STRATEGY DIRECTIVE
(MA 208-2)

7. INTERVENTIONS IN THE FIELD OF ORGANIZATIONAL DEVELOPMENT

7.1. Review of the Organization's Values

Organizational Development (OD) is a dynamic values-based approach to systems change in organizations and communities. It strives to build the capacity to achieve and sustain a new desired state that benefits the organization or community and the world around them. The practice of OD is grounded in a distinctive set of core values and principles that guide behavior and actions. Also, OD is an ongoing, systematic process of implementing effective organizational change. OD is known as both a field of science focused on understanding and managing organizational change and as a field of scientific study and inquiry. It is interdisciplinary in nature and draws on sociology, psychology, and theories of motivation, learning, and personality. Values are the standards that guide our conduct in a variety of settings. An organization's values might be thought of as a moral compass for its business practices. While circumstances may change, ideally values do not. Vision and mission statements provide direction, focus, and energy to accomplish shared goals. Values express the integrity that individuals and organizations believe in. They serve as a decision-making tool in daily interactions that guide behavior.

An organizational value is a belief that a specific mode of conduct is preferable to an opposite or contrary mode of conduct. We can think of them as representing frameworks for the way we do things. Values are the essence of corporate culture because they set out the "do's" and "don'ts" of the company. Living them is what really counts. Some organizations think of their values as their "guiding beacon" directing the process of organizational development and growth. Others describe them as the components of their philosophy. They do relate to how organizations deal with their beliefs about people and work. They define nonnegotiable behaviors. More and more studies show that successful companies place a great deal of emphasis on their values. Any organization which espouses particular values will tell you that those values underpin their vision. Values at work assist us

by: Providing a framework for how we treat one another at work, Providing a framework for how we treat our customers, Providing a framework for achieving the vision and increasing the effectiveness of the organization.

Underlying OD are humanistic values as outlined below;

1. Providing opportunities for people to function as human beings rather than as resources in the productive process.
2. Providing opportunities for each organization member, as well as for the organization itself, to develop to their full potential.
3. Seeking to increase the effectiveness of the organization in terms of all of its goals.
4. Attempting to create an environment in which it is possible to find exciting and challenging work.
5. Providing opportunities for people in organizations to influence the way in which they relate to work, the organization, and the environment.
6. Treating each human being as a person with a complex set of needs, all of which are important to their work and their life.

The practice of OD is grounded in a distinctive set of core values and principles that guide behavior and actions. Examples of values-based key values include:

Respect and Inclusion – equitably values the perspective and opinions of everyone.

Collaboration – builds collaborative relationships between the practitioner and the client while encouraging collaboration throughout the client system.

Authenticity – strives for authenticity and congruence and encourages these qualities in their clients

Self-awareness – commits to developing self-awareness and interpersonal skills. OD practitioners engage in personal and professional development through lifelong learning.

Empowerment –focuses efforts on helping everyone in the client organization or community increase their autonomy and empowerment to levels that make the workplace and/or community satisfying and productive.

What values can look like varies from one organization to another. However there should be a few core values only. They should be symbolized by one word, then have a brief definition of what that means in reasonably global terms, followed by defined behaviors. They support the vision, shape the culture, and reflect the values of the corporation.

7.2. Development of the Perception of Problems

Maintaining a competitive advantage in today's increasingly resource-strained global economy is more complex than ever before. Added pressure comes from stakeholder resistance in the form of regulations, boycotts, protests, litigation, and bad press. It takes a top team, knowledgeable about sustainability, to stay in the smart zone ahead of regulation, to lead effective proactive stakeholder engagement, to reduce risk, maintain a good corporate image, and find areas of opportunities for eco-efficiencies. Organizations that work with natural systems and understand the context that businesses and their employees exist within will begin to operate in ways that build our natural capital and maintain healthy communities. The challenge now is to infuse a strategic approach to sustainable development throughout the organization. Before getting started, it is important to set the inspirational goal of becoming a sustainable organization and demonstrate top-level support. The old adage, "what interests my boss fascinates me," holds true. Then a four-step process becomes very useful.

