

OCTOBER 2019

Organisation Development manifesto



This Manifesto sets out a new direction for OD, one that will allow our field to rise more effectively to the challenges in a world of multiple and major inflection points.

DR. CHRISTOPHER WORLEY, SENIOR RESEARCH SCIENTIST, CENTER FOR EFFECTIVE ORGANIZATIONS



I welcome the timely publication of this OD Manifesto given that the partnership between HR and OD is becoming increasingly critical. Organisations face more and more complex challenges and neither HR nor OD can succeed on their own in addressing them. There has to be a strong mutual understanding and respect between them, and this Manifesto is a major contribution to achieving that goal.

DR. MEE-YAN CHEUNG-JUDGE, FOUNDER, QUALITY AND EQUALITY LTD.



foreword

CRF's long term and deep experience of working with senior HR and business leaders, as well as our extensive links with academic research, allows us a special insight into the crucial importance of Organisation Development (OD) in organisations.

Our work contrasts with that of many self-appointed experts and 'gurus' offering their view of the world based on unsubstantiated opinions. Our approach is rooted in the principles of social science, based on evidence and evaluation.

Volatility and uncertainty confront many of our organisations. Our intention in commissioning this Manifesto was to highlight the challenges and the potential solutions which informed OD professionals – working closely to their businesses – could provide. We are aware this is a big ask.

We would like to thank our good friend Geoffrey Matthews who authored this Manifesto on our behalf. We hope you find it useful.

Mike Haffenden, Richard Hargreaves, Nick Holley, Gillian Pillans and John Whelan MBE, Corporate Research Forum

EXECUTIVE SUMMARY

- We are all aware that many organisations need to be more agile in response to today's rapidly-changing world, that heightened competition means they must significantly improve their productivity, that various stakeholders are making conflicting demands that stress prioritisation and decision-making, and that competition for talent means they must address seriously the contribution and wellbeing of their people.
- We believe that there is therefore an important opportunity and urgent need for OD as an approach to make a greater impact on organisations and their people, underlined by social, political, economic and technological factors that have combined to create a climate of both uncertainty and opportunity.
- The HR function has been reorganising itself for many years, but its improvement and impact has not always been optimal. This is especially so when it comes to enhancing people and organisational performance or tackling the roots of issues such as unhealthy workplace cultures, lack of diversity, disengagement, and so on.
- Understanding OD as a key lever for overcoming these business- and people-related issues is essential for HR. Good OD adopts a holistic and systematic way of thinking that avoids the risk of piecemeal (and ineffective) solutions and breaks the silos that the Ulrich model can sometimes promote.

OD should first and foremost be seen as a way of thinking about and viewing the world.

- Businesses need professionals (either organised within, or supported by HR) who:
 - Are steeped in the theory and practice of OD.
 - Have a personal skillset and disposition which equips them for coping with complex and difficult organisational challenges.
 - Have a close-to-the business mindset which enables them to discuss, debate and analyse business issues, and promote tangible improvements.
 - Are aware of and alert to the major factors and trends impacting organisation life.
- While it may form a discrete function or be part of HR, OD should first and foremost be seen as a way of thinking about and viewing organisational and social outcomes.
- Consequently, we disagree with those who question the future value of OD, and are convinced it is more essential than ever. This Manifesto therefore describes how we see the current situation, highlights barriers to be overcome and suggests some recommendations as a way forward.
- We see this as an opening statement, not a definitive document, and most of all as a call to action for the HR community and beyond.

The Need for OD

In the face of faster business, technological and societal change, the pressure on organisations to succeed is greater than ever. Issues faced range from digital transformation, globalisation, demographic change, urbanisation and climate change, and the 'new capitalism', to challenges of resource scarcity, consumerism, demands for more transparency, and political volatility (Cheung-Judge [2017]; Sennett [2006]; Toft [2018]). As Kates et al. (2018) conclude, "The context for organisations today is one of complexity, interconnectedness, and digital disruption." (p.6). Perfetti et al (2019) contend that "If the keyword for the 20th Century was 'speed', the keyword for the 21st Century is 'agility', as organisations struggle to learn how to play an ever-evolving game of business on an increasingly accelerating and shifting playing field where speed alone is insufficient to ensure success." Businesses find themselves in a dynamically changing world, one where they need to manage the tension between efficiency and control on the one hand, and flexibility and agility on the other. But unless they can get to grips with major issues such as the needs to raise productivity, foster innovation, and become more nimble, they will fail in the long run. All of these are ultimately organisational problems, and solving these issues all require OD to be at the centre if we are to find effective answers.

INTRODUCTION

The period immediately after the Second World War saw an explosion of interest in how organisations work. In contrast to the grimness of working life depicted by Orwell, or the dehumanisation of Chaplin's 'Modern Times', a group of postwar pioneers saw the chance to use social and behavioural science to help organisations rebuild themselves for the better.

The German emigré, Kurt Lewin, was a key influencer in the US, pioneering action research and T-groups. Eric Trist and Ken Bamforth from the UK's Tavistock Institute conducted research amongst Yorkshire miners that resulted in the development of social-technical systems (STS) design thinking. These and other insights subsequently led to the coining of the term organisation development (OD), with an important expansion of the field from the 1950s through to the 1970s, bringing with it the promise of making substantial positive difference to organisations and the people working in them. Yet today, despite the challenges facing so many organisations, the world of OD seems riddled with doubt and confusion, hindering the impact it might have. Arguably, few new concepts have emerged in the field since the early 1990s, and some leading figures in the field, such as Bradford and Warner Burke (2005), suggest that much OD work today is not really worthy of the name and have questioned whether OD even has a future.

Our contention is that the need for OD has certainly not gone away, but on the contrary is increasing. Employees' search for meaning in work is greater than ever, organisations are increasingly struggling to understand how to improve their effectiveness, and leaders are under pressure to make sure their organisations are socially and environmentally sustainable for the longterm. But if this is so, what can be done to meet these needs of the twenty-first century? OD is a relatively young field, and the depth of knowledge and expertise in the field is still limited. Our view is that a new, refined, reinvigorated OD is therefore called for and we have created this OD Manifesto as a call for debate, discussion and – most importantly – *action*.



If the keyword for the 20th Century was 'speed', the keyword for the 21st Century is 'agility'.

At the same time, there is strong evidence pointing to poor organisational health, negatively impacting those that work there and undermining the ability to attract, motivate and retain the best. Newspaper headlines about executive fraud, corporate greed and abuse at work have all undermined trust in business leaders. While some might suggest these are just a few high profile 'rotten apples', this ignores wider trends such as growing inequality, workplace insecurity, increased power differentials and lack of employee 'voice'.

