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The OD Booklet

Useful models and practices in
organisational development



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Swedish Mission Council

The Swedish Mission Council, SMC, is an ecumenical organisation whose membership is made up of 36 Swedish Churches and Christian development organisations. The members collaborate between themselves and with other national and international actors worldwide.

Within this broad ecumenical base, SMC's mandate is to be a forum for reflection and dialogue on the meaning and implications of Christian mission in our present time and the responsibility of Churches and Christian organisations with regard to international solidarity.

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Introduction

Change is more difficult than we think. We talk a lot about positive change in society, change in communities or even change in ourselves without seeing much to show for our words. The organisations we work with, faith-based organisations, churches or NGOs are no different. They usually change as little as they have to. To promote authentic change in our organisations we need to learn from the experiences we have.

This booklet shares some of the models and practices that Swedish Mission Council (SMC) have found useful in their organisational development (OD) work over the past decade. It is aimed to be an introduction to a complex and important field.

This booklet is for both SMC members and partners. We hope by reading this you will be better able to support OD processes within your own organisation – and in others. This booklet explores important questions such as:

- ❖ What are the core elements of organisations?
- ❖ How do they develop and change?
- ❖ What are the key elements of good practice in OD?

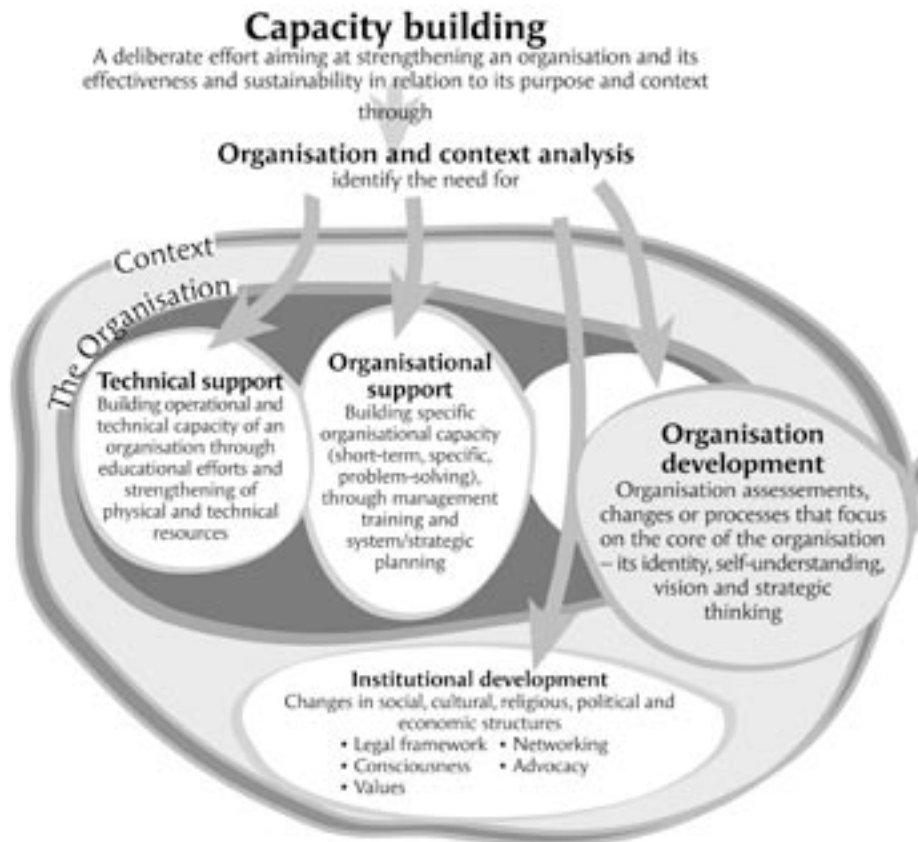
This should contribute to developing better relationships between Swedish SMC members and their sister organisations in different countries. As Jesus said, ‘Make a tree good and its fruit will be good’¹ – if SMC members and partners are stronger organisations, their impact will be greater.

This booklet reinforces and builds on other SMC publications in the areas of conceptual understanding of development; evaluations; learning organisations; the spiritual dimension to change; quality in development. It is written by the Research and Development Team at SMC², and updates the previous publication in this field entitled: “Directions for SMCs work with organisational development and capacity building”, published in 2002.

SMC understands development, whether at individual, community, organisational or even national level to be an organic and human-centred process. It is about building trust and relationship based on putting into practice our aspired core values.

SMC understands OD to be one approach to capacity building. This is illustrated by Figure 1 below:

Figure 1 Capacity building



Capacity building can be seen as:

Technical support in the form of knowledge or resources with the aim of developing specific competence within the organisation, for instance through training for the personnel concerned. The aim is to add certain resources or knowledge in order to improve.

Organisational support targeted toward the organisation's actual function and structure. One example might be IT systems development – a one-off, relatively short-term input directed toward a specific task.

Organisational development – a more comprehensive intervention that looks at the whole organisation. It addresses organisational culture, leadership and how people behave. It looks at the values that underpin the identity of the organisation. It focuses, not just on helping an organisation address its current problems, but strengthens it to solve its future problems too.

Institutional development relates to work directed to the surrounding context or environment where an organisation is located. Institution consists of norms, values and patterns of behaviour in the wider society – they are the rules of the game in society.

This booklet is divided into two sections.

Section 1 looks at different models that SMC has found useful in understanding the components of an organisation. It also looks at some simple models of how organisations change and a basic framework for an OD process.

Section 2 explores what we have learnt about good practice. It explores the values that underpin quality OD and the implications this has for our practice.

¹ Matt 12:33

² See authors on page 2.

Useful models in OD

What is an organisation?

When working with organisations and organisational capacity it is important to understand what an organisation is and how it functions. Organisations differ in structure, size, aim, capacity, and so on. In order to distinguish them from each other they can be divided in to five categories³.

- ❖ Family/kinship group
- ❖ Civil society (churches and communions belong to this category)
- ❖ Market or private sector
- ❖ The state
- ❖ International community

There is not enough room in this booklet to take a closer look at all of these categories, but generally speaking, an organisation can be described as an organism or system that consists of human beings, and also of physical and financial resources. Every organisation is a unit in itself, but also interacts with the surrounding world. As part of an open system, any organisation affects and is affected by its outer environment. Influences from the surrounding environment permeate and penetrate the system demanding the ability to adapt to ensure continued growth or relevance.