Step One involves getting everyone on the same page, so that people throughout the organization understand enough about sustainability, and the system in which they are operating, to contribute to the goal. In that society, people are not subject to conditions that systematically undermine their capacity to meet their needs. **Step Two** is to identify current sustainable and unsustainable practices, based on whether they contribute to violating these principles in any way. **Step Three** involves contextualizing the organizational vision within basic sustainability constraints, imagining the organization in that sustainable future and looking back to the present to determine what was done to arrive at that position of future success, where the principles are no longer violated. **Step Four** is to create a flexible plan with prioritized actions that will eliminate, in a logical and feasible manner, any activities that systematically undermine social and ecological systems. Using this approach of "back casting" from the future instead of only forecasting from the present can liberate organizations from running the risk of extending the problems and negative trends of the past into the future. Companies can then develop strategies and evaluate actions to effectively move the organization toward

sustainability, while being efficient with resources in the process. This approach-strategic sustainable development-provides a common framework for moving large groups toward sustainability.

Establishing a big picture context and a strategic direction are crucial steps, but they are just the beginning. People and the processes of change that are continuously experienced add many layers to the complexity of organizational development. Businesses are often thought of as single entities, but in reality they are groups of people, each with their own goals, motivations, theories, strengths, and weaknesses. To foster alignment among these groups, the sustainability vision can be the beacon that burns brightly, guiding strategy and sparking innovation. It can excite current employees and attract new ones who see the organization's goals aligned with their personal goals. But to be successful in strategic sustainable development, the organization must also catalyze transformational change and empower leadership at all levels.

Competing business priorities can stall or derail important, longer-term sustainability plans. A business is not likely to enjoy all the benefits of successful strategic sustainable development without a deep and continuous process of leadership and learning at all levels of the organization. Transformational change can happen in many ways and will reflect the unique culture and circumstances of the organization. In addition to external education and internal training, organizations can support the development of dialogue and listening skills, create space for conversation as a business tool and allow time for reflection and self-directed work. Infusing a strategic approach to sustainable development throughout an organization is not easy work. Both the people and the issues involved are complex and a reductionist approach of trying to break apart the problems and solve each one in isolation will not work. The plan must be continually refined in an iterative process, reinforcing the vision and refining the strategy as the playing field changes over time, while constantly developing the organizational capacity for sustainable development. It's hardly easy, but the benefits for organizations that lead the way are great and costs of inaction or delay are potentially catastrophic, both for the individual organization and global society as a whole.

Organizational development in today's environment is a challenging prospect in most professions—including program management, contracts, and acquisition. To effectively manage any acquisition and program organization, you need to understand numerous critical issues to include;

- Developing and training your workforce,
- Handling systems issues,
- Motivating throughout the organization,
- Supporting a professional work environment, and
- Providing a continuity of leadership.

Most organizations today in both industry and government are in a constant state of flux, due in part to mergers/acquisitions in industry and the creation/deletion of new departments and organizations in government. Positive change can be beneficial to organizations under certain circumstances. Too much change, however or change not properly planned and implemented can lend itself to a high degree of organizational instability. Restructurings are a common answer to try and resolve identified problems and issues within a company. Yet, in many organizations, restructurings only result in re-shuffling existing problems and issues and then creating new ones. Often, too, the winners of restructurings may exercise their new power at the expense of the losers. The losers may be subject to undue criticism and disenfranchisement, which only compounds existing morale problems.

Then, there is the challenge of turnover. Bringing in talent from the outside when necessary to complement your existing workforce does have positive benefits. However, high turnover is not good for any organization. Industry-recognized human resources surveys indicate that calculations for hiring and bringing a new employee to full productivity can be 125% or more than a departing employee's salary, depending upon the incoming person's level of experience and expertise. These numbers are not to be ignored. A reasonable level of stability is important for program and acquisition organizations to provide full operational capability to meet the agency's mission. The challenge is providing a stable environment, while encouraging initiative and creativity in highly fluid organizations. Development and funding of training programs tailored to each of your staff members at his/her relative levels is important. This training should consist of both in-house and outside training. Individual training plans in which each staff member should have input should be developed for each employee based upon his role, level, and needs. This is important to remember in both a governmental and industry environment, where it is often not uncommon to cut training funds from program and acquisition budgets in tight circumstances. Adequate assistance for professional development for your employees both in-house during work and outside training should always be available.