32%

of employees felt uncomfortable approaching their boss with a problem at work

In the UK, a recent TUC survey reported that 32% of employees felt uncomfortable approaching their boss with a problem at work, (Brown, 2019), while the latest UK Working Lives Survey (CIPD, 2019) found that three in five people worked longer hours than they wanted to, and only 51% felt they received the training and information needed to do their job well. It has also been reported that one-third of EU workers were expected to work at high speed and pressure while 16% suffered from job insecurity (Eurofound, 2017). Other experts have highlighted issues around stress-related illness and absence from work, inadequate job design, poor mental health, 'vocation frustration', and 'presenteeism' (CIPD 2016; ILO 2016; Papadatou, 2018). In such environments, people are less likely to give of their best, and OD offers a solution not only to support future organisational performance but also to improve working lives everywhere.



49%

of employees didn't feel they received the training and information needed to do their job well

CEOs are therefore confronted by these twin challenges of the need for greater agility and to foster organisational health, but may lack all the skills needed to drive these and to navigate challenges such as technological change, M&A, etc., especially given the complexity and interconnectedness of the issues involved. Despite many different models underlining the need for alignment (e.g. Galbraith's Star Model, Nadler and Tushman's Congruence Model, McKinsey 7S, etc.), organisations may be ill-prepared to address these changes comprehensively and so hinder their performance by failing to meet their intended goals.

What do we mean by OD?

OD has its roots in studies of organisations before the Second World War, such as Weber's work on bureaucracy, the development of scientific management (or 'Taylorism') in

manufacturing and the response to the latter offered by the human relations school of thinking (Mayo, Herzberg, McGregor, etc). From the 1940s onwards, OD itself arose from multiple areas such as action research, social technical systems, group dynamics, process consultation, organisational alignment, job design, participative workplaces and change processes (e.g. appreciative inquiry).

As a result, OD can be viewed in many different ways. Between them, Cummings and Worley (2018) and Cheung-Judge and Holbeche (2011) identified a dozen different definitions of OD and the risk is that, by spanning so many areas such as organisation design, change management, team effectiveness, and so on, OD may be seen as everything and nothing. A clear definition of what OD means is essential and we would agree with Cheung-Judge (2019) that it is "a field of applied behavioural science to enable organisations to increase performance and to ensure robust organisational health".

OD is a field of applied behavioural science to enable organisations to increase performance and to ensure robust organisational health.

Furthermore, since the 1980s, many key organisation-related innovations have been driven more from outside OD than within, such as TQM, reengineering, business process management, agile working, holocracy, and so on. OD practitioners have mostly been overtaken by major consulting firms, whose access to the C-suite has instead led to them becoming the go-to source of advice for issues such as change management (Pasmore, 2018a).

We see the fundamental principles of OD as:

- Diagnosis or assessment is at the core of good OD. Start with a problem or opportunity and determine the root causes.
- Holding and maintaining a holistic organisation perspective.
- That organisations are interconnected systems and should be considered as such.
- That participation, involvement and effective communication are fundamental platforms for effective OD.
- Powerful tools such as action learning, designing thinking and action research can often point the way to major improvements.
- That improved effectiveness, broadly viewed, and increased capability (i.e. learning) are the intended outcomes.

Barriers to OD Success

“OD is profoundly important but practitioners need to be credible and willing to challenge authority if they want to be respected and make a genuine difference. Too few currently meet this critical standard.”

BILL PASMORE, CENTER FOR CREATIVE LEADERSHIP



Why, then, is OD unable to fulfil the potential opportunity it has? What has instead led it to be marginalised and lack the impact it should have? We suggest there are six main obstacles that hold it back.

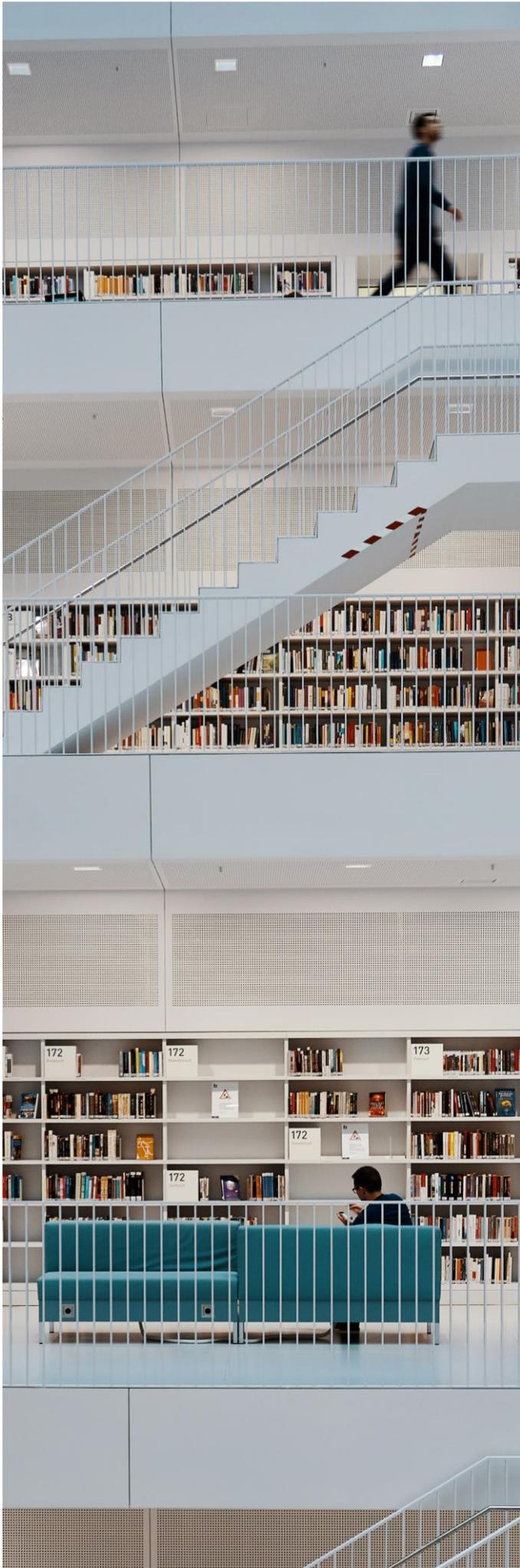
BARRIER #1

OD'S RELUCTANCE TO ENGAGE WITH THE BUSINESS

While much OD experience originated at the coalface and on the factory floor, a number of observers (Schein [2005], Minahan and Cheung-Judge [2017]) have pointed to a tendency for some practitioners to retreat into more individualistic and 'softer' aspects of OD work rather than understanding current business imperatives and grasping fully the opportunity to make a difference at the organisational level. Yet the humanistic origins of OD did not prevent early practitioners from 'getting their hands dirty' in the business and OD needs to be rooted in the reality of organisations. Putting itself on a 'purist' pedestal or practicing 'OD for OD's sake' just minimises the considerable impact it can otherwise have. OD 'jargon' without business purpose and supporting evidence will not have the requisite impact. This is not to ignore the importance of ethics, but simply to stress that OD professionals cannot be detached from commercial realities but need to be actively involved in their organisations, show business 'savvy', understand where value is created and be attuned to where they can make a difference to future success.

It's important that the humanistic origins of OD do not prevent practitioners from 'getting their hands dirty' in the business.