The organisation's on-going development and continued life is thus largely dependant on the interaction between its "inner" life and the constantly changing "outer" environment. Without such an interaction the organisation – just as a biological organism – would soon become dormant and stop functioning. An organisation is therefore not only a tool to be used to reach an objective. An organisation can be something more than the sum of its parts. This makes it a suitable form of cooperation for working to change society. It is vital, however, to emphasise that an organisation consists of human beings and that every organisation is unique. It has its own history, identity, culture, mission and capacity. SMC's basic starting point for all work with organisations is therefore that it must take place with great respect and consideration for each organisation's specific situation and background.

In trying to better understand organisations different models can prove illuminating. We present here some of the models and perspectives that SMC have found most useful in understanding organisations. Use the ones that shed light for you:

1. Four Circles (sociological) model
2. Mission of Church (theological) model
3. Integrated socio-theological model
4. The Onion model
5. Spiritual perspective

Four Circles Model – a sociological perspective⁴

From a sociological perspective, organisations consist of a group of people united around a shared vision and joint aims and objectives. One way of highlighting the essential features of an organisation is using the image of three different, but interlocking circles within a wider circle. The three overlapping circles illustrate the interrelatedness between different parts of the organisation where a change within one circle will affect the others. The model also shows clearly that any organisation exists within a wider context and is usually profoundly influenced by that surrounding context:



Figure 2 Four Circles Model

‘To be’ circle focuses on the organisation’s inner state and conditions – the organisation’s vision, basic values, identity, aims, objectives, structures, resources and systems.

‘To do’ circle focuses on the organisation’s performance or achievements – what the organisation does.

‘To relate’ circle focuses on the organisation’s external contacts, its relations with other actors in the surrounding environment.

The contextual circle shows how an organisation exists within a specific environment. This context continuously affects its life and circumstances. In order to understand an organisation there is a need to see and read the organisation as an inter-related whole, within its context.

Taking a sociological perspective highlights some distinctive features of organisations:

- ❖ Organisations are formed by human beings for a joint aim or purpose.
- ❖ Organisations can be changed (their direction, role, structure etc.).
- ❖ Organisations are clearly delimited social constructions, but at the same time are strongly influenced by their context.
- ❖ Organisations are time-bound – they have a beginning and an end.

Mission of the Church Model – a theological perspective

Many of SMC’s members and partners are church-based. This makes them special forms of organisations with distinctive organisational features. Using a theological perspective based on the commonly understood ‘mission of the church’ can be illuminating.

From a theological perspective, the Church⁵ can be described as community of believing human beings. Humans who, through faith, have become a part of the reconciliation with God, humans who have chosen to become members of a congregation, church or communion. God’s love of the creation and God’s will to reconcile and heal the broken relationship with the world is the centre of the Christian faith. The interpretation and response to this

love by humans has, and will continue to look, different over time, but the specific content – the message – stands firm. This perspective begins with the understanding that it is God, not human beings, who has taken the initiative to show his love to the creation.

As an expression of God's own nature, we are created to community, and are all placed in a relation to one another. In the same way, the different parts of the worldwide Church are dependent on each other, and one consequence of this is the sharing of resources in a righteous way so that no one is in need. To acknowledge and recognize each other's specific gifts, both spiritual and material, and to care for and use the Creation in a way that does not destroy or exhaust resources is a basic attitude of the Church's mission. God's mission to the congregation or Church is to make visible his love and care for all people and all he has created through testimony, diacony (service) and by living as a community.

Figure 3 Mission of Church Model



Relationships are therefore the starting point for God's work – the encounter between God, the individual and her fellow human beings. It is important to keep these three actors together, or the holistic perspective gets lost. The relationship with God will have an effect on the individual's actions, self-image and view of his or her fellow human being. In this way, the conditions can be created that allow relationships to deepen and grow. Relationships mean responsibility, love, sharing, joy and sorrow. The Church's mission in the world can be illustrated by a triangle, which – same as the three circles – exist in a context:

Witness (Kerygma) is Christian preaching of the Good News of Jesus Christ, the story about God's message of love for His creation.

Service/Diacony (Diakonia) is care and work for social justice and development, based upon the love of Christ and expressed in the life of the Church. It is a commitment that is characterised by compassion, respect and solidarity with all human beings in vulnerable situations, regardless of their religious affiliation.

Community (Koinonia) stands for community, mutuality and peace (shalom) which is the foundation of the Christian faith. The community is the basis for testimony and diacony. The Church is often described as “a temple of living stones” or “a body with many parts” – where the different parts have different tasks but all serve the same purpose.

From the theological perspective, some characteristic features of the Church can be understood:

- ❖ The mission of the Church is based on God's initiative.
- ❖ The Church cannot change or re-structure the plan of God. People can, however, chose how they want to relate to or interpret his plan.
- ❖ God's initiative is directed towards everyone, regardless of age, gender, social status, ethnic, cultural or religious affiliation.
- ❖ The long-term perspective on the mission of the Church is influenced by the fact that the Christian gospel contains a dimension of eternity.

Integrating into a Socio-theological Model

SMC-affiliates are churches and Christian organisations and as a result, must be understood from both a sociological and a theological perspective. Both of these perspectives operate in parallel and complement rather than contradict each other. It is important not to work with 'either-or' in isolation, but with 'both and' together.

The necessity of considering both dimensions becomes very clear when working with Christian organisation's development and in understanding their identity. The images and descriptions in this chapter are necessarily simplifications, but they can contribute to a better understanding of the essence of churches and Christian organisations.