Nothing can be more stressful and detrimental to morale in acquisition and program organizations than the continued high-level operational support in the midst of a new systems modernization program. These programs are sweeping across a large percentage of government and industry organizations today. Such programs typically involve the implementation of enterprise resource planning (ERP) systems as financial, contracts and procurement, and human resources. Usually, your acquisition and program organization will have to continue to provide a high level of operational support while using two systems, both the current production system and the new one replacing it. IT system modernization program implementations represent an opportunity for your acquisition and program organization to use new capabilities to improve performance. The barriers to this are (1) poorly designed systems that do not meet requirements, and/or (2) a lack of training for your acquisition staff members. In addition to a lack of training on the new systems, the new system may still be under development or not yet meet end-user requirements, due to poor definition or functionality levels. Contracts and program organizations may be forced to accept underperforming systems due to project cost and/or schedule overruns.

Too often, contracts and program organizations that face heavy workloads and compressed schedules within which to accomplish contract actions suffer the double-burden of maintaining the existing contract management system as well as learning, inputting data, and utilizing the new contract management system all at the same time. This is the wrong way to manage your human capital. The use of trained temporary support contractors is a must to ease the burden of data entry and the routine tasks required to simultaneously support two contract management systems. Contracts and program organization personnel need to be extensively involved in the requirements analysis and development process of the new system, as well as its implementation, including extensive hands-on testing and quality assurance. This includes providing feedback toward the development of systems modifications, to ensure that the new systems meet much more than just minimal functional requirements.

Control in today's leanly staffed programs and acquisition organizations requires balance and judgment. Personalities come in to play, some control decision making too tightly, and others may prefer loose, decentralized control and decision making. In any event, empowering line supervisors and contracting officers is essential for a balanced workplace. Senior contract specialists and other contract specialists who exercise good business acumen should be granted latitude in the cradle-to-grave acquisition life cycle tasks that are a normal part of contracting operations. This latitude comes with the understanding that prior coordination with

their supervisors and/or contracting officers on issues that may be contentious or well out of normal business procedures will be accomplished.

Non-professional work environments negatively impact employee retention, morale, and the degree of operational support. Management should support and promote employees who focus on professional interchange and activities in the program or acquisition organization that meet the agency's overall mission. One key aspect of a respectful, professional work environment involves controlling rumors, which often are started and spread by a small percentage normally, a clique group of employees. These employees usually will use negative, unjustified, and false statements about co-workers (based on personal preference), attempting to promote themselves and their inner circle of friends. The workplace, however, is not the appropriate environment to re-enact television survival reality shows and thus should be led and managed in such a way that all are treated with dignity and respect.

Continuity of good leadership is important. How many of you have had good supervisors, only to see them traded for not-so-good ones as part of a reorganization? Too often, the answers to issues and cited system or personnel problems are reorganizations yet, how many of these times are such shifts just the result of power plays? Supervisors, managers, and contracting officers are important, as people who exercise sound business judgment and discernment through experience, education, and expertise. Contract writing tools such as Prism or SPS are just that only tools. They do not provide the business acumen and expertise that experienced people (employees or consultants) do. Finally, augment your organization's leadership team with good people from the inside, not just at the SES and political appointee levels. Also, try to bring in good contracting officers, line supervisors, and management from the outside. They can bring in a whole fresh set of problem-solving skills and best practices that are valuable to your contracts and acquisition organization, helping to achieve your agency's mission. To develop and manage your programs, contracts, and organizations well, you need to successfully carry out the following;

   (1) Train your staff (with in-house and outside resources)
   (2) Handle systems issues
   (3) Motivate the organization (empower supervisors)
   (4) Support a professional work environment and
   (5) Provide and retain a continuity of good leadership.

Follow these steps, and you're sure to be on the right path.