Practitioners also need to be smart about which interventions make sense, and so the questions of appropriate 'fit' and timing are key (Cheung-Judge, 2018). OD professionals need to avoid simply focusing on troubleshooting and failing to deliver lasting change. Likewise they need to understand broader complexities and business needs, or else they leave a vacuum in this area for others to fill. Yet the continued failure rate of most change initiatives, M&A, etc., shows that there is a real need for OD practitioners to step up to such challenges, to get beyond simply addressing 'soft' issues and to start demonstrating the value they can really add.



AN OVER-RELIANCE ON METHODOLOGY

While we agree that anyone working in this field needs to bring a strong body of knowledge of theory and research, we would contend that OD is more than a toolbox of concepts and models, and that, while they can be helpful, such techniques need to be proven, validated and contextually appropriate. Moreover, their over-use may alienate clients, and risk becoming a substitute for robust process, analytical and communication skills. Practitioners also need to be close to the organisational realities of where they are working, and be in touch with critical external trends that can affect the business environment in the future. Professional credibility is therefore imperative but so is a readiness to get out of one's comfort zone, be authentic and – where needed – to 'speak truth to power'.

Without data, OD is ungrounded; without dialogue, it is imposed; and without dynamism, OD is irrelevant.

OD is therefore more than a collection of concepts, and is not 'formulaic' (Cheung-Judge, 2018). It depends on research, engagement with others, analysis and synthesis, and – importantly – taking action. As Varney (2019) argues, "Without data, OD is ungrounded; without dialogue, it is imposed; and without dynamism, OD is irrelevant" (p. 69). Cheung-Judge and Jamieson (2018) also stress the importance of use of self and being attuned to oneself and the surrounding context in deciding how to act. Otherwise, without these competencies, OD people are in danger of being reduced to "tool-oriented technicians" (Cheung-Judge & Holbeche, [2011], p. 25).

Without the right competencies, OD people are in danger of being reduced to "tool-orientated technicians"...

BARRIER #3

THE TEMPTATION OF SIMPLISTIC SOLUTIONS

Examples abound of offerings that are touted as *the* answer to organisational problems (e.g. coaching, culture change, performance management, business transformation, etc.), even though these may often be incomplete (and even simplistic) responses which cannot succeed unless integrated with other organisational issues. Leadership itself is often treated as the salvation for such problems even though, as Worley (2015) comments, "...teaching people leadership behaviors is like painting the outside of a house that is about to fall apart", if attention is not paid to other factors such as structure and processes as well. Piecemeal approaches therefore carry a great risk of being ineffective, but may result from silo working in HR, with different centres of expertise offering narrow solutions that reflect their view of the world.

Moreover, approaches like benchmarking or sharing 'best practice' ignore the fact that such outside-in perspectives fail to take account of organisational context, readiness, and so on. Other areas of activity, such as project management, can overlap with OD, and the risk is that the former may be mistaken as a proxy for the latter. This is particularly the case with change management which Worley (2018a) contends is different from OD in that the former is often imposed, fails to take account of context, and is insufficiently focused on building organisational learning and change capabilities for the future. Indeed – despite its popularity – Varney (2019) concludes that change management "as a discipline, is largely untethered from any coherent theoretical and ethical framework to guide its practice" (p.63). OD practitioners therefore need to speak up when

businesses are driven by fads, quick fixes or 'recipe book' approaches, instead taking a robust holistic look at an organisation's specific problems as the basis for defining appropriate solutions.

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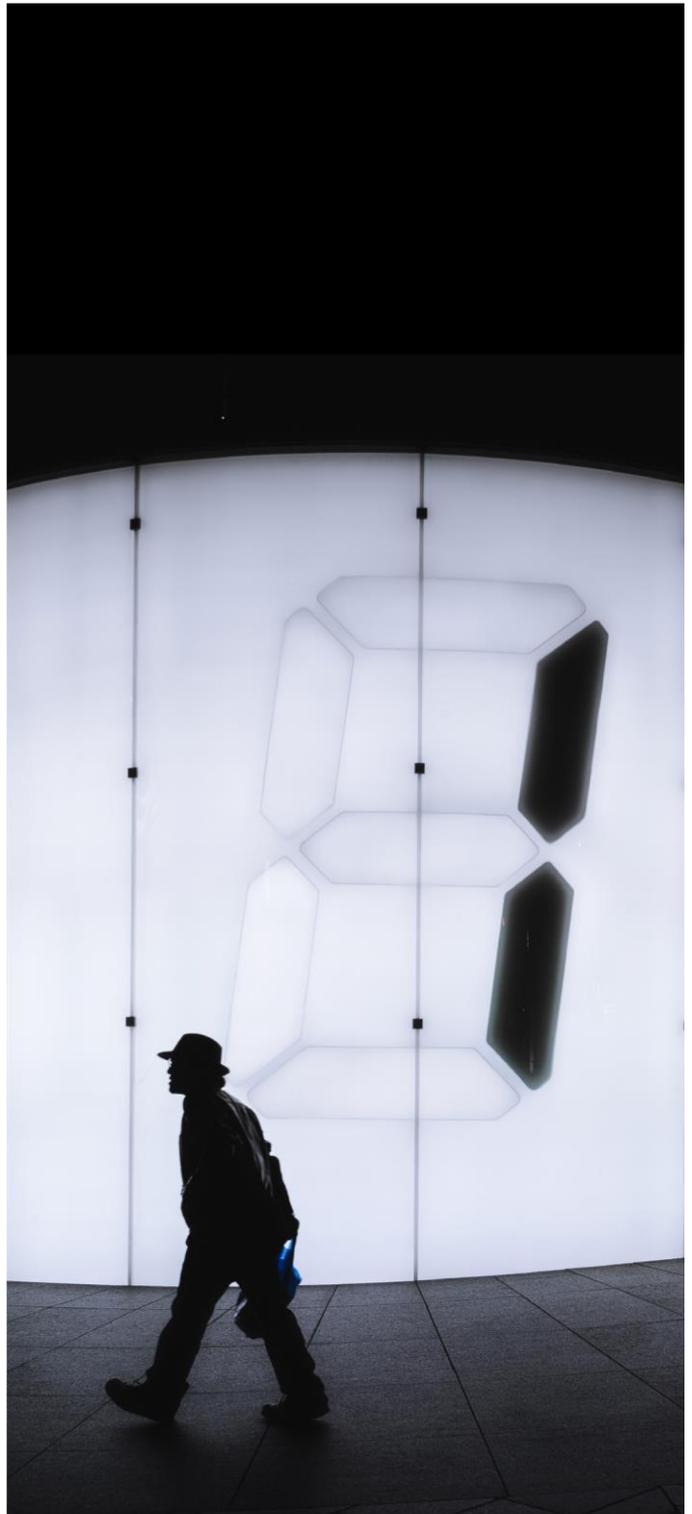
One response to such management 'fashions' is to take an evidence-based perspective instead. However, such an approach risks limiting solutions to those for which there is irrefutable proof, discarding emerging concepts (such as employee engagement [Briner, 2014]) and potentially overlooking the importance of organisational 'fit'. So while OD is built on solid research, we would contend that a narrow evidence-based view is too restrictive. OD practitioners need to take a more empirical perspective as they operate in the 'here and now' of organisations, relying on evaluation and judgment where measurement is not possible, and not eschewing other concepts if they assist with the process of sense-making and if they enable organisations to get clarity as to what their issues are. Rather than trying to be wholly 'scientific', practitioners should leverage the inherent potential of an action research approach (Pasmore and Friedlander [1982]) rather than be hidebound by a pure evidence-based mindset.