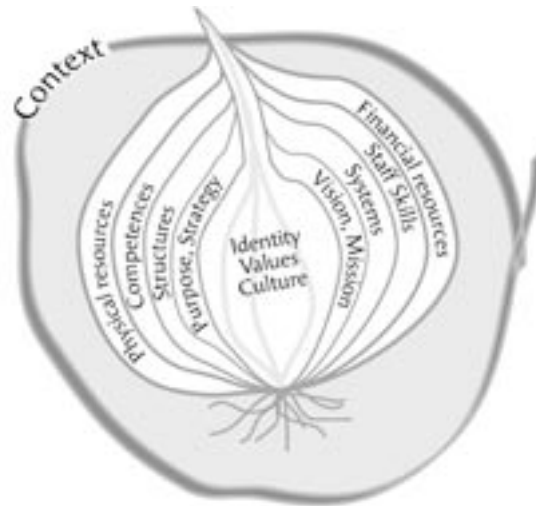
Figure 4 Integrated Socio-theological Model



The Onion⁶

One simple model that travels well across cultures is the image of an organisation as an onion, a living organism. This adds detail to the 'to be' circle in the Four Circles Model.

Figure 5 The onion model



- ❖ The outermost layer of the “onion” represents the physical and financial resources.
- ❖ In the next layer, we find human capital including the staff’s knowledge and skills.
- ❖ The next layer has the systems and structures needed to carry out the work.
- ❖ Moving to a deeper layer we have the organisation’s vision, aims, objectives, and strategy.

- ❖ Finally, in the core of the onion is the organisation’s “soul” – its identity, basic values, organisational culture and “world view”/conceptual basis. Leadership and relationships influence this core.

All the “layers” are important and each is essential for the organisation’s existence, they are also inter-related and mutually dependent. Consequently there needs to be a coherent fit between them. If you work on one component, it will have ramifications for the rest of the organisation.

The onion model also clearly demonstrates that the heart of the organisation is key. There is a hierarchy of capacities. If it is rotten at the core (for example with corruption) there is little point in addressing problems in outer layers (such as lack of resources). The complexity of an organisation increases as you move towards the centre of the onion. It is easier to solve the problem of a lack of financial resources than of self-serving values or an unclear purpose. The organisation’s vital force is focused and expressed in its heart – its identity.

To discover an organisation’s identity is like finding its soul⁷. Organisations that have a clear understanding of their own identity can also form their own future. An organisation’s vitality and creative energy lies in its identity. An organisation’s identity is created when people with a shared vision come together and unite around their vision, carry through or accomplishing something specific in their surrounding world. Work with an organisation’s identity demands care and respect, as it has to do with its innermost essence.

The picture illustrates that an onion grows from the inside and out – not from the outside in. The power to grow comes from inside. Similarly, as SMC’s understanding of development statement points out any sustainable change of an organisation, a society or an individual, cannot be imposed from outside, it must come from within.

The elements at the heart of the onion have the greatest significance on an organisation’s development. When it comes to Christian organisations, a major part of the driving force of their activities lies in Christian values and in the belief in God. This, naturally, also affects the layers on the outside. It is also worth noting that an onion can also rot from inside out – an organisation without a clear sense of identity and vision, an organisation that lacks shared values or is unsure of its mission (but still might have the financial resources) will not be able to grow but will, if nothing is done, die.

A spiritual perspective

SMC believe that just as human beings are more than just bodies and souls, but also have a 'spirit', so too with organisations. This thinking is explored in the SMC publication: *Creating Space for Grace 2/2004*. There is a noticeable trend in the management world towards accepting and integrating a spiritual dimension into organisational theory and practice. Reputable business schools, noted authors and successful firms talk about spirituality and management more openly than before. Although the word spirituality is defined in a variety of ways, there is a general consensus among management writers on what this looks like when applied to organisations and also to leadership. Some of the major elements that are common to most are an emphasis on:

- ❖ **Vision and values.** The importance of organisations being visionary and value-led is increasingly recognised in the management world and is seen as a key element of a spiritually-based organisation. As people are increasingly searching for meaning from their workplace, so organisational values become more of a driving factor. The most effective organisations are seen to be those that have shared values that harness emotional energies of people. Belief in a cause can generate considerable commitment and energy.
- ❖ **Service and love for others.** The emphasis on service to others has underpinned many of the quality management change programmes in the last two decades as SMC's forthcoming publication on quality describes. As organisations are increasingly perceived to be interconnected with stakeholders, so there has been greater attention paid to the needs of the customers and more recently to the needs of the wider community through corporate social responsibility programmes. This focus on meeting the needs of others or wanting the best for other people is described by some as 'love'.
- ❖ **Empowering others.** The concept of empowering others is closely linked with the notion of service. As organisations are perceived to be more about relationships and interconnections, so there is an emphasis within 'spiritually-based organisations' on empowering others – enabling people to be free to take decisions, to develop their potential and work creatively with others.
- ❖ **Relationships of trust.** Spiritually-based organisations are perceived to place more emphasis on relationships of openness, trust and teamwork. More recently, the guru of organisational learning Peter Senge emphasised that in relation to organisational change:

‘There is nothing, nothing, nothing as important as the quality of relationships’ (Senge quoted by Lichtenstein 1997:398).

- ❖ **Changing from within.** Spiritually-based organisations and leaders believe that we are part of an interconnected whole. If we want to change that whole, we must change ourselves. For an individual or an organisation to be open to such change, they need to be very self-aware, without being self-centred.
- ❖ **Courage to overcome fears.** Our resistance to change and desire for control are largely a product of fear. In the turbulence of today’s world, such efforts at control are proving counter-productive, so spiritually-based firms emphasise the importance of courage in overcoming fears.
- ❖ **A divine Spirit.** While some assert that the above six elements are all products of the human ‘spirit’, others believe that there is a divine Spirit that is not only the source of these principles, but also empowers people and enables them to live them out. They believe that at the core of any positive human and organisational change there is a divine spark or breath of life, which comes from ‘common grace’. John Adair observes that: ‘In all traditions, there is a deeper tradition, that all inspiration flows from God, named or nameless, just as the sun is the ultimate source of energy in nature’ (2002:318).

