the potential damage to long-term processes of short-term activity planning. Especially development processes of social systems (human

resource issues in the broadest sense), are subject to this danger. The ARGO HR position package, as an approach to focussing and intervention, manages to balance necessary reactions and enduring challenges, while keeping perspective at the same time.



In its HR position package, ARGO focuses on the obligatory functions of systems, which are needed for survival. These are subsequently assigned to the long-term challenges. According to sociologist and systems theorist, Talcott Parsons, each system must fulfil four functions, in order to maintain its existence. These functions are depicted in the AGIL paradigm:

1. **Adaptation:** the capability of a system to adapt and react to changing external conditions
2. **Goal Attainment:** the capability of a system to define and pursue goals.

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## | *Quadrant of results*

The structured preparation of results taken from surveys, developments, or processes is often very difficult. The quadrant of results assists in reflecting over the newly collected results, to prioritise intuitively, and to execute systematically.

	expected	unexpected
positive	How can we continue to support the existing positive qualities?	How do we strengthen and develop these unexpected qualities?
negative	Are the reasons for these expected negative aspects imperative, what could we do otherwise?	How much weight do these aspects carry, how can effects be eliminated, and what can be instantaneously done?

1) In a first step, the negative and positive facts are spontaneously presented, with regards to an existing result. It is thereby important to capture and keep individual perceptions. Every participant should, thus, note down all positive and negative impressions on small cards.

2) Afterwards, these positive and negative impressions are coupled with the following questions and pinned onto the respective areas within the quadrant:

What result was expected?

What was unexpected?

3) Depending on the quadrant, other questions for further processing will arise from the respective topics on the small cards. Based on these questions, package schemes are discussed and recorded.



## | *Renate Legény*

Due to private reasons, Renate Legény, a long-standing employee, has left ARGO. We would like to take the time to thank her for the many shared events and experiences, and wish her all the best for the future – both private and professional!



## | *Personal Austria*

For the first time, ARGO was represented with their own stand at the Personal Austria this year. A challenging, if not arduous experience, which brought us a lot of exciting and congenial new contacts and discussions!

## | *ARGO talktime*

Although the weather was not brilliant this year, we still managed to animatedly and successfully discuss and work: employer and leadership branding, potential and talent promotion, as well as the issue of the burn-out syndrome were the hot topics of the discussions. What can be done how? What are the pitfalls and opportunities in HR? Like every year, an outdoor exercise was offered – and superbly solved!



Good planning ...



... and controlled execution



# SOCIALS

## | *ARGO wintertime 2008*

The winter gathering of ARGO took place with some homemade punch and a few fragrant, roasted chestnuts. Just like last year, it began snowing gently after dusk.



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3. **Integration:** the capability of a system to create and secure cohesion and unity.
4. **Latent Pattern Maintenance:** the capability of system to sustain basic structures and value patterns.

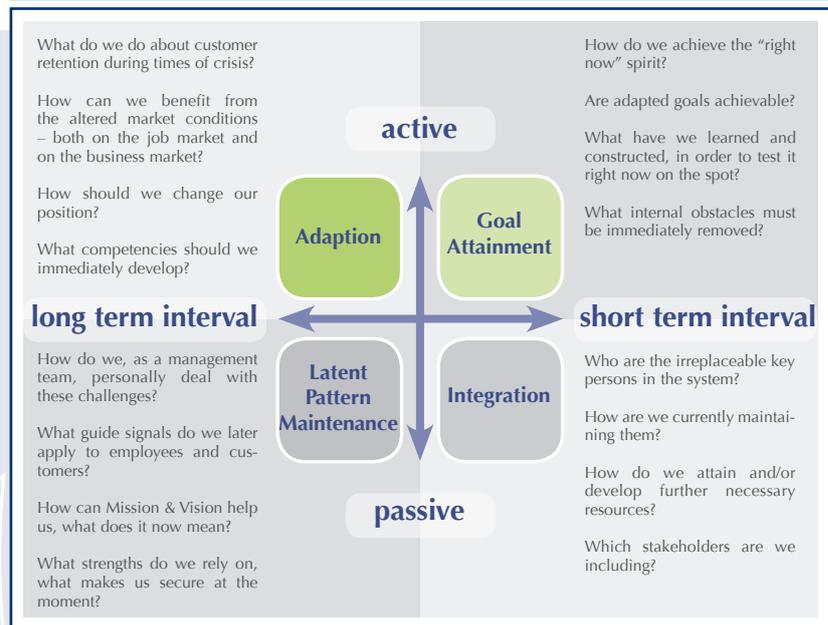
This system is able to designate challenges, which continue to be corporate objectives despite certain difficulties.

- 1) The buzz word, **“War for Talents”**, as an effect of the demographic change. The targeted assistance, maintenance, and attainment of personnel competence will continue to be indispensable.
- 2) The development of the **“Learning organisation”** must continue to advance, and will prove itself in times of crises.
- 3) **“Customer retention”** is more efficient than trying to obtain new customers. Sustainability and trust are valuable qualities, especially when current events lead to the point of absurdity.

HR experts have good answers to a lot of these questions, and ARGO has a lot of experience on a lot of these issues. The result of this focussed work is an HR position package suited to your corpora-

tion. The package is comprehensible, and provides you with a good overview. As a result, HR manages to create perceivable value added, in relation to the crisis, by actively securing and creating value for the company. At the same time, personnel work issues in long-term cycles, are taken into account. Pitfalls are avoided, prospects sought, and the company remains AGILE.

### AGIL paradigm by Parsons



## Outlook

- The ARGO **report** 2009, with the working title of „Führungsstil – Bilder, Erwartungen und Spannungszonen zwischen West und Ost“ (“Management Style – Images, Expectations, and Tension Zones between the West and the East”) is currently in planning. We will inform you on the results.



## Imprint

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*I am looking forward to your reply!*