OD is premised on the awareness that human beings are not predictable, that behaviour can often be driven by unconscious, irrational factors, and that resolving

organisational situations requires working at the limits of evidence, where attunement to clients' needs and use of self also play an important role. OD also recognises that participants in organisations may have different realities as to how they see the world, and that interventions need to start from where people are. In this sense, OD's action learning method privileges awareness, curiosity and insight, and its approach is first and foremost based on practicebased evidence.

OD practitioners therefore need to think systemically, be sensitive to culture and behaviour, and work at all levels of the organisation. Schein (2005) even contends that OD consultants need to be attuned anthropologists in order to understand organisational culture. As Cheung-Judge (2017) argues, they need to take a holistic approach and "work on the duality of building organisation effectiveness and health" (p.19). Without this, OD is little more than 'rebadged learning and development' (Saville, 2018), an eclectic set of activities whose practitioners will be marginalised to work on peripheral topics and not have the impact they deserve.

BARRIER #4



“You simply can’t do OD right without correct diagnosis. That means using multiple sources of data and evidence, not just qualitative interviews with senior executives. OD practitioners need to up their game in sourcing and interpreting quantitative performance data.”

**PROFESSOR TOMAS CHAMORRO-PREMUZIC,
UNIVERSITY COLLEGE LONDON**

A NARROW FOCUS ON THE FINANCIALS

A further barrier to OD has been the strong focus placed by leaders on financial performance as the key measure of success for organisations, especially since the global financial crisis. With austerity overshadowing much of the public sector during the past decade, businesses have been pursuing a race to cut costs in the face of globalisation, and executives are increasingly motivated by rewards strongly tied to share price growth. Too often businesses have seen their organisation as a drag on success and a cost burden that should be reduced, whether through outsourcing, offshoring, delayering or (more euphemistically) 'rightsizing'. Major management consulting firms have often been at the forefront of such initiatives, promising so-called tried-and-tested means of 'unlocking value', with OD practitioners rarely called on to help instead.

Yet while costs obviously cannot be ignored, research suggests downsizing, M&A, and business process reengineering does not translate into lasting improvement in financial performance, and may even be counterproductive (Cascio et al [1997]; Zorn et al. [2017]). Moreover, such a narrow perspective on cost-efficiency has led to shorttermism, often combined with a lack of concern about the impact on employees, and a neglect of factors that contribute to longer-term success such as know how or adaptability. As a result, the drive to 'make the numbers' has left little room for seeing organisation development as a creator of value, or for attention being paid to intangible sources of competitive advantage.

BARRIER #5

A GROWING RELIANCE ON DATA AND ANALYTICS

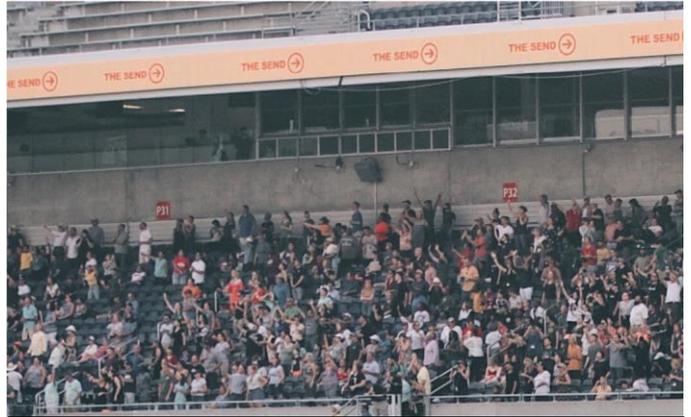
Digital change has led to an explosion in the potential use of people data, aided by real-time collection of employee experience data, the growth of HR analytics and the increasing role of AI. Employee surveys provide algorithms to prompt managers how to engage their staff. Humu even claims it "drives behavioral change with the power of people science, machine learning—and love." In comparison, OD may seem slow, cumbersome, and simply 'old hat'.

Our contention, however, is that such digital methods are too limited for the following reasons:

- People-related issues cannot be boiled down to simple numbers. While people surveys help, their validity is limited by the content and form of the questions asked and reliability of the information captured, which is why OD has always placed great store on qualitative research as well.
- Technology cannot address all such people problems, and it is a reductionist approach that presumes all human issues are rational, and therefore can be predicted and controlled.
- Organisations are complex dynamic living environments, which would stretch the best of algorithms to keep up with and to analyse.

In reality, organisations have to be lived in and understood in the here and now, and data and analytics need to be seen not as ends in themselves, but as inputs together with observational and other data. Combined through dynamic action research, OD can help bring all these insights together to ensure solutions are agile and properly rooted in their organisational context, and to use quantifiable methods more readily in order to demonstrate the value they bring.

BARRIER #6



“To regain its place as the standard-bearer of human potential, OD must shift its focus from enabling change in people to building agile and sustainable systems that liberate individual possibility.”

LACKING A PLATFORM FROM WHICH TO INFLUENCE

Bradford and Warner Burke (2005) contend that OD work is frequently assigned to more junior staff, who lack a say in strategic decisions and are confined to sorting out the mess after the organisation has moved on.

HR professionals may lack the selfawareness, contracting skills or process or content expertise to partner appropriately on OD work.

OD may often be part of HR, which may likewise lack business ‘clout’, and has its own lens and language that can get in the way when interacting with leaders. Moreover, understanding of OD can be limited in HR – this is especially so in the UK (Roper, 2018), where the CIPD has only recently added OD as a fully-fledged element of the profession’s career map. As a result, HR professionals may lack the self-awareness, contracting skills or process or content expertise to partner appropriately on OD work, and may confine the scope of such activity to (say) teambuilding or helping out with change if needed. Furthermore, the weight of transactional and compliance work means HR risks being insular and internally focused rather than being connected sufficiently to the business and customers.

Sponsorship and support for OD are critical if it is to have a voice – and one that is heard.

While OD may in some cases be a separate function or part of (say) a strategy or corporate planning office, the digital revolution means OD may be bypassed altogether, with a growing number of Chief Transformation Officers being appointed to deal with such challenges instead (Wade, 2019). Sponsorship and support for OD are therefore critical if it is to have a voice – and one that is heard.



THE FACTORS



A new era for OD?