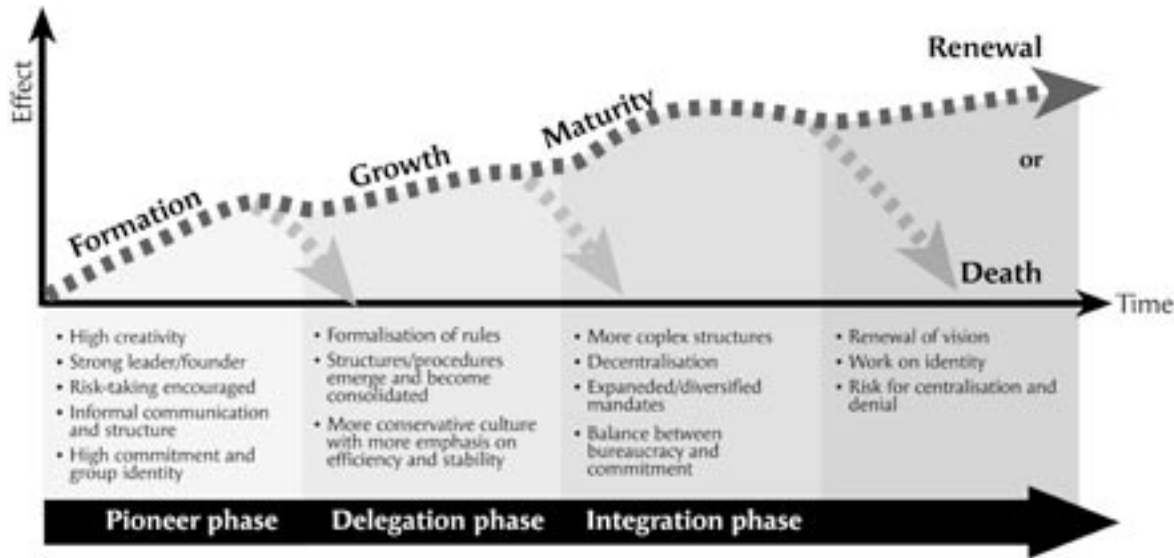
How do organisations change?

In the last section we looked at different models of organisation. In this section we will describe three models of how change can occur in organisations, either as a natural process over time or as result of interventions. The first model looks at the natural phases of life that a successful organisation goes through. Capacity building or OD is sometimes needed to help them when they get stuck and move them onto the next phase. The second model applies the Biblical model of change, described in SMC’s publication *Space for Grace*, to organisations. The third model outlines common elements in an OD intervention process.

Phases of an Organisation’s Development

When talking about OD, it is important to remember that organisations also change through a natural development process (see figure 6).

Figure 6 Phases in an organisations development ⁸



Pioneer Phase: An organisation begins in a pioneer phase, often with a strong, charismatic leader and a strong commitment to “the cause”. It is informal and energetic. It feels like ‘family’. It lacks structures and systems for things like reporting and evaluation. In this first stage, the organisation often experiences strong success, decision-making is easy to do, the organisation grows and there is a strong sense of commitment. After a while, however, there is a need for greater formality. The leader cannot be involved in everything. Structures and systems are necessary to ensure continuity. This leads the organisation towards some form of crisis.

Delegation phase: The organisation begins to develop its own systems and structures for decision-making, priorities and work methods. There is greater division of labour and specialisation. Initially this works well, the actors involved see the organisation developing a clearer form and structure, there is continuity in decision-making and reporting and a clear

division of tasks and responsibilities occur. After a while though, bureaucracy takes over and suffocates the once strong commitment. The organisation now experiences a new crisis.

Integration phase: The organisation struggles to find a balance between commitment and empathy for the organisation's aims, objectives and values and the necessary bureaucratic systems and structures. This balancing act is something that the organisation will have to keep working with for the rest of its life, with recurrent identity crises and periods to work through these.

The mature organisation must continuously fight against declining commitment and dedication. If commitment and vision weaken, the organisation will have to find ways to renew itself – the organisation needs to recreate and renew the original commitment and the power of its vision. If it fails in this, there is a great risk that the organisation will lose efficiency and in the worst case, it will slowly begin to “die”. In these situations, OD can be a tool to help the organisation to work on its situation, to choose how it wants to develop and handle the changes ahead.

A similar development process can also be described based on the relationships an organisation has with the surrounding world. Organisations, like people, often seem to go through three phases in their relationships – from dependency to independence and then to mutual dependency (Kaplan, 1999 & 2003; Sahley, 1995; Vink, 1999).

Dependence: In the first phase, the dependency phase, the organisation depends, in different ways, on its surrounding environment, or on a partner that provides financial support, technical knowledge or staff support. This is a phase of learning, when the organisation grows and develops its competence.

Independence: In the next phase, the organisation makes itself more and more independent. This is a period of reappraisal and a time for putting knowledge and competence in concrete form, something that allows the organisation to become established as an independent body.

Interdependence: After having reached its independence, the organisation can move into a deeper relationship, of mutual dependency where the partners participate on equal terms. This is based on the understanding that an organisation's full potential can only be realised in interaction with others.

A Biblical Process of Change

The Bible highlights a number of key elements in a change process. While some of these elements may appear more familiar to a process of individual change, they are just as relevant to a process of societal, church or organisational change. This thinking is explored in the SMC publication *Creating Space for Grace*. Some biblical elements of change include:

- ❖ **A vision for change, frequently amidst severe challenge.** Change starts with a vision of a better future. Sometimes change comes from responding to outside changes in the environment that give rise to new opportunities that need to be taken or potential threats that need to be avoided. Other times change comes as a response to recognition of internal inadequacies or failures in the past. What is common to both is a vision of a better future. God gave people like David and Jesus' disciples a sense of calling and purpose; a real hope that things would change – and they should be a part of that change. Many times this vision comes in the midst of severe challenges. God creates order out of chaos. Whether looking at the Exodus from Egypt; the depravity of Ahaz that preceded Hezekiah; the rebuilding of Jerusalem under Nehemiah; or the influence of Daniel in exile; we see that they occurred in times of crisis and moral darkness⁹. Jesus' parable of the prodigal son shows a picture of the son facing starvation and longing to eat the food he was giving to the pigs. This biblical pattern is repeated by the history of major church transformations that have come at a time of deep division and crisis, rather than when things are going well.
- ❖ **Accepting responsibility for failures – conviction.** Change requires people to take responsibility. In the Bible change occurred when people not only recognised that the problems existed, but also accepted that they were in some way responsible, not just individually, but also corporately. As long as people externalise blame on others then nothing changes. David was convinced by the visit of the prophet Nathan and wrote: 'My guilt has overwhelmed me like a burden too heavy to bear'¹⁰. When the cock crowed and Peter realised he had disowned Jesus three times, he 'went outside and wept bitterly'¹¹.