Our view is that now is the right time for OD to reclaim its role as an essential player in driving organisational success. There are multiple factors contributing to this, such as:

- Digital transformation and the impact of the 'platform economy' (Bris et al. [2019]) means many organisations are reinventing themselves and deciding what remains internal versus being externalised, and what remains a physical business versus a virtual one. This in turn may engender issues of creating new capabilities, or addressing coordination and governance in the face of greater complexity and ambiguity. Indeed, digital strategy expert Professor Chris Bones argues that "Digital success comes more from getting the organisation right than it does from investing in the latest technology." (De Vita and Rock [2019], p. 32).
- Issues such as the impact of automation on jobs, the rise of the 'gig economy' and widening pay relativities have put organisational issues high on the agenda, not only of business but of governments and society as a whole.
- Growing competition for talent means that employee experience and organisational reputation combine to make organisational health a business priority, not a 'nice to have'. At the same time, OD's humanistic values are very much in line with the concerns of generations now entering the workplace, who want to find meaning in work and expect organisations to focus on more than just the bottom line.
- Businesses have focused heavily in the past few decades on cost reduction and efficiency, but now have the more difficult task of unlocking organisational capabilities to focus on value creation, agility and innovation. In this way, OD can help increase the intangible value of companies (Kemsley, 2018).
- Significantly, digital companies such as Google have built their success on leading-edge approaches to management and organisation (Steiber, 2014), and Chinese companies like Alibaba are likewise making major investments in OD (Cheung-Judge, 2018). Creating the right organisational environment is therefore key if innovation is to take place.
- Organisations face increased demands to respond faster and faster to the world around them, but are suffering from continued problems of internal complexity, with bureaucracy estimated to cost businesses in the OECD alone nearly \$9 trillion p.a. (Hamel and Zanini, 2017). Yet traditional change management approaches to address these problems are unlikely to succeed as they lack the contextual approach taken by OD (Worley, 2018a).
- CEOs have seen a poor ROI on past organisational interventions, and OD's distinctive approach of enabling and empowering others rather than creating long-term dependency on repeated consultancy investments should be welcome news.

Given these circumstances, OD is no longer a 'nice to have' but an essential function, with its holistic view and application of behavioural science becoming fundamental in creating healthy and productive workplaces.



What is needed in future?

WHAT REAL OD LOOKS LIKE

Despite the packaged change solutions often offered, and the plethora of neologisms invading the human capital space, we would argue that organisation development is distinctive from much other 'noise' about organisations in that:

- **OD is about holistic and systemic thinking** – it's not just attending to specific 'nuts and bolts' in the way that makes up a lot of day-to-day HR work. OD cannot be reduced to one-off people-related initiatives as it is recognised that these risk having little or no impact; only by tackling issues in the round, and by observation, learning and further action, can change occur. This is underpinned by strong strategic thinking, a systems- and process-mindset and having a highly attuned psychological understanding. A 'big picture' approach is crucial to respond to Richard Beckhard's famous question "Where is the O in OD?"

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- **OD helps create the right workplace environment** – OD is premised on the assumption that people cannot be effective or fulfilled in their work unless the right context is created for them in the first place. As a result, it is both micro (e.g., individual and team levels) and macro (e.g., organisations and ecosystems) as well as having both hard (e.g. structure) and soft (e.g. culture) aspects. As such, it balances the primarily individual orientation of HR by addressing in a systemic way what surrounds and impacts people in their work.
- **OD is about sustainable change** – OD practitioners are not intended to be permanently embedded in a particular organisation (like an HR Manager) but to help the organisation when called on, so key skills include contracting, relationship building and the capacity to teach and empower others (so that outcomes of interventions are self-sustaining in the long-term). As a result, their focus is more on process consultation, and how to help effect change, and enabling the organisation to continue without repeated help in future.
- **OD is not about 'off-the-shelf' remedies** – while it's important to be aware of the latest external trends (e.g. technology, design thinking) and research, effective OD is not plugging in generic answers, or selling one-off solutions as a 'silver bullet', as they may not fit the unique circumstances of each organisation. Rather, it's based on gaining a thorough understanding of the organisation first and then developing relevant and robust solutions that are appropriate for the organisation's context. It also means OD professionals need to be strong when it comes to critical thinking, self-reflection and learning from each of their interventions.
- **OD is about great practice, not just good theory** – OD is about 'theory in action' – effective OD work means being able to influence stakeholders, use research and measurement effectively, drive projects, and make things happen when given considerable responsibility but

limited power. In doing so, practitioners draw on multiple theoretical bases (e.g. action research, complexity theory) and a wide range of different models, tools, and approaches to provide context-sensitive solutions. Likewise, OD's emphasis on 'use of self' reflects the pivotal impact a good practitioner has. Finally, while empathic in approach, OD is not a 'soft' activity – rather, it means questioning, experimenting and challenging the status quo.

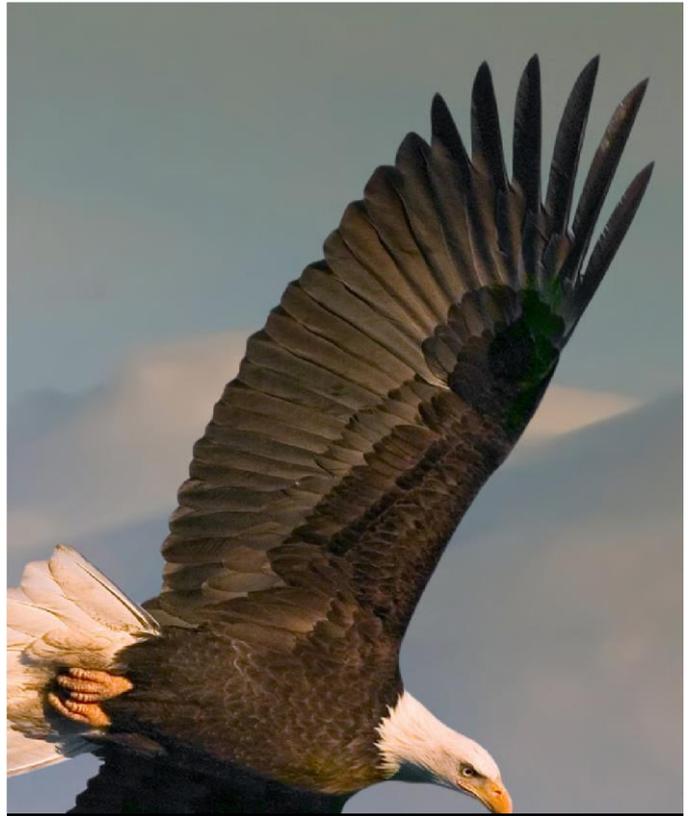
In terms of scope, our view is that it is unrealistic and unproductive to ring-fence some techniques and processes by saying some are OD (e.g., change management) and others are not (e.g. team effectiveness). Given all of them are connected, and OD has to operate from the micro to the macro level, such differentiations do not make sense. OD, then, is an integrative discipline, and it's important that practitioners are either able to cover all aspects of OD or are being developed to do so. That said, it does not follow that OD practitioners always need to do all aspects of OD work; depending on the organisation's maturity and level of training, some activities can instead be driven (for example) by line managers or HR professionals.

OD in the past has been at its best when it is able to bring new solutions that make a difference. We disagree that OD is a dying activity, but we do believe it has stalled – especially when it comes to innovation and providing fresh thinking, and has left too much of the field to management and IT consultants. OD cannot rely on just replaying answers from the past and much more needs to be done to foster new thinking through:

- Encouraging more cross-disciplinary work between academics and practitioners, so that there is more grounding of research in business, and more diffusion of discoveries for practitioners.
- Creating a more co-ordinated and better communicated academic voice. Sadly, for several reasons much of the academic research does not leave university confines.
- As Ed Lawler from USC explained 'academics have to do work for business' as much as about business. If academic work is not relevant and useful what is it for?

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How can OD make



“OD’s impact will be limited without the right support and investment from leaders. A stronger position of power depends on being close to the business and working much more as an OD community, while still being ready to ‘save the leadership from itself’ by speaking truth to power.”

MARTIN SAVILLE, DIRECTOR, MAYVIN LTD.

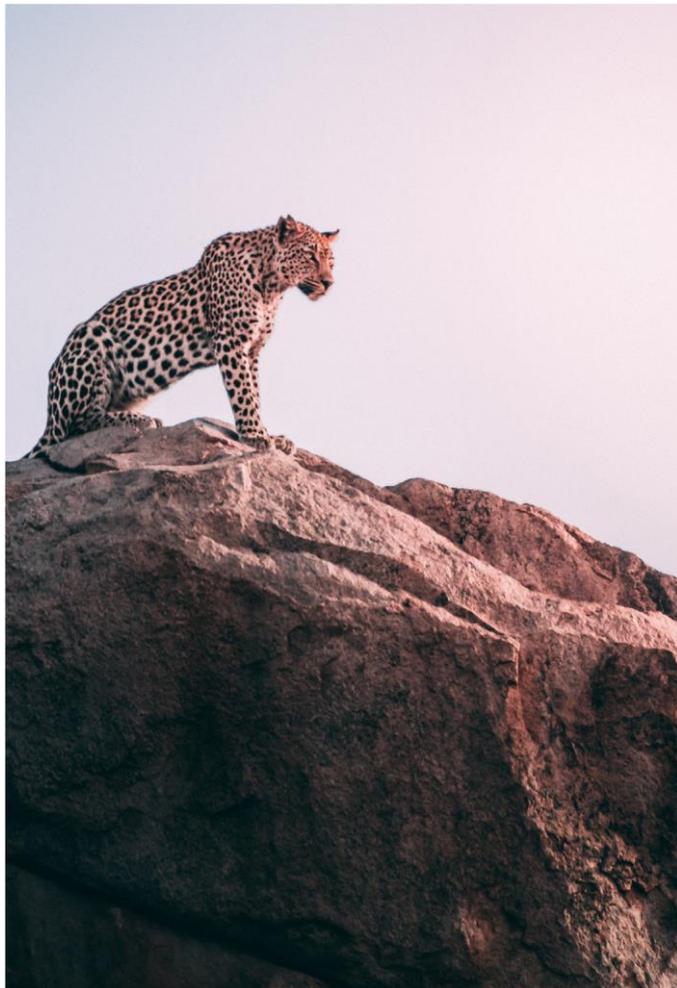
a difference?

Our view is that five preconditions are necessary for success – power, presence, positioning, pervasiveness, and professionalism.

PRECONDITION #1 POWER

OD cannot have an impact unless it is in a position of influence in organisations.

Where progress has been made, it has depended on top level sponsorship. Leaders have taken the issue seriously, made investments in expertise and training, and recognise more clearly what is needed to make change happen (such as looking at OD generally and not just organisation design). OD practitioners have in return gained power by demonstrating credibility, showing candour, using the right language with stakeholders, and getting much more involved with the business so that interventions are culturally appropriate (Saville 2018). Pasmore (2018b) concurs that OD risks being seen as too 'touchy-feely'; practitioners need to speak the language of business and understand that executives don't necessarily have much time for right-brain thinking.



PRECONDITION #2 PRESENCE

This also raises the question of the base from which OD operates. Our view is that there is no right answer here – for practitioners operating within organisations, it depends on the challenges faced by the business and the maturity of its HR function. So, OD could be standalone, or part of another function (e.g. HR or corporate strategy/planning). What matters far more is that it can get involved in the key business conversations (especially around strategy), that it has 'voice' in decisions, and is effective in federating support (rather than 'going it alone' or creating internal competition with other functions). For practitioners operating independently, we agree with Pasmore (2018a) that they cannot be effective if they remain a fragmented community. They need to collaborate more and scale up their impact if they are to be given the chance to do work that has a major impact, such as on transformational change projects. Finally, it means HR also needs to embrace this growing role of OD, and leverage what it can offer, rather than feel threatened or operate as 'gatekeepers' to keep practitioners out of the way.

OD practitioners may be reluctant to do this, but "executives don't want to fail, so truth-telling is critical".

Achieving a stronger position of power therefore depends on the quality of interaction with leaders.

If OD practitioners cannot establish a credible relationship with those in power, they will have very limited effect. This means not only business understanding and the right language (as mentioned above) but also the use of hypotheses, powerful questions or storytelling, rather than just offering tools and techniques. OD practitioners need to think about issues of business risk (e.g. the potential behavioural and business exposure from highly geared pay and performance systems) and to involve themselves much more in key business activities where they can add value to the conversation (e.g. scenario planning, strategy development or budgeting). This means delivering results today while also thinking with a longer-term timeframe about what else should be done. Underpinning this is the importance of courage, resilience and avoiding 'the seduction of only pursuing short-term success' (Duvalier, 2018). By doing so they can gradually increase their visibility and credibility, and foster a relationship of trust where candid feedback can be given. OD practitioners may be reluctant to do this, but "executives don't want to fail, so truth-telling is critical" (Pasmore [2018b]).

PRECONDITION #3

POSITIONING

There is a risk that OD becomes trapped by its past, but while its heritage is important, it needs to imagine what it would be if it was newly-created today and became a 'new OD' (Pasmore, 2018b).

This would talk much more about contemporary challenges like innovation, sustainability and organisational vitality, and point to the facts that most business strategies are poorly executed and change initiatives usually fail to deliver on their promise. OD practitioners would also challenge leaders about whether they wanted organisations that are adequate (through cost-cutting),

or the best (through superior performance). In short, OD can do much to help today's organisations be more ready for tomorrow through accelerating execution, fostering organisational agility and what Pasmore (2018a) calls improving alignment to external ecosystems, culture sculpting, and hyper learning.

Changing OD's profile also means creating more awareness amongst decision-makers. Right now, OD is too often just seen as a synonym for change management in the people management world, while business leaders will often read articles about (say) leadership or accountability, but never come across OD itself as a topic, so missing the point of how these topics are interconnected and need to be tackled holistically (Sanchez, 2018).