Accepting responsibility for a situation is directly linked to our consciences. John White points out: 'No-one ever really changes for the better without somehow facing the truth' (1991:56). It may be painful to face the truth about ourselves or to tell the truth to other people.

- ◊ **Turning around – repenting and confessing.** When change is a response to past failure, there is a need for a conscious turning around and letting go of past behaviour, sometimes called repentance. Repentance is an unfashionable word today, not only in the secular society, but even in many churches. It is unpopular because it is so uncomfortable, perhaps because it is the nub of the change process. Repentance literally means ‘turning around’. Andrew Kirk says in the SMC publication ‘What is Mission?’ that repentance is ‘more than just emotions of sorrow, regret or remorse, but an act of the will, a deliberate turning away from a past life in order to embrace a new one’ (2003:19). Repentance is not just an individual process, but also a social one that may need to be undertaken as a group in order to prompt organisational change.
- ◊ **Grace is at the turning point of change.** There is a difficult choice at the turning point. Both Peter and Judas betrayed Jesus, but chose very different responses. Judas condemned himself and took his own life, while Peter repented and was forgiven, reinstated and transformed into the rock on which the church was built.

The concept of grace is right at the core of the biblical process of change. Grace is not simply a positive attitude, but it is an attitude that involves positive action. As God said to Paul: ‘My grace is sufficient for you, for my power is made perfect in weakness’¹². Grace is what empowers people to change. Paul wrote: ‘I worked harder than all of them – yet not I, but the grace of God that was with me’¹³. Grace is something that labours. It strengthens our wills and releases us from the paralysis of guilt. Grace can be defined as the divine power that causes me to be what God wants me to be and to do what God wants me to do. Yet grace does not subvert our free will – people can still choose to walk away.

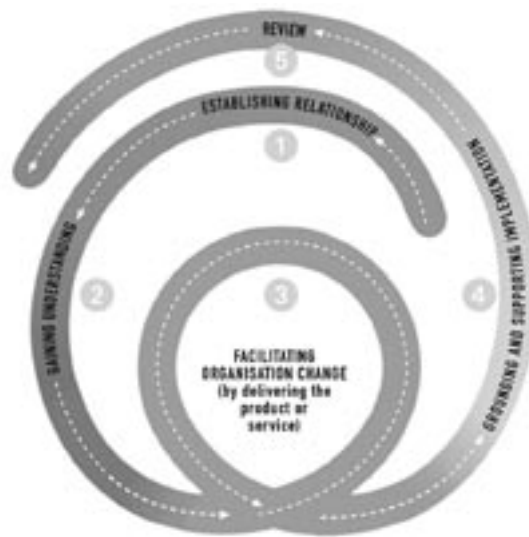
- ◊ **Forgiveness and Reconciliation.** Forgiveness is always part of a biblical process of change. Indeed forgiveness is central to the whole biblical narrative. The goal of Peter’s ministry to the Gentiles was ‘to open their eyes ... so that they may receive forgiveness’¹⁴. Even today forgiveness, both individually and corporately, is critical for change. As Desmond Tutu entitled his book on social reconciliation in post-apartheid South Africa, ‘there is no future without forgiveness’ (1999). Charles Handy, the management writer acknowledged: ‘It may sound odd for a professor of business to say this, but I reckon that our organisations could do with a deal more loving, a bit more forgiveness and a lot more faith in other people. Such things, however, in organisations are only possible if we feel we are in the grip of something bigger than ourselves’ (1991:78).

- ❖ **Taking action to change.** If there is no subsequent action taken, then there has been no genuine repentance and no real change. The Bible clearly mandates the importance of making restitution where this is possible. Numbers 5:7 says: 'He must make full restitution for his wrong.' In the New Testament, Zacchaeus offered to pay up to four times whatever he had stolen from people, as well as giving half his possessions to the poor¹⁵. Taking action to change may also involve making peace with other people. It also involves putting into practice Jesus' words to the adulterous woman: 'Go now and leave your life of sin'¹⁶.

Organisational Development Cycle¹⁷

Organisational Development can be usefully thought of as a process that goes through a series of stages. This process is sometimes called the Organisational Development Cycle. It is usually thought of in terms of the relationship between an external change agent (a consultant), but can also apply to an internal change agent too. An illustration of such a cycle is presented in figure 7 (see next page).

Figure 7 Organisational Development Cycle



This illustration emphasises the fact that successful developmental interventions start with (and are built on) relationship and end with a review process that leads to learning. Gaining understanding precedes any delivery of product or service. See more on the separate stages below (for further reading see Organisations and development – towards building a practice, 2002).

1. Establishing relationships

Relationship is at the heart of development itself. The developmental intervention takes place through relationship. The nature and quality of the relationship will have a major effect on the quality of the intervention, and the extent to which it achieves developmental objectives. At this stage of 'entry' into the organisation, a foundation for the process is laid, which among other things should include a written agreement contract about what will be done and who will take responsibility for what.

2. Gaining understanding

When intervening into organisations in order to facilitate change it is important to understand the unique nature of the organisation, as well as why it is the way it is. In order to facilitate positive developmental change it is also necessary to understand what will be required for the organisation to let go of its old ways in order to take on the new. This is a stage of information gathering, diagnosis or assessment, and planning for the change process.

3. Facilitating organisational change

The steps and activities required in facilitating organisational change are part of the larger process, and need to be conscious. It involves anticipating the unintended and the intended consequences of the implementation, as well as identifying forces that may resist or support change and devising a strategy to work with these forces.

4. Grounding and supporting implementation

The step of grounding and supporting implementation is important for all of those involved with the OD intervention in order to create ownership and awareness of the effects (intended and unintended) that it is having on the organisation. Regular reviews should be built in to the process and the feedback used to change the contract or redefine the issues, if required.

5. Review

In developmental interventions of any sort the delivery of product or service is not seen as an end in itself, but as a means of contributing towards change. There must be sufficient follow-through to encourage the client to maintain the implementation of the change process. This is part of the disengagement process. When handled well it reduces the likelihood of dependence and helps the organisation reflect on what it has learned.