We therefore agree that it is time for OD to be repositioned so that it's more visible with business leaders and not just confined to academics, HR leaders, and so on. If leaders are struggling with issues of complexity, agility, or digital change, they need to understand that piecemeal solutions will fall short and that an OD approach taking an organisation-wide view is called for. Human capital topics that have grabbed the imagination of business leaders (like talent or agility) have done so because they have effectively become branded; the fact that they can be interpreted different ways has not been a barrier. Further debate to fine-tune the definition of OD risks being unproductive. Instead, OD needs to brand itself more clearly and get a strong, clear message out there.

As part of this, OD needs to raise its visibility through greater social media presence; via more appearances in journals, magazines and the press; and more public events to connect audiences with thought leaders. All this will be needed to articulate a stronger point of view on organisational topics. Federating all the different stakeholders in the OD world to create such a common position may take too long, so leading voices need to work together now to spread the message of this Manifesto and the need for OD.

Look at the cover stories from Harvard Business Review over the past several years: collaboration, innovation, decision-making, culture; they all require OD practice to achieve them, but this is rarely (if ever) mentioned. We need to do a better job of branding the connection of OD to the topics that are top of mind for today's business leaders.

**MARISA SANCHEZ, OD AND CHANGE
MANAGEMENT CONSULTANT**

“If OD is about enabling the organisation to help itself in the future, then we must grow levels of OD maturity everywhere rather than hoard our knowledge. That means not just enabling HR but also developing leaders and their people to incorporate some fundamental OD practices in how they get things done.”

MARISA SANCHEZ, OD AND CHANGE
MANAGEMENT CONSULTANT

PERVASIVENESS

A stronger presence would make OD visible and accepted, but the practice of OD needs to become mainstream, not something at the fringes.

To quote Fred Nader, the aim should be “Let’s make OD ordinary” (Sanchez, 2018) – that all leaders, managers and employees appreciate and can use the basic tools of OD, with OD practitioners working on more complex higherlevel tasks. Worley (2018b) noted that OD is typically not a component of MBA programs, with the consequence that business leaders are well-versed in the financial aspects of business strategy but highly lacking in how to address the corresponding human and organisational implications. Our view is that this needs to change and that executive coaching will not close the gap in C-suite awareness. On the contrary, the basics of OD should become as familiar to leaders as understanding a P&L statement or a balance sheet. This is a major gap in executive education that clearly needs filling and business schools that embrace this opportunity may create a competitive edge if they move quickly to address this in their offerings.

Business leaders are well-versed in the financial aspects of business strategy but highly lacking in how to address the corresponding human and organisational implications.

PRECONDITION #5 PROFESSIONALISM

Practitioner education and development is key for OD, or else its credibility will be quickly undermined.

Without familiarity with the main thinkers and concepts in the field, practitioners are reduced to being little more than enthusiastic amateurs. In our view, effectiveness in such roles needs to be characterised by:

- **Systemic and contextual thinking** – Practitioners need to understand the holistic nature of OD, that it is not necessarily just a few little interventions, but often requires strong analytical skills to understand potentially very complex systems. They also have to recognise that different situations require appropriate answers, and not ‘cookie cutter’ solutions.
- **Mastery of the breadth of domains** – Practitioners need to know the key theories, models and practices e.g. process consulting, organisation and job design, team dynamics, culture and psychology, employee motivation and engagement, and so on. They also need to be honest about what they don’t know and when they need to call in added help.
- **Personal credibility** – OD is not a job title but something that must be lived. Practitioners must be bright, experienced and acceptable to others. They should know it’s not about dazzling people with models but combining robust theory and strong, reflective practice to deliver impactful interventions.

OD is not a job title but something that must be lived. Practitioners must be bright, experienced and acceptable to others.

- **Importance of courage and being organisationally ‘savvy’** – Practitioners need to have the rigour to challenge the status quo, be a ‘critical friend’ for leaders and not just fall for the easy wins or succumb to simply being “servants of power” (Baritz, 1960). This is critical when addressing sick or suboptimal organisations, and issues which cannot be resolved by simple quick fixes. Practitioners need to have a good sense of timing (e.g. when to push and when not to), recognise where there is potential resistance, know how to manage stakeholders and be smart about organisational politics. While remaining ethical in approach, they also need to ensure appropriate ‘fit’ for the business.
- **Being business savvy** – It’s not about OD for OD’s sake. There are key business imperatives that OD can help address such as raising productivity, fostering innovation, and becoming more agile. OD practitioners need to understand the business context and dynamics, speak their language, be credible and understand the impact they have – both short and long-term (including striving to accelerate interventions where needed).
- **Fostering breadth of view** – OD is about leveraging multiple disciplines, so OD practitioners need to have the intellectual curiosity and openness to embrace different areas of thinking. This also means exposure to others’ views (e.g. intervision) as well as recognising this is a continuously-evolving discipline that needs to keep moving forwards, especially in the face of the oncoming challenges of major business, technological and societal change.

- **Enabling and empowering** – good OD practitioners should be focused on upskilling others so they can take care of their own needs, rather than hoarding knowledge so that clients depend on repeated consultancy interventions. In particular, they should encourage others to take on more ‘micro’ interventions (e.g. job design, team effectiveness) so they have more capacity to tackle bigger organisational challenges and to optimise their impact.

OD needs to be seen as a valued and critical career path, not an add-on for an HR career. OD can also be a way to develop the human capital skills of business managers, by leveraging their strategy and execution skills, whilst giving them exposure to major organisational and people challenges (Duvalier, 2018). Since OD has multiple roots, it can only benefit from drawing on talent from a diversity of backgrounds to provide a breadth of perspectives and thinking.

OD needs to be seen as a valued and critical career path, not an add-on for an HR career.

Given the challenge of speed mentioned earlier, one key question must also be ‘what can OD do to respond more quickly to organisational needs?’ Clearly OD needs to harness technology to accelerate its work where possible and should draw on its social technical systems traditions to develop faster ways to assess and work on organisational issues. But we would also argue that organisations are often handicapped by poor change management, ineffective reorganisations and anachronistic job design, and that better up-front investments in addressing these would be offset by faster change, and by higher performance, better readiness for future changes, and reduced need for ‘course correction’ later. Taken together better OD work would enable organisations to move forward more effectively rather than the rapid zig-zagging that too often occurs at the present.

The challenge currently is that OD education often risks being expensive, inconsistent and incomplete (Minahan and Cheung-Judge [2017]). Yet the OD Education Association (ODEA) in the US has defined certain “Essential Elements” for OD education (Minahan, 2014) and more recently the OD Network has agreed a set of Global OD Competencies (Minahan, 2018). The UK Civil Service has also defined an Organisation Development and Design (OD&D) Capability building programme. Now is the time to change gear, for educators in the field to collaborate in order to drive forward clear common standards that raise the overall credibility of the profession rather than operate in a fragmented way that simply ‘reinvents the wheel’. We also agree with the suggestion that more self and external assessment is needed of those working as OD professionals, on the basis that theory alone is not enough, and it is how well it is practiced that makes the difference (Sanchez, 2018).