³ Ahrne, G. (1994) *Social Organisations: Interactions Inside, Outside and Between Organisations*, Sage, London.

⁴ Developed by Alan Fowler INTRAC.

⁵ The 'Church' is used as a gathering term for all Christians in the world – for the community of churches, organisations and individuals.

⁶ Developed by Rick James, inspired by CDRA.

⁷ For further reading see: Taylor, James, 1998. *In Search of Identity – the Soul of an Organisation*. OD Debate, Vol. 2, No.2.

⁸ Inspired by Bearbuk, G (1972); Kruse, S-E (1999); Intrac; CDRA.

⁹ Exodus 12; 2 Kings 17:40-41, 2 Chronicles 28:1-4 and 22-25; Nehemiah 1; Daniel 5

¹⁰ Psalm 38:4

¹¹ Luke 22:62

¹² 2 Corinthians 12:9

¹³ 1 Corinthians 15:10

¹⁴ Acts 26:18

¹⁵ Luke 19:8

¹⁶ John 8:11

¹⁷ Taken from Taylor, J. 2002.

Putting OD into Practice

So far this booklet has outlined some useful models and perspectives for understanding organisations and of how people and organisations change. This section applies this to your practice. It outlines ten key elements to think about when you go into an OD process either in your own organisation or supporting one in another's. It is important to remember that OD affects people's lives, not just their work. Handle OD with care.

Implementing our values in our approach to OD

1. People-centered approach
2. Relationship-driven approach
3. Faith-based approach

Basic operational elements in a good OD process

4. Ensure leadership and organisational commitment to change
5. Contextualise the approach
6. Develop a clear, long-term change strategy
7. Support OD with other capacity building methods
8. Use and develop good local OD providers
9. Resource the implementation of change and follow through
10. Monitor, evaluate and learn

Implementing our values in our approach to OD

1. People-centered approach

Organisations are composed of people. Organisations will only change if people change. Personal experience tells us that change is a complex, dynamic process. It is emotional: at times exhilarating, at others frightening. But when we approach organisational change, we sometimes forget all this. We inadvertently treat organisations as lifeless objects - logical machines, not living systems.

Because organisations are made up of human beings, they develop their own culture. The organisational culture can be compared with an iceberg – only a small part of it is visible above the surface, the rest of it lays hidden below the surface but is still – more or less consciously – of great importance to the organisation’s work methods, priorities and behaviour.

OD is fundamentally a process of human change. Therefore good OD

- ❖ views people holistically. Individual and organisational behaviour are influenced by rational thinking and intellect, but also by emotion and even faith. Good OD practice consciously engages peoples’ emotions.
- ❖ sees self-awareness as a critical first step in change. We do not change unless we realise where we are. Self-awareness and reflection for individuals and organisations is essential in promoting change. It can vary from a formal organisational assessment procedure, to more informal notions of ‘taking stock’; to facilitated discussions of ‘Where are we?’ to intensely personal reflections, such as taking a ‘fearless moral inventory’.
- ❖ engenders hope and trust. OD has to bring hope and inspire people to change. This is necessary to overcome inherent human fear. OD will not occur without hope and trust.
- ❖ places values at the core of change. People and organisations change when there is a dissonance between their core values and their behaviour. A desire to align their behaviour with their values is what drives OD.

- ◊ takes a gender perspective on people and change. The way people behave and change in organisations is influenced by their gender. Yet gender is usually treated as a discrete OD topic, rather than being integrated into all OD work. Equality between men and women is important in all work. This is also true when working with organisational capacity and the processes of change. In many churches, communions and Christian organisations that the SMC works with, the majority of the members and supporters are women, while the majority of decision-makers and bosses are male. This is an important insight that the OD-work has to consider and deal with in the best way possible.

2. Relationship-driven approach

A fundamental principle of the SMC's work with OD is the focus on the partnership and affinity between organisations. One important aim is to strengthen relations, community and the bonds of cooperation between Swedish organisations and their partners in different countries. OD is not just about separate individuals or organisations, but is also about changing how they relate to each other – a collective process.

The idea of OD is to start a process where the organisations are given an opportunity to work on self-understanding, identity, aims, objectives, and their structure and work methods. The method is based on active participation and self-reflection within the organisations concerned. This process of reflection could take place in parallel within both the Swedish and partner organisations. During the process partners meet to discuss their results and how best to carry on together.

The focus on partnership means that the SMC does not regard OD as something that the Swedish organisation can “do to its partner”. In many documents about OD, it is described as a tool for organisations from North to increase their southern cooperation partners' efficiency. SMC does not share this view. The starting point instead, is that OD is needed within both the organisations in the North and the South, that the work should be led by an independent consultant, and also that the work could take place in parallel within both organisations and that there should be an ongoing and continuous exchange.

The formal and informal power relationships also affect OD work. It is not uncommon for an organisation in South to get financial support for their OD from a partner in the North. This then, consciously or un-consciously, gives the funding organisation a position of power relative to its partner. If these power relations are not handled correctly, they can prevent,

or obstruct, an open and creative process. This can be even more difficult when the funding organisation also wants to be involved in the OD itself. It is difficult to play both these roles at the same time without inadvertently also directing the process. In addition, during the initial process of identifying key questions, too much involvement by the funding agency can be a problem. There is a risk that this organisation's own interest in the process, for example: to get better written reports or more efficient evaluations, will become the focus of the process. It is important that organisations in the North understand this problem and learn to work with it. Otherwise, there is a risk that OD instead of strengthening will undermine and distort the power dynamics.

3. Faith-based approach

As a faith-based mission council, SMC believes the spiritual dimension to OD is essential, yet often ignored. If we believe there is a spiritual dimension to human life, and God has a role in changing human beings, we should take a faith-based approach to OD to make our actions consistent with our words. This is not an easy process, however, and there is considerable potential for it to be abused if spiritual authority is used as a disguise for human self-interest.

Faith-based OD builds on good practice. It is both important and professional to apply the considerable learning from many years experience with the private, public and NGO sector about what works and what does not work in facilitating organisational change. But there are also some important differences both in terms of content and process that make a faith-based approach to OD distinct. Our failure to apply these distinctive features to our work in the past may have severely constrained the effectiveness of our OD interventions. SMC believes that taking a faith-based approach to OD involves:

- ❖ Understanding the faith-based organisation (FBO) as being an integral part of a wider religious institution and the particular implications that has for its identity, governance and relationships.
- ❖ Including the wider religious institution within the FBO change process.
- ❖ Addressing common FBO organisational issues of strategy, leadership, culture and management systems.

- ❖ Exploring the meaning of what its faith-base means to the FBO client and the implications this has for its approach to development and its staffing.
- ❖ Integrating the OD process with the faith of the client.
- ❖ Applying the OD practitioner's own faith into the change process (Space for Grace explores the implications of applying personal faith to organisational change).

Basic operational elements in a good OD process

4. Ensure Leadership and Organisational Commitment to change

An OD process will only work if the organisation concerned has taken responsibility for the problem and has been part of the process of defining the need and solution. OD has to emerge from a recognized need of the parties concerned. If the parties involved do not see that there is something to gain from OD or if they feel they have too much to lose, then they will not be committed to it. As a result, little will change.

Authentic ownership and commitment can be attained only if the parties concerned are involved in the work from the start. We need authentic ownership because change requires commitment. OD shifts relationships and power, which disturbs the comfortable status quo. An organisation's leadership and board are critical players. If they do not engage in the process and give it legitimacy and energy, it is not likely to be successful. On the other hand, there is also a risk in managing the process solely from above without the members, or grass roots, being involved. Ownership and commitment is important at all levels within the organisation.

Preferably, the initiative should come completely from the organisation itself. OD is not something that can be done to an organisation without its agreement and the active involvement of its members. Acquiescence to a process is not the same as ownership.

5. Contextualise the approach

OD does not take place in a vacuum, but in a specific context. All organisations exist in a surrounding context that establishes the norms and conditions under which they must function. OD needs and solutions are powerfully influenced by both the culture and the

context. For example, throughout sub-Saharan Africa the onslaught of HIV and AIDS is decimating capacity forcing organisations to address new and complex needs. Experience from countries in 'transition', emerging from a long period of autocratic rule, are likely to have particular OD needs in terms 'collective decision-making' and leadership development.

The development sector inherently involves situations where people work across cultures and contexts. When facilitating OD processes those from different cultural backgrounds therefore need to be particularly aware of the way they interpret and respond to diverse organisational situations. It is important to start by respecting local forms of knowledge; exploring what OD means in each particular culture; and identifying the safe, comfortable forms of inclusive reflection, learning and change that already exist.

6. Develop a clear, long-term change strategy

Taking a strategic approach to OD means that interested parties must have a clear understanding of what they want to achieve through the process. Early on in the process, people must have a clear understanding of what they want to achieve thorough OD. It is important to first identify which questions are of immediate interest and explore some of the deeper issues behind them. There needs to be a desire for a change which people are committed to. A knowledgeable consultant or facilitator, experienced in leading such a process of change, can be of great assistance during this process.

Another important aspect is time. Change takes time and an OD-process cannot be forced to happen but has to be allowed the time it needs. More technical capacity development efforts can be scheduled and carried out in a short time, but a successful OD-process has no clear end – learning and development becomes a natural part of the organisation's life. OD is about conscious, not un-conscious change and builds on self-reflection and active work on and within the organisation concerned. The focus is on humans and relationships – not on physical resources. The work method is process-focused rather than the expert approach – it is a question of a long-term and continuous process of change, rather than ready-made solutions and quick results.

7. Support OD with other capacity building methods

Capacity building takes place through a wide variety of methods and that indeed this variety is necessary. OD is just one method. Other capacity building methods can reinforce OD.

Using a mixture of methods is more likely to promote change. These include:

- ❖ Modular training. When training takes place over a period of time with space between inputs this can be more effective than traditional one-off training courses. This space between inputs allows participants to digest, apply and implement the learning from the training inputs. It also provides the opportunity for support from mentors or peers between modules.
- ❖ Coaching and mentoring are increasingly popular capacity building methods and are important in supporting OD processes. Coaching and mentoring are seen as particularly useful methods for working with senior managers who have reached a certain stage in their career (when attending formal training courses has less impact).

8. Use and develop good local OD providers

Good practice OD often benefits from having external providers. It is usually even better if these providers are local. Local providers tend to understand the context and culture better; are on-hand to provide necessary follow-through and contribute to sustainable local provision of services. In many places, however, there is a lack of good quality local OD providers. This is why it is so important to use those that do exist and develop others.

External OD providers who know the context well are important assets. In this case, it is important for this person to receive their assignment directly from the organisation and not from a donor.

An OD provider must have the competences, personal qualities and experience in leading this kind of processes. They should have a good understanding of organisational behaviour, have the ability to listen and interpret different opinions that will arise.

9. Resource the implementation of change and follow through

Good practice OD focuses on the implementation of change, not just the planning of it. We need to resource the management of change and follow through, not just the OD events.

Too often only the planning stage gets funded. Donors fund OD events, such as strategic planning sessions. But then the funding stops. There is often nothing planned or provided for the change process itself. But the real work of change, which only takes place back in the organisation, has not yet begun.

We all have experience of participants returning inspired from training, but either the weight of work, or the lack of opportunity or authority inhibits any change. We know organisations that have planned to change their strategy and drop certain activities, only to get overtaken by the need to secure funding to pay salaries. But our individual and organisational busy-ness precludes OD. We expect quick immediate results preferably with numerical proof of impact. But the opportunity to implement change needs time.

10. Monitor, evaluate and learn

We need to find out what difference the OD is making through regular monitoring and periodic evaluations. These evaluations need to go beyond describing the events that took place to assess what has changed and why and what can be learnt from this (see Directions for SMC's work with Evaluations 2003).

We need this information for decision-making, learning, and accountability. We need to reflect on and learn from our experiences in order to change and improve our OD work in the future. The aim of OD is to help an organisation become better at developing internally by learning from experience – to consciously and continuously learn from their own and others experience and to adjust to a changeable surrounding world. To become a “learning organisation” is central to OD (see Bruce Britton Learning for Change 2002).