At the same time, more needs to be done to build community in the OD world so that innovations and knowledge can be leveraged more effectively through networking, sharing and learning.

Conclusions

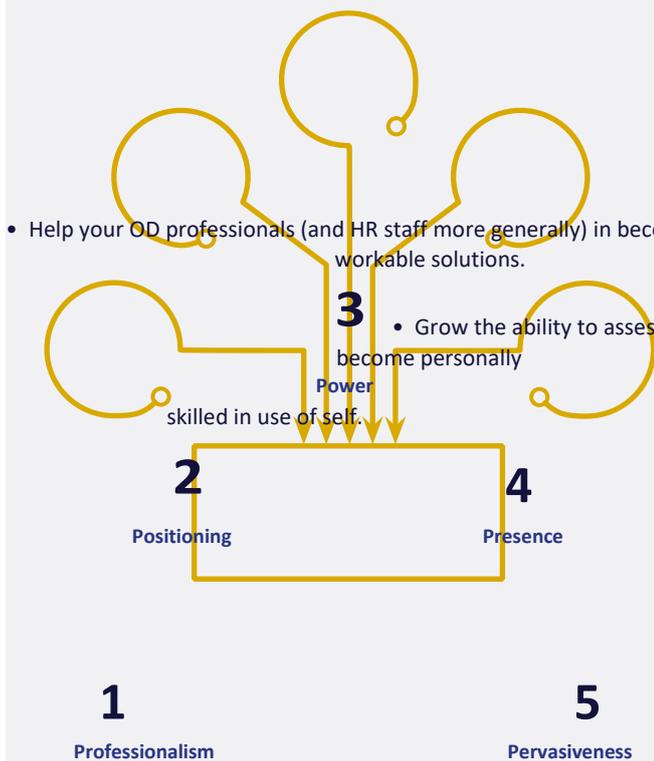
The need for effective OD is greater than ever, and this challenge is not confined to the world of OD practitioners

but affects consultants, HR, line managers and – most importantly – organisations themselves.

As an activity, it needs to engage fully with the business and demonstrate the difference it can make, offer innovative solutions and not just a plethora of models. It needs to help leaders see that complex organisational issues cannot be resolved by simplistic ‘quick fixes’. In particular, we feel that OD’s future success hinges on the five preconditions already mentioned, namely power, presence, positioning, pervasiveness, and professionalism.

OD’s future success hinges on five preconditions, namely power, presence, positioning, pervasiveness, and professionalism.

Those working in the field need to have business-oriented real-world experience together with good theoretical OD knowledge, combined with continued self-reflection and development. Consequently we see this Manifesto as a ‘call to action’ for the HR community and beyond in order to give OD the focus it deserves so that a decisive difference can be made in creating success for organisations, and more meaning and fulfilment for those working in them.



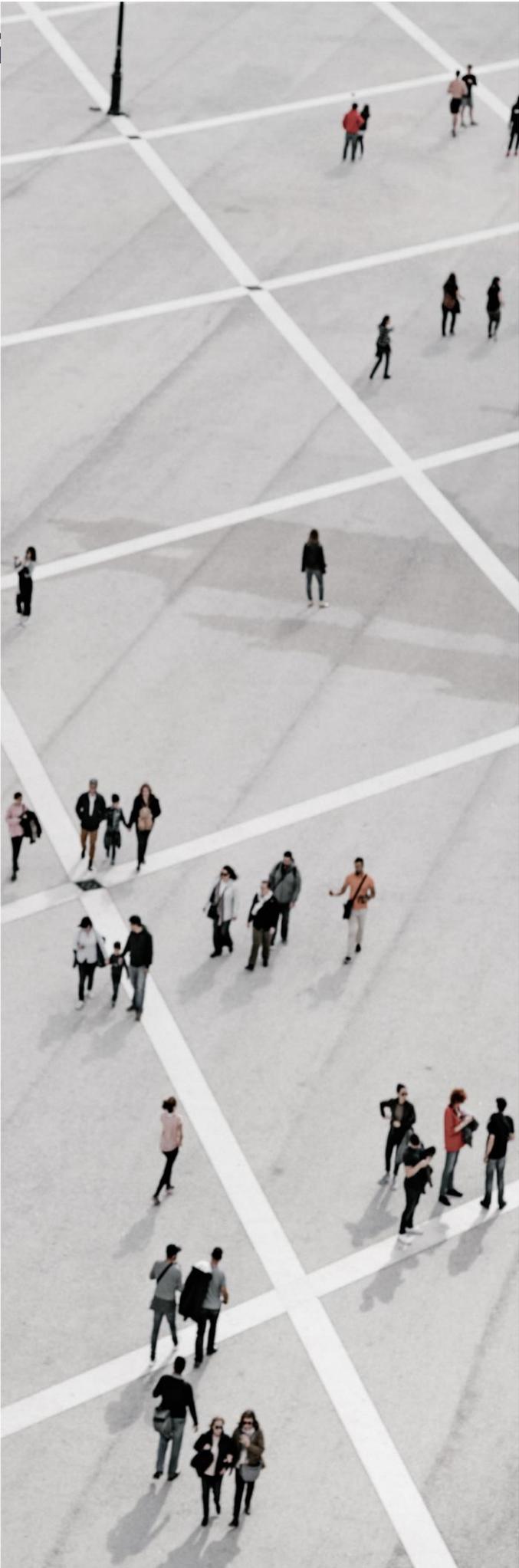
THE 5 PS:
PRECONDITIONS FOR
OD'S FUTURE
SUCCESS

Recommendation

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- Develop a clear understanding of what OD means for you and your organisation, and get clarity about its scope and the maturity of your current activities. Consider what can be done in terms of its *power* and *presence* internally.
- Communicate to stakeholders what OD means and the potential it has to help strengthen its *positioning* and *pervasiveness*.
- Get clarity internally about ownership for OD topics to avoid role ambiguity, confusion, etc.
- Ensure a strong grasp of your organisation’s business model and the external environment, and develop a credible point of view that pinpoints where OD can contribute to business results.
- As your organisation develops its strategy, plans and business model, help foster the alignment of human capital plans and clarify how your OD function, competences and capabilities can support these.
- Anticipate demand by scanning for major initiatives in your organisation; identify those requiring specialist OD activity, so these get the right level of support from the outset.
- Encourage the systematic review of organisational health issues and help develop real actions in response rather than allowing them to be neglected or tackled with token efforts.
- Ensure your organisation has the requisite OD *professionalism* to address your needs and the sponsorship and resources required. If not, develop a plan to source and/or develop the talent needed.
- Become part of an OD development network which spreads good practice and enables reflection and learning.

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CRF is a research-driven body whose members share a passion for increasing the effectiveness of the HR function, in order to drive sustained organisational performance, through developing the capability of HR professionals.

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