Measuring changes in organisational capacity is certainly not an easy task. But the ‘best’ is easily the enemy of the ‘good’. Frequently, extremely time-consuming and expensive monitoring and evaluation processes are designed, but never implemented. Clearly there are major issues around attribution or difficulties around measuring intangible changes in relationships, but these can be mitigated to a degree. It is better to undertake a more limited and qualified evaluation, rather than none at all. Even basic impact assessment can add real value to the OD process.

Summary Checklist

Ten core questions to ask yourself are:

1. Are we taking a people-centred, gender-aware approach?
2. Are we addressing issues of power and relationships?
3. Are we taking a faith-based approach?
4. Have we ensured leadership and organisational commitment to change?
5. Are we taking a contextualised approach?
6. Are we taking a strategic approach?
7. Are we supporting OD with other methods?
8. Are we using and developing local OD providers?
9. Will we resource the implementation of change and follow through?
10. How will we monitor, evaluate and learn from this process?

Getting started with SMC

Talk to the SMC staff

Please do not hesitate to contact the SMC staff for more information and ideas about initiating an OD process. SMC is committed to helping its members and their partners by:

- ❖ Increasing knowledge and awareness about OD
- ❖ Supporting long-term OD processes with the support of experienced facilitators
- ❖ Providing advice on design and implementation of OD projects

Read the SMC series of booklets

2/2004 – Creating Space for Grace by Rick James

1/2004 – Reflections on current thinking on spirituality in organisations by Rick James

6/2003 – Directions for SMCs work with evaluations

5/2002 - Learning for change by Bruce Britton

3/2002 - Organisations and development - towards building a practice by James Taylor

2/2002 - What is Mission by Andrew Kirk

Available for download on <www.missioncouncil.se/material_english>.

Use “The Network – a tool for participatory self-analysis of organisations”

SMC has developed a tool for self-assessment of organisations. It is based on the set of values and principles presented in this booklet, and could prove a good starting point for organisations aiming at initiating an organisational change process.

Available for download on <www.missioncouncil.se/the_network>.

Search the SMC resource database

SMC is developing a database of resource organisations and people. It is a coordinated approach where SMC attempts to make collective experience and knowledge available within the whole of SMC network.

Available for search on <www.missioncouncil.se/resursdatabas>.

Useful Literature

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Glossary

The following is a review of some central concepts, their meaning to SMC and areas of use:

Capacity

Capacity is an umbrella term for the knowledge and resources that exist or can exist within an organisation. Capacity in this context means an organisation's ability to function as a strategic and interdependent unit with a high degree of resilience. The emphasis is on the capacity to organise, rather than to carry out certain tasks (especially according to the specifications of others), despite the fact that the latter ability is clearly and obviously an important element in organisational capacity.

Competence

Competence is the ability to do something with ones capacity, to handle a situation, to be able to plan in advance and to see the consequences of ones actions. The ability to see and understand one's problems and to manage to do something about them. A competent organisation is an organisation that efficiently fulfils and further develops its aims and objectives, within the framework of given resources. Competence is not just the ability to do something but also requires a will – to want to and to be able to do something. When using the word competence about people we talk about both formal and social competence – there are thus different perspectives on this. In today's society that is becoming increasingly individualistic, competence has become an important means of competition when competing or fighting for jobs and positions. It is interesting that the Latin word "competare" actually means "being eager together". It suggests unity and community more than competition.

Capacity building

Capacity building (CB) is a broad term that includes different forms of development with the aim of increasing an organisation's efficiency and sustainability. It can relate to everything from an extensive work-through of the whole organisation's function and capacity to the development of some specific technical competence, personnel support or some forms of financial support.

Organisational development

Organisational development (OD) is one form of capacity building related to changes within an organisation. A planned change that aims to increase the organisation's capacity for learning, awareness and self-understanding, so the organisation becomes better equipped to take control over its situation, activities and future. Different forms of more targeted capacity-developing efforts, as above, can come in as tools in the OD-work.

Organisational analysis

Organisational analysis (OA) is a systematic appraisal of an organisation's capacity and function. It is normally done by the organisation itself, with the help of a consultant supervising the process. The aim is to get a close-up of the organisation, where its strong and weak points are clearly visible. An organisational analysis is often made as an introduction to a more extensive OD-process, in order to identify the areas within the organisation that need work. Sometimes an organisational analysis can be clear enough for the organisation then to be able to continue the work on its own.

Organisational development process

Organisational development process (OD-process, OD-intervention, OD-consultancy) is the process through which an organisation starts to work on the challenges identified by the organisational assessment and the changes that need to take place. This often takes place with the help of an OD-consultant who, in a smooth and sensitive way, helps move the process forward. The process often starts by carrying out an organisational assessment looking at the 'whole' picture in a participatory way.

Institutional development

Institutional development aims at work directed to the surrounding context or environment where an organisation is located. An institution consists of patterns of behaviour in society; it can for instance be the school system or marriage as an institution. The difference between an organisation and an institution is that an organisation is a target-oriented, structured and regulated social unit, while the institution consists of norms, values and patterns of behaviour in wider society. All organisations are dependent of these norms and patterns for their survival. Organisations can be said to be the players and the institutions the rules of the game in society. Institutional development here relates to work to improve the conditions for NGOs in a country, to work with advocacy in challenging certain societal norms or values, or to work for political reforms regarding for example, human rights.

Organisations that want to retain their legitimacy and continue to contribute to positive changes in society must have the ability to adjust to changing circumstances. They must be able to adapt their strategies when the situation of their target group changes. They have to be able to understand and adjust to new political situations and to actively work for influencing possible change. At the same time, each organisation must be able to maintain a certain continuity and stability in its work methods and relationships. This places high demands on both the organisation and its leaders – and it is here that OD comes into play.

Change is more difficult than we think. The organisations we work with tend to change as little as they have to. To promote authentic change in our organisations we need to learn from the experiences we have. This booklet shares some of the models and practices that Swedish Mission Council (SMC) have found useful in their organisational development (OD) work. This booklet explores important questions such as:

- ❖ What are the core elements of organisations?
- ❖ How do they develop and change?
- ❖ What are the key elements of good practice in OD